



V.I.G. – A Solid Ship in a Stormy Market

Prague Roadshow – 07 April 2009

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A Investment proposition

B Growth potential in CEE and Austria

C Business initiatives

D Reinforced performance

E YE 2008 results – highlights and dividend

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Investment Proposition at a Glance

V.I.G. set two strategic milestones

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Milestone 1

§ V.I.G. - Pioneer in CEE; start of expansion in 1990

- “Big fish in a small pond”
- Going east immediately after the fall of the iron curtain due to potential of emerging markets and geographic proximity

Story

§ V.I.G. - Progressing on the path of growth

- Successful track record in exploiting growth potentials
- Continuous expansion of its business areas and geographic regions
- 13.8% market share in CEE¹ – clear no. 1

Milestone 2

§ V.I.G. - Extending distribution power

- Acquisition of Erste Group insurance operations
- Long-term distribution agreement with Erste Group

Footprint



● Core Markets

§ YE 2008: CEE share already ~50% of premiums

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

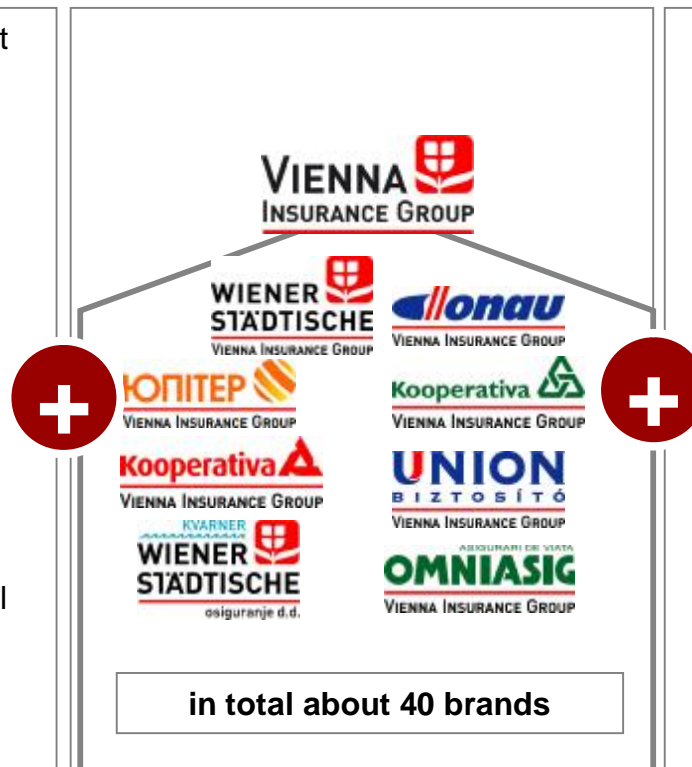
V.I.G. Management Approach

Success in CEE is based on three cornerstones

Steering Approach

- § Each board member of VIG parent has direct responsibility for CEE countries
- § V.I.G. board members closely involved in management of subsidiaries to build up know how and for quick decisions
- § Local incumbent management is responsible for sales and profitability - usually one board member delegated from Austria
- § Capital
 - available capital concentrated at parent level
 - allocation to Group companies according to their needs to fund organic growth

Multi-Brand



Multi-Channel

	Tied agents	Banks	Brokers	Other
A	ü	ü	ü	ü
CZ	ü	ü	ü	ü
SK	ü	ü	ü	ü
RO	ü	ü	ü	ü
CRO	ü	ü	ü	ü
H	ü	ü	ü	ü
SER	ü	ü	ü	ü
UKR	ü	ü	ü	ü

These three cornerstones differentiate V.I.G. from most of its competitors

Management – The Czech Example

Multi-brand & multi-channel provide best customer access

Multi-Brand



- § Founded in 1990/91, largest V.I.G. CEE subsidiary
- § Second largest insurer in CZ



- § Acquisition in 2005
- § Cooperation with postal offices and affinity groups
- § Particularly strong in rural areas



- § Acquisition in 2008
- § Focused on life business, distribution of products via CS
- § Potential of more than 5mn CS customers

Multi-Channel

	Tied agents	Banks	Brokers	Other
Kooperativa	Ü	Ü	Ü	Ü
CPP	Ü	○	Ü	Ü
PCS ¹	○	Ü	○	○

Advantages of V.I.G. management approach

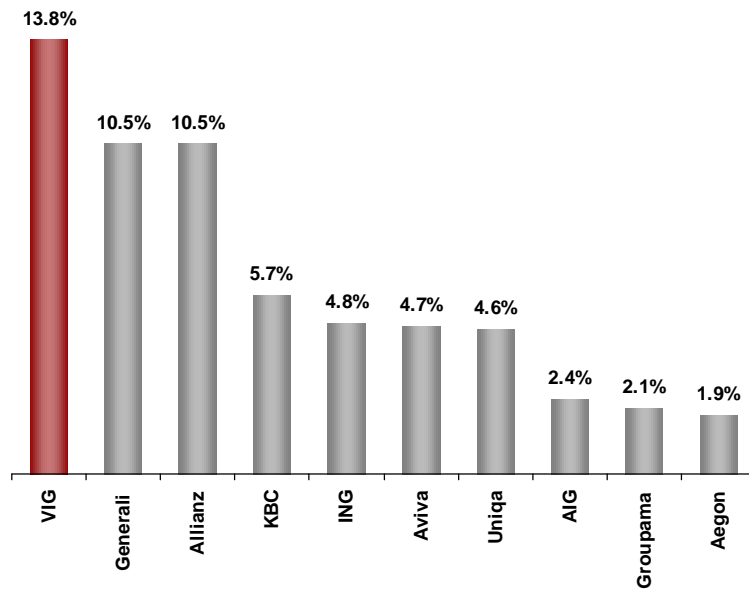
- § Retain loyalty of employees and management, customers and affinity groups
- § Strong brand awareness thus each brand attracts respective target group
- § Strongly supports multi-channel-distribution
- § Shared services concept for synergies

¹: pure bancassurance

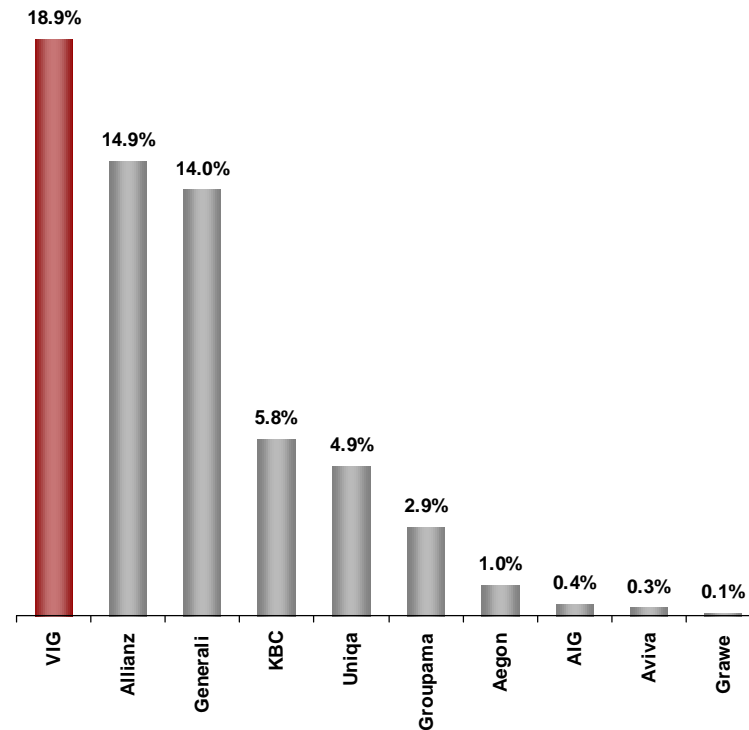
V.I.G. – A Leading Insurer in CEE

No. 1 position in its core markets

Total Market Share in CEE¹



Market Share in CEE¹ Non-life



Source: National insurance associations of the respective countries as of 9M 2008

¹ CEE is defined as: Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania and Slovakia; interim data for Serbia n.a.

Note: All market shares in this presentation are based on industry statistics and define the markets from a production perspective. Please note that this perspective does not necessarily coincide with market definitions used for marketing research purposes, e.g. studies on customer demand, or merger control purposes.

A Solid Ship in a Stormy Market

V.I.G.'s main features

A 8

**Strong profitable growth
and attractive shareholder returns**

First-mover advantage
in CEE with strong
market share and
power to shape
market

Comprehensive
distribution
network with
diversified sales force

Innovative products
under continuing
insurance demand

Strong balance sheet and conservative investment portfolio

A Investment proposition

B Growth potential in CEE and Austria

C Business initiatives

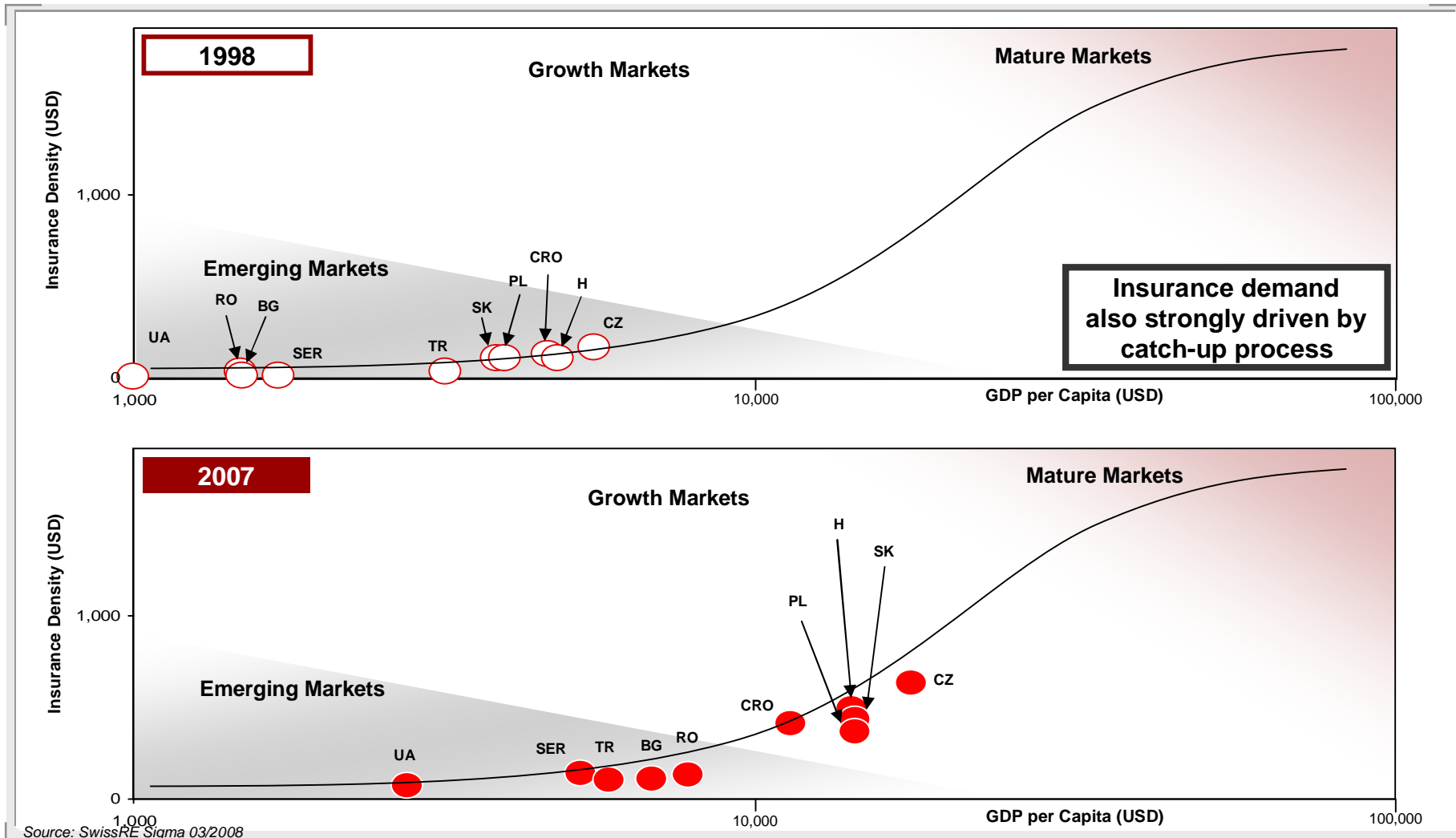
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V.I.G. Business Model Still in Place (I)

GDP growth and underpenetration are insurance drivers

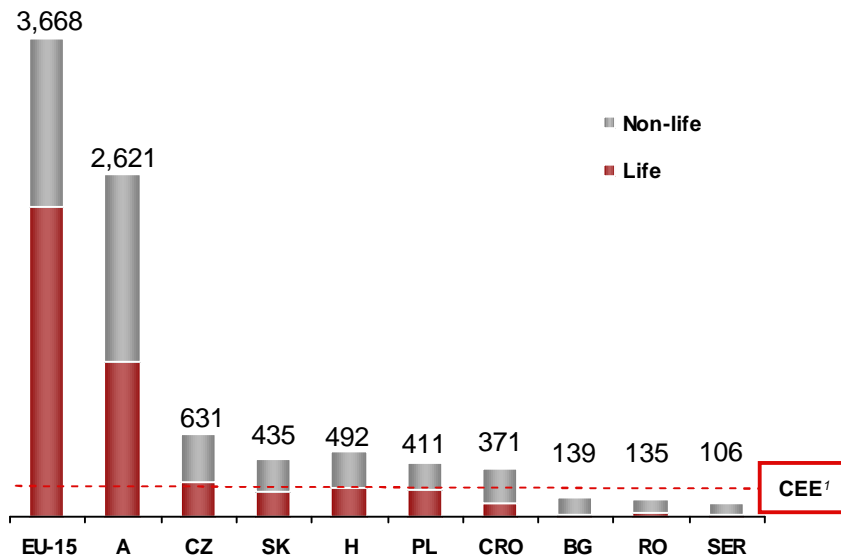


Source: SwissRE Sigma 03/2008

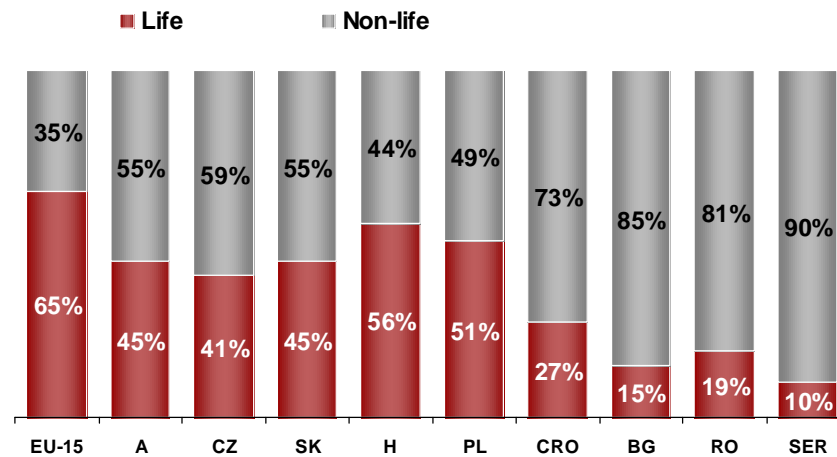
V.I.G. Business Model Still in Place (II)

Catch-up potential in CEE in Non-life and Life

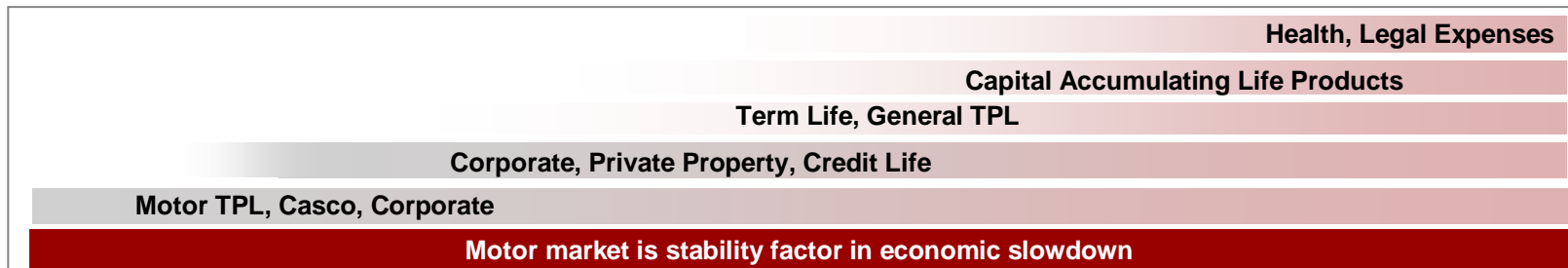
Insurance Density 2007



Proportion of NL & L in CEE Markets



Product Demand Timeline



1: weighted average of CZ, SK, H, PL, CRO, BG, RO, SER; Source: Swiss RE Sigma 03/2008

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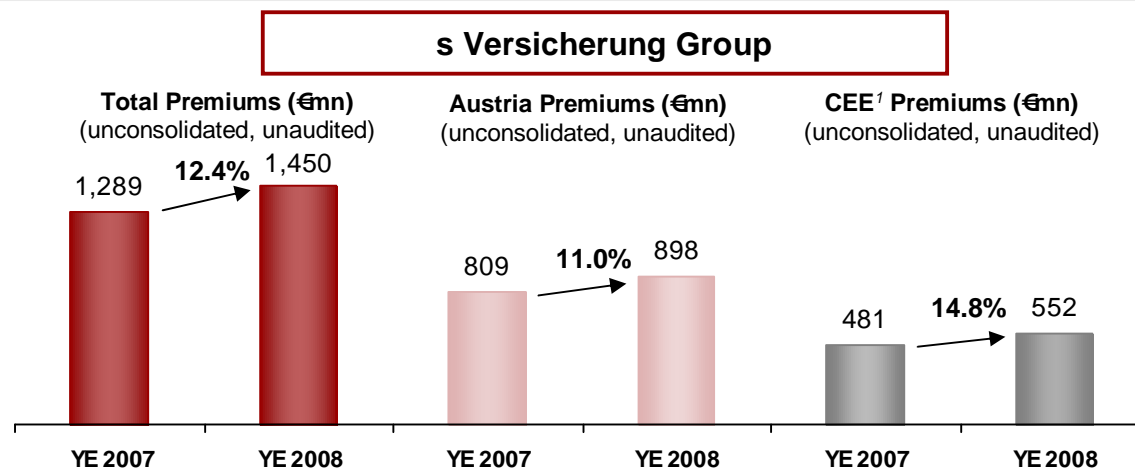
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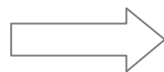
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Cooperation with Erste Group (I)

Mutuality beyond acquisition of insurance operations



Mutuality is the key success factor for the cooperation



- § Sale of 95% of Ringturm AM company to Erste Group; V.I.G. to keep 5% stake
- § Basis for broader cooperation in asset management
- § Erste Group offering particular know-how and distribution power



- § Mutual cooperation in leasing business with Erste Group in Austria, both Groups have a 50% stake in EBV Leasing
- § EBV Leasing has largest distribution network of the industry in Austria and is market leader in the banking and insurance distribution channel

1: incl. BCR Asigurari and BCR Asigurari de Viata

Cooperation with Erste Group (II)

Building on existing mutual cooperation

Mutuality in cooperation creates win-win situation for both partners

- § Similar mindset and corporate culture
- § Existing exemplary P&C cooperation with Erste Bank in Austria and CEE

The Czech example:

- § Ceska sporitelna is the largest external provider of personal lines non-life insurance products for Kooperativa
- § Ceska sporitelna is important distribution channel for travel insurance

- § Kooperativa became the largest external agent for bank products for Ceska sporitelna (CS)
- § Kooperativa arranges mortgage loans for CS
- § Cooperation between Kooperativa and CS also in asset management

New Business Initiatives (I)

Combined forces of know-how and distribution



Joint Venture

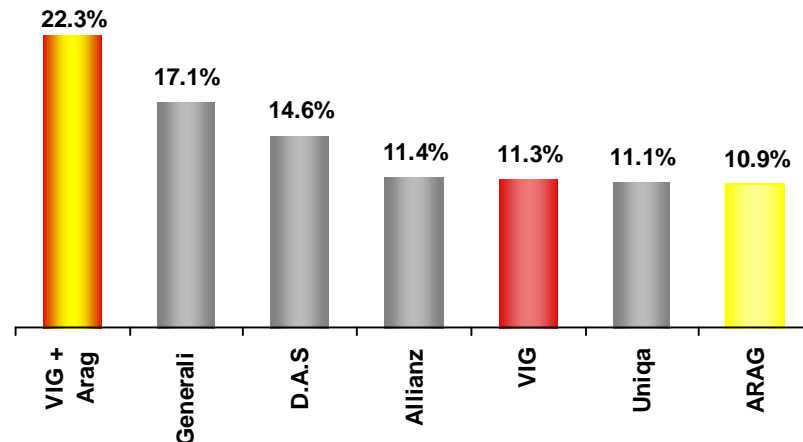


- § A leading insurance Group in CEE
- § Enormous distribution power

- § Leading legal expenses insurance Group worldwide
- § More than 70 years of experience in legal expenses insurance
- § GWP of about € 1.4bn, 3,400 employees worldwide

Market Share in Legal Expenses Insurance YE 2007¹ (%)

Austria



- § Letter of intent for cooperation signed
- § Start of joint venture in Austria, combined premium volume of € 83.7mn at YE 2007 – new no. 1 in Austria
- § Step-by-step expansion into CEE markets, start in CZ, to be followed by rollout into SK, PL, HU, SLO
- § Total long-term premium potential in CEE of more than € 500mn

1: Source: VVO

New Business Initiatives (II)

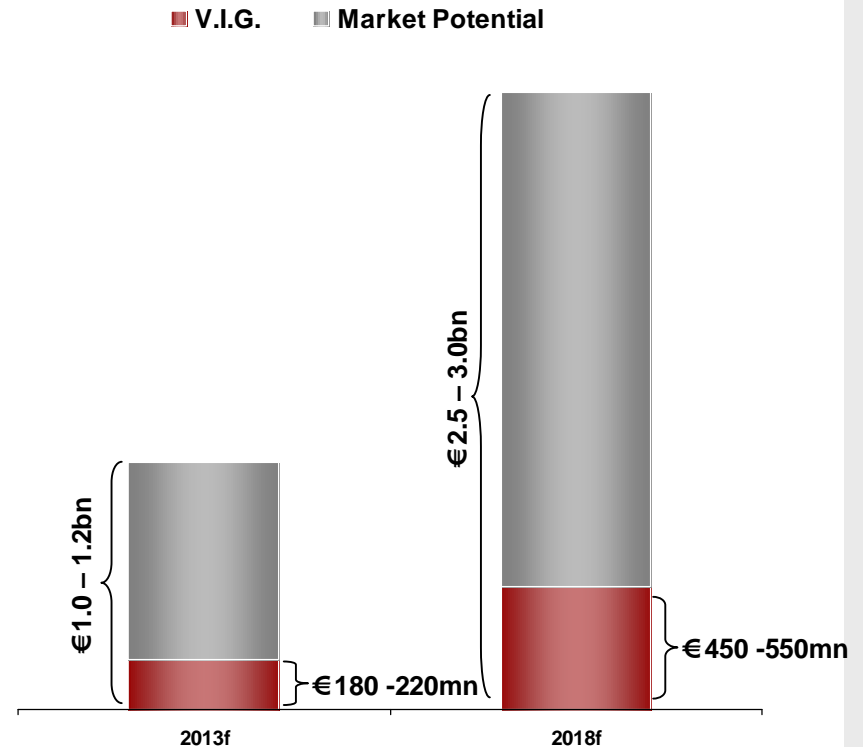
Upcoming demand for private health insurance in CEE

Health Business in CEE

V.I.G. exploits further growth potential in CEE

- § Health business as new business line in CEE
- § Start of sales promotion in CZ; thereafter step-by-step expansion into SK, PL, RO and HU
- § CEE region underpenetrated in private health insurance business compared to Western Europe
- § Increase in private health spending expected
- § V.I.G. premium potential of about € 180 – 220mn per annum estimated within the next 5 years

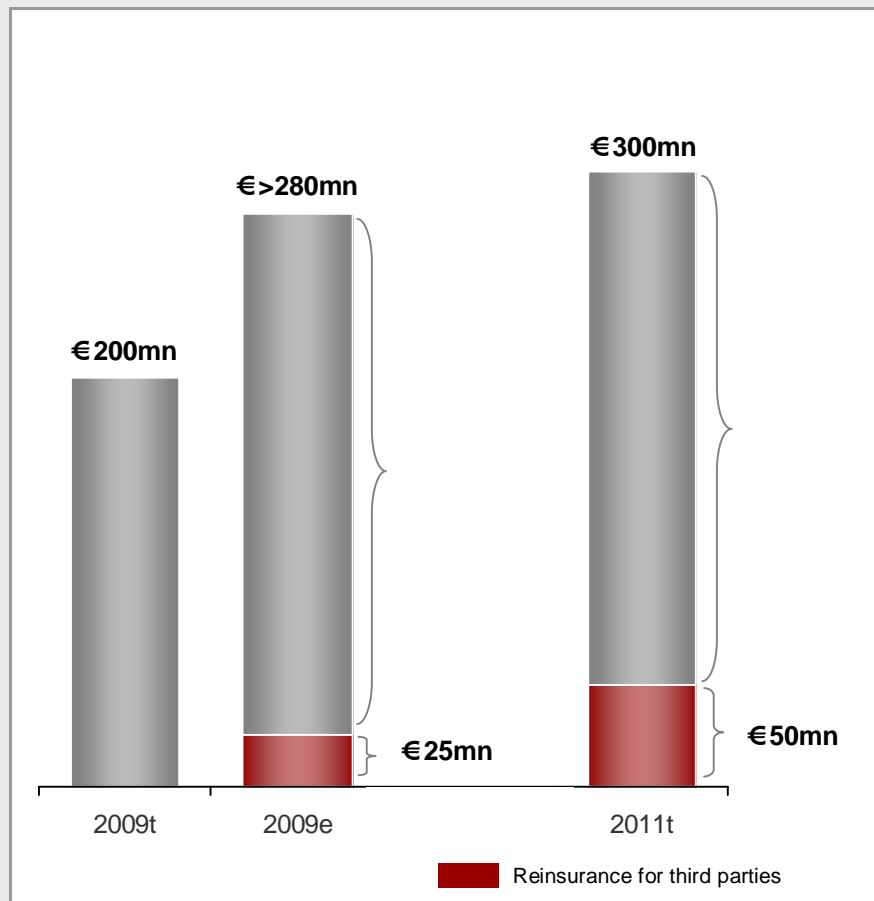
Market Potential



VIG RE – Update

Progressing ahead of business plan

VIG RE – Development



Source: Company data

Key Considerations

- § To leverage longstanding market knowledge and strong CEE footprint – incorporated in Czech Republic
- § Pooling of V.I.G. reinsurance volume in order to avoid inefficiencies
- § VIG RE covering only moderate insurance risks, e.g. no net exposure to natural disasters

- § Estimated premium volume of at least € 280mn in 2009 outperforming original business plan
- § € 25mn premium volume originated already from non-V.I.G. companies
- § RoE of ~20% after 3 years: expectation confirmed

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Reinforced Financial Performance

Efficiency programme and capitalisation

Action Programme

External and internal benchmarking analysis shows cost savings potential of at least €100mn

- § Cost savings target of at least €100mn, to be exploited by the end of 2010
- § Accelerated efficiency programme in CEE
- § Includes companies in CEE (in particular PL, RO, SK) and Austria

Capital Position

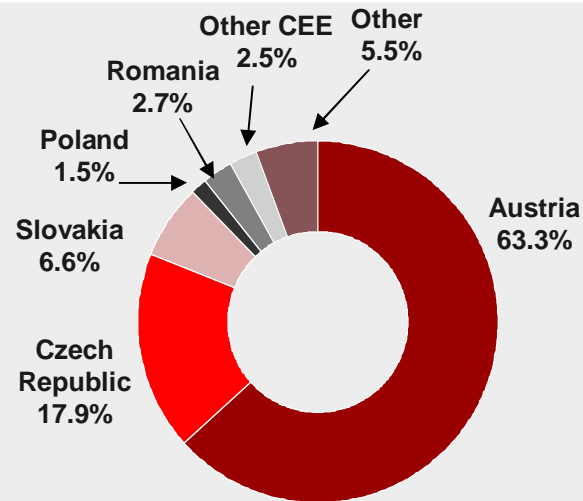
- § Capital kept stable since SPO 2008
- § S&P rating of A+ recently confirmed
- § V.I.G. intends to issue¹, within the scope of the existing hybrid bonds programme, the emission of a second tranche with a volume of up to €250mn

1: Not for distribution in the United States, Canada, Japan and Australia

Diversification (I)

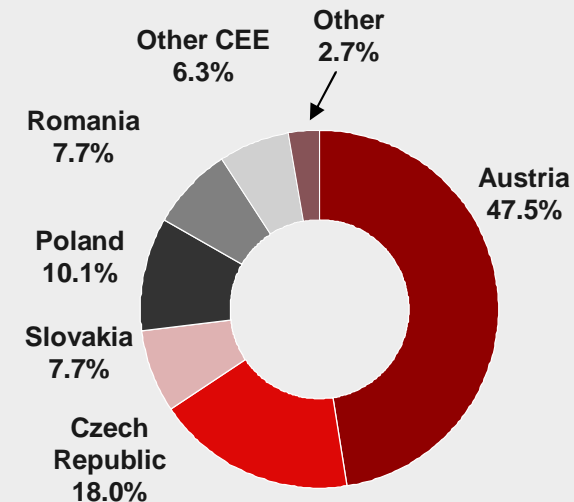
Basis of business origination substantially widened

GWP by Geography YE 05



YE 2005 Total: €5.0bn

GWP by Geography YE 08



YE 2008 Total: €7.9bn

- § V.I.G. has attained a much wider array of premium origination within a relatively short period
- § Austrian business reduced to less than 50%
- § Non-life business (60%) still dominates portfolio

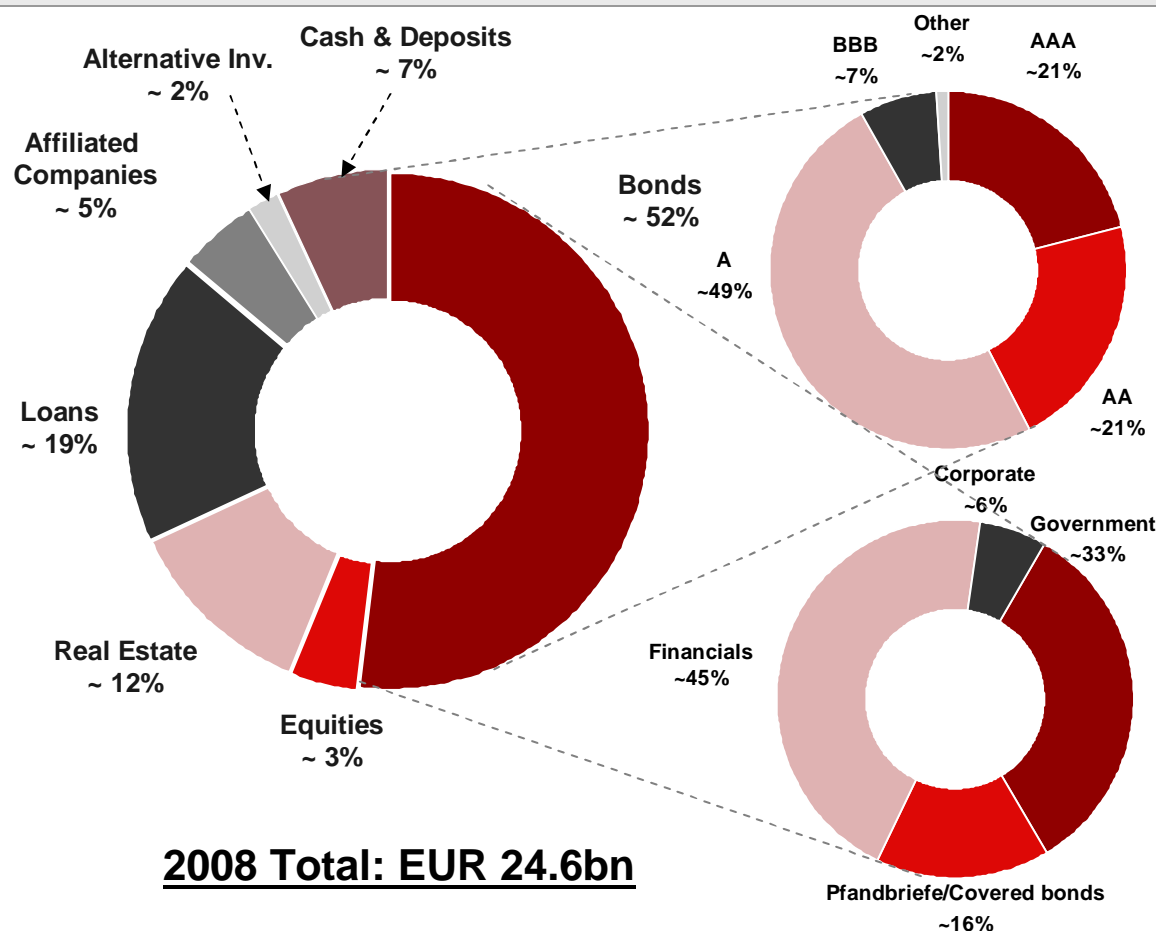
Diversification (II)

YE 2008 investment split – V.I.G. follows a prudent risk policy

Investment policy

- § More than 50% of real estate with regulated Austrian housing societies; remainder also largely in Austria and property used by VIG itself
- § Bond portfolio well diversified, mainly in Western Europe
- § Investments mainly denominated in EUR; CEE premiums invested in local currencies, thus natural hedge
- § Share of CEE investments is € 4.8bn, largely in CZ and SK
- § VIG has no US-subprime investments, monolines or CDOs
- § Tier 1 exposure of about 1.5% - 2% of total investments (no US risk)

Portfolio Overview



1: Government and government guaranteed

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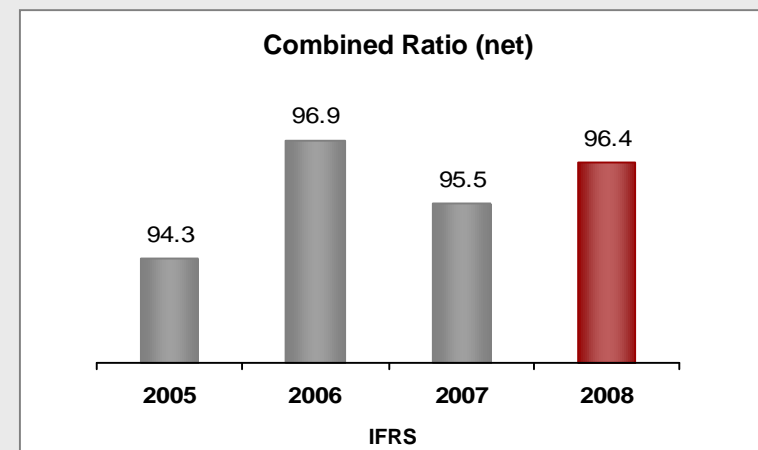
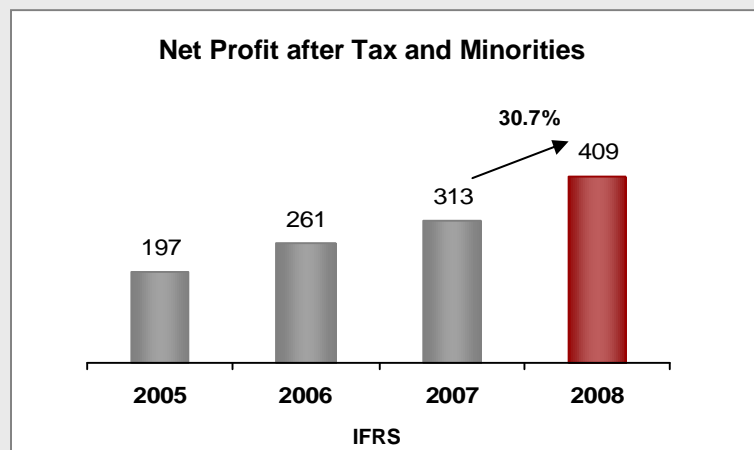
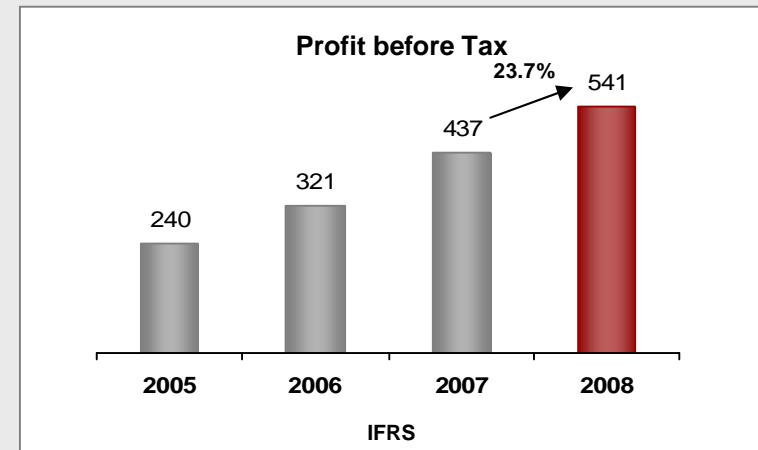
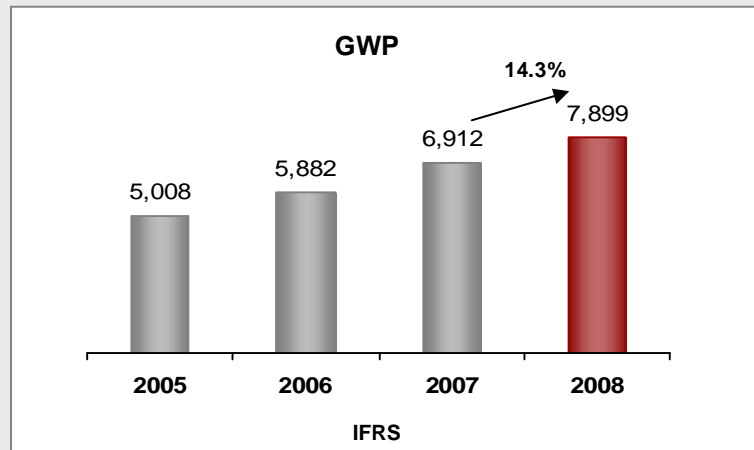
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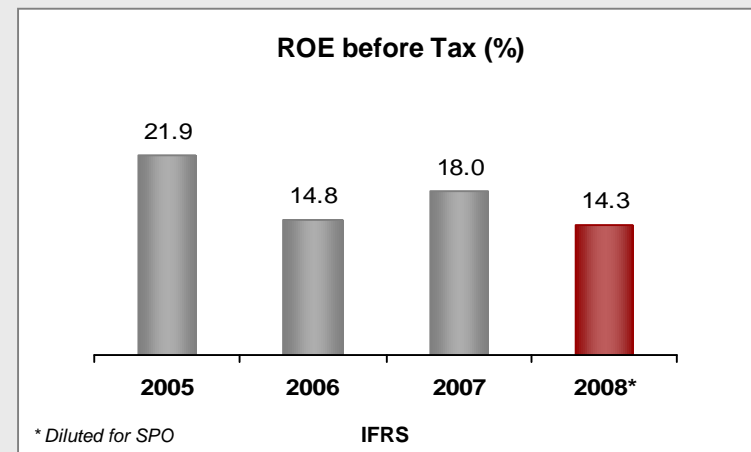
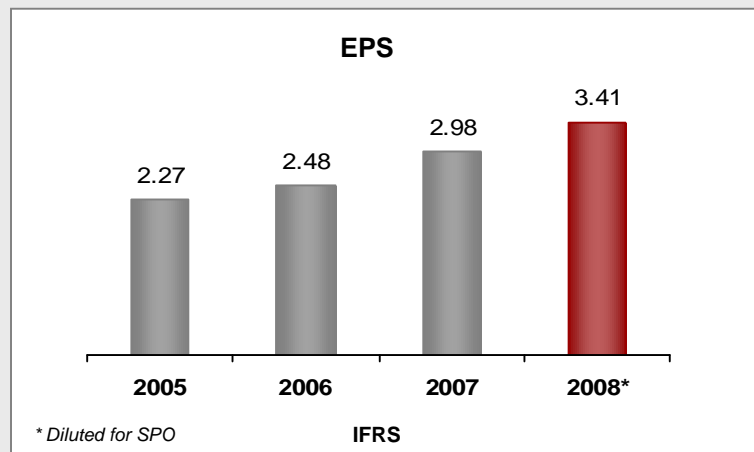
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YE 2008 Financial Highlights (I)

Excellent top and bottom line performance



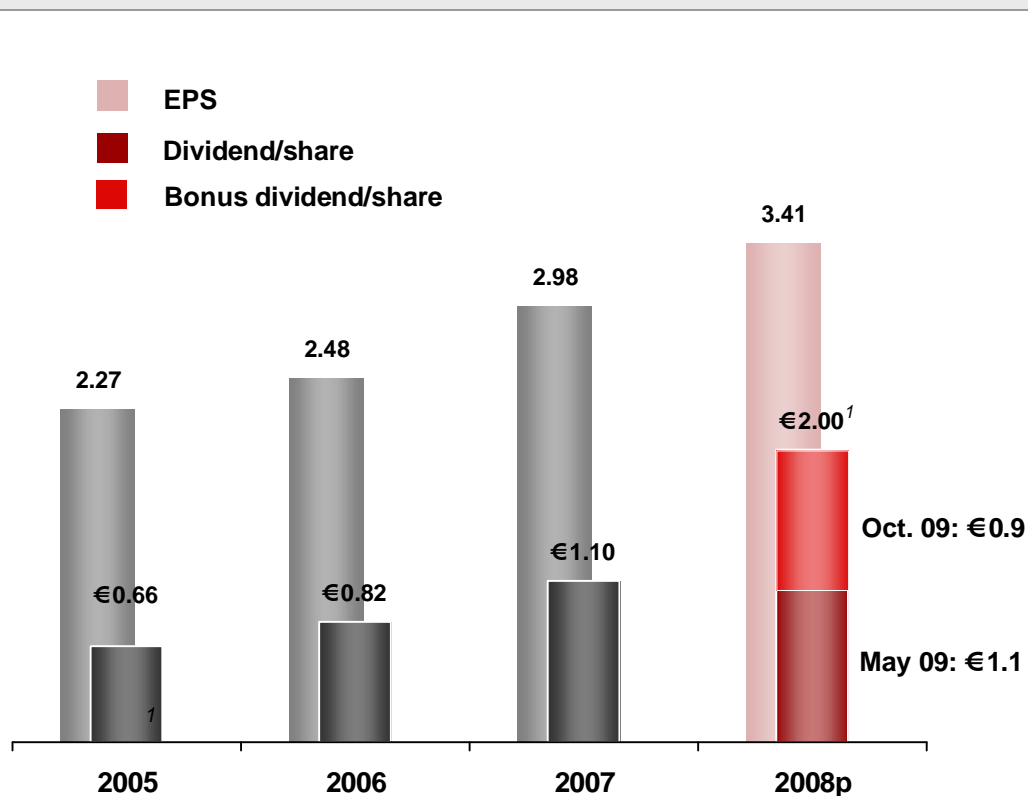
YE 2008 Financial Highlights (II)



Dividend

Attractive bonus dividend almost doubles original plan

Development of Dividend



Comments

- § Basis dividend for 2008 kept stable at € 1.1 per share
 - § Bonus dividend of 90 Cents per share as a reward for loyal shareholders and those joining V.I.G. in difficult times
 - § Total dividend of € 2.0 providing attractive return for shareholders
-
- V.I.G. dividend policy is defined as a payout ratio of min. 30% of Group net profit

¹ Proposed dividends for 2008 subject to approval by AGM

2M 2009 Business Trend

Preliminary GWP for 2M 2009 (local FX, mn, unconsolidated, unaudited)

	Non-life			Life			Total		
	2M 2009	2M 2008	+/-%	2M 2009	2M 2008	+/-%	2M 2009	2M 2008	+/-%
Austria	536.8	523.9	2.5%	340.7	262.0	30.0%	877.5	786.0	11.7%
Czech Rep.	6,397.1	6,010.0	6.4%	2,507.2	1,513.2	65.7%	8,904.3	7,523.2	18.4%
Slovakia	98.8	98.6	0.2%	46.5	40.9	13.5%	145.3	139.5	4.1%
Poland	292.7	260.8	12.2%	208.2	199.9	4.1%	500.9	460.7	8.7%
Romania	478.7	497.7	-3.8%	38.8	29.6	31.2%	517.5	527.4	-1.9%
Other CEE									
Hungary	4,429.1	2,943.1	50.5%	3,196.2	3,173.7	0.7%	7,625.3	6,116.8	24.7%
Croatia	72.3	71.6	1.0%	65.6	46.5	41.2%	137.9	118.1	16.8%
Serbia	322.1	385.7	-16.5%	204.6	195.3	4.8%	526.7	580.9	-9.3%
Bulgaria	67.5	41.3	63.5%	4.2	2.4	76.8%	71.6	43.6	64.3%
Ukraine	63.7	83.3	-23.5%	1.0	1.6	-37.0%	64.7	84.8	-23.8%
Turkey	19.2	23.0	-16.4%	-	-	-	19.2	23.0	-16.4%
Other									
Liechtenstein	-	-	-	7.3	48.1	-84.9%	7.3	48.1	-84.9%
Germany	14.4	13.9	3.4%	9.1	9.0	0.5%	23.4	22.9	2.3%

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YE 2008 Income Statement

IFRS (€mn)

	YE 2008	YE 2007	+/-%
1. Gross written premiums	7,898.9	6,911.9	14.3
2. Net earned premiums	6,961.6	5,941.7	17.2
3. Net investment income	918.1	1,002.6	-8.4
4. Other income	127.5	52.0	>100
Total income	8,007.2	6,996.3	14.4
6. Expenses for claims incurred	-5,607.4	-5,031.5	11.4
7. Operating expenses	-1,562.1	-1,345.1	16.1
8. Other expenses	-296.9	-182.4	62.8
Total expenses	-7,466.4	-6,559.0	13.8
Profit before tax	540.8	437.3	23.7
Taxes	-98.5	-88.4	11.3
Net profit before minorities (Profit for the period)	442.3	348.9	26.8
Minorities	-33.8	-36.3	-6.7
Net profit after minorites	408.5	312.6	30.7

YE 2008 Balance Sheet

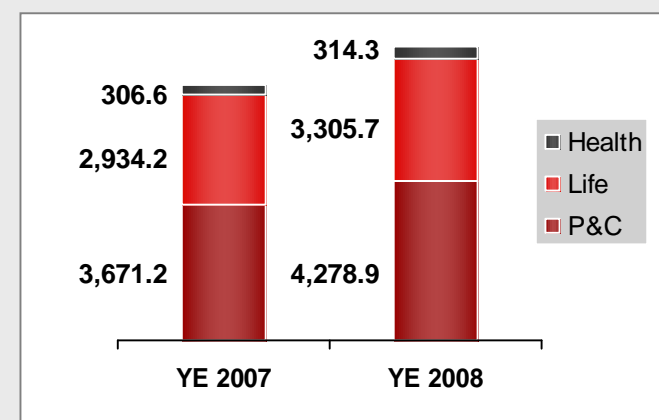
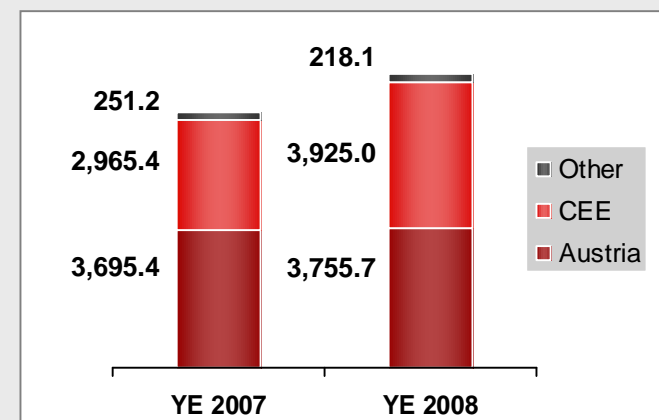
IFRS (€mn)

	YE 2008	YE 2007	+/- %
Intangible assets	1,649	525	>100
Total investments	24,548	20,171	21.7
Unit- and index-linked investments	3,602	3,066	17.5
Reinsurers' share in technical provisions	1,222	1,187	3.0
Receivables	1,500	1,200	25.0
Deferred tax assets	131	34	>100
Other assets	393	285	38.2
Cash and cash equivalents	619	278	>100
Total assets	33,665	26,745	25.9
Shareholders' equity	4,139	2,616	58.2
<i>thereof minorities</i>	267	277	-3.8
Subordinated liabilities	501	443	13.2
Technical provisions	21,682	17,092	26.9
Unit- and index-linked technical provisions	3,347	2,949	13.5
Non-technical provisions	752	795	-5.4
Liabilities	2,843	2,689	5.7
Deferred tax liabilities	141	81	75.2
Other liabilities	260	82	>100
Total liabilities and equity	33,665	26,745	25.9

YE 2008 P&L Major Items – Gross Written Premiums

Sustained strong premium growth in CEE (€mn)

	Non-Life		Life		Total	
	YE 2008	YE 2007	YE 2008	YE 2007	YE 2008	YE 2007
Austria	1,883.4	1,793.7	1,872.4	1,901.6	3,755.7	3,695.4
Czech Rep.	982.8	838.1	437.0	292.3	1,419.7	1,130.5
Slovakia	330.5	296.9	275.1	197.7	605.6	494.5
Poland	413.5	324.3	381.7	218.8	795.1	543.1
Romania	569.2	399.9	39.1	13.6	608.2	413.5
Other CEE	344.5	258.9	151.9	124.9	496.4	309.1
Other	69.4	66.0	148.7	185.2	218.1	251.2
Total	4,593.1	3,977.8	3,305.7	2,934.2	7,898.9	6,911.9



Note: the following companies were not included in HY 2007: Jupiter, Globus, Kniazha (Ukraine), Ray Sigorta (Turkey) and Asirom (Romania);

Pro rata consolidation of TBIH insurance companies (Bulstrad, Helios) increased from 40% to 60% as of Q1 2008

First time consolidation of s Versicherung Austria as of H2 2008, of s Versicherung CZ, SK, H, CRO as of Q4 2008; deconsolidation of BACAV (A) and Unita (RO) as of June 2008

YE 2008 P&L Major Items – Expenses for Claims Incurred

Loss ratio stable despite one-off effects in RO, SK

- § Group loss ratio (net) at 64.5% (from 64.2% in YE 2007)
- § Austrian loss ratio lower by 0.5% pts at 66.2%, was affected by storms in early 2007
- § Czech Republic saw loss ratio improving by 3.4% pts to 62.8%, was also affected by storms in early 2007
- § In Slovakia loss ratio higher at 55.9% (YE 07: 53.3%) mainly due to increase of payments for claims from former state monopoly (legal requirement)
- § Poland improving by 2.3% pts to 57.6% due to effective claims and risk management and benign motor pricing
- § Romania saw increase of claims ratio to 73.9% influenced by motor business (in line with market trends) and one-off increase of claims reserve from Unita sales proceeds (~3% pts, € 15mn)
- § Other CEE recorded increase by 4.1% pts to reach normalised level of 63.0%

EUR mn	P&C	
	YE 2008	YE 2007
Net Earned Premiums:	3,375.4	2,746.8
Expenses for Claims Incurred:	2,175.7	1,764.4
Ratio	64.5%	64.2%

YE 2008 P&L Major Items – Operating Expenses

Cost ratio slightly up due to higher share of CEE business

- § Group cost ratio (net) increasing by 0.7% pts to reach 31.9% impacted by higher share of CEE business in total portfolio
- § Cost ratio in Austria up by 1.3% pts at 28.4% due to salary increases
- § Costs in the Czech Republic increased to 29.4% due to transitional IT roll-out expenses
- § Cost ratio in Slovakia down by 2.1% pts at 37.5% due to strict cost management and lower commissions
- § Poland showing higher cost ratio at 41.1% caused by Religa tax issue
- § Romania recording substantial decrease to 30.9% thanks to scale effects
- § Cost ratio in Other CEE slightly down at 42.7% also due to scale effects

EUR mn	P&C	
	YE 2008	YE 2007
Net Earned Premiums:	3,375.4	2,746.8
Operating Expenses: ¹	1,077.5	857.8
Ratio	31.9%	31.2%

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

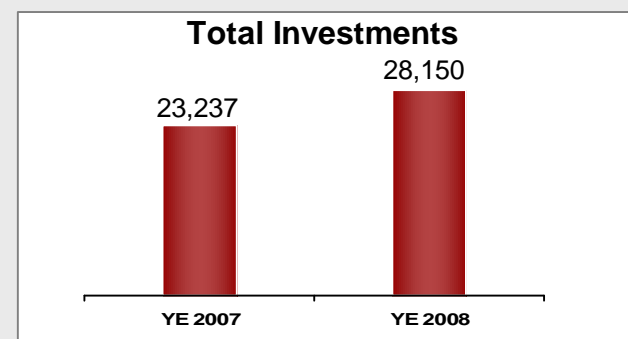
YE 2008 P&L Major Items – Net Investment Income

One-off gains balanced by market downturn (€mn)

Detail - Income	P&C		Life		Health		Total	
in €'000	YE 2008	YE 2007	YE 2008	YE 2007	YE 2008	YE 2007	YE 2008	YE 2007
Current income	210,601	146,290	1,025,645	828,298	39,271	30,249	1,275,517	1,004,837
Income from write-ups	12,112	10,548	41,050	25,816	328	2,210	53,490	38,574
Income from the disposal of investments	249,361	84,991	606,584	308,451	7,693	9,996	863,638	403,438
Total	472,074	241,829	1,673,279	1,162,565	47,292	42,455	2,192,645	1,446,849

Detail - Expenses	P&C		Life		Health		Total	
in €'000	YE 2008	YE 2007	YE 2008	YE 2007	YE 2008	YE 2007	YE 2008	YE 2007
Depreciation of investments	23,851	43,010	199,487	71,096	14,747	10,990	238,085	125,096
Impairment of investments	55,076	0	307,846	30,952	724	0	363,646	30,952
Exchange rate	-11,159	-206	-760	1,502	-9	3	-11,928	1,299
Losses from the disposal of investments	38,099	8,441	382,321	58,053	9,814	4,580	430,234	71,074
Interest expenses	31,693	26,086	99,560	87,814	6,739	7,834	137,992	121,734
Other expenses	27,503	16,039	86,371	75,105	2,606	2,906	116,480	94,050
Total	165,063	93,370	1,074,825	324,522	34,621	26,313	1,274,509	444,205

- § Decrease in Group Net Investment Income by 8.4% to €918.1mn influenced mainly by
- adverse market conditions (interest rates, spreads, equities)
 - one-off gains from sale of BACAV and UNITA
- § Solid investment policy, e.g. no US- subprime, no monolines or CDOs



YE 2008 P&L – Business Segments

Property & Casualty, IFRS (€mn)

	YE 2008	YE 2007	+/-%
1. Gross written premiums	4,278.9	3,671.2	16.6
2. Net earned premiums	3,375.4	2,746.8	22.9
3. Net investment income	307.0	148.5	>100
4. Other income	77.9	35.3	>100
Total income	3,760.3	2,930.5	28.3
6. Expenses for claims incurred	-2,175.7	-1,764.4	23.3
7. Operating expenses	-958.3	-775.0	23.7
8. Other expenses	-212.0	-126.0	68.2
Total expenses	-3,346.1	-2,665.4	25.5
Profit before tax	414.2	265.1	56.3

YE 2008 P&L – Business Segments

Life, IFRS (€mn)

	YE 2008	YE 2007	+/-%
1. Gross written premiums	3,305.7	2,934.2	12.7
2. Net earned premiums	3,272.9	2,889.4	13.3
3. Net investment income	598.5	838.0	-28.6
4. Other income	49.6	16.7	>100
Total income	3,920.9	3,744.1	4.7
6. Life benefits	-3,171.9	-3,000.2	5.7
7. Operating expenses	-562.2	-531.4	5.8
8. Other expenses	-84.4	-55.3	52.6
Total expenses	-3,818.5	-3,586.9	6.5
Profit before tax	102.4	157.2	-34.9

YE 2008 P&L – Business Segments

Health, IFRS (€mn)

	YE 2008	YE 2007	+/-%
1. Gross written premiums	314.3	306.6	2.5
2. Net earned premiums	313.3	305.5	2.6
3. Net investment income	12.7	16.1	-21.5
4. Other income	0.0	0.0	0.0
Total income	326.0	321.7	1.4
6. Expenses for claims incurred	-259.7	-266.9	-2.7
7. Operating expenses	-41.6	-38.7	7.5
8. Other expenses	-0.6	-1.0	-45.9
Total expenses	-301.9	-306.7	-1.6
Profit before tax	24.2	15.0	60.9

YE 2008 P&L - Split by Regions (I)

Regional segments, IFRS (€mn)

	Austria			Czech Republic		
	YE 2008	YE 2007	+/-%	YE 2008	YE 2007	+/-%
1. Gross written premiums	3,755.7	3,695.4	1.6	1,419.7	1,130.5	25.6
2. Net earned premiums	3,409.3	3,304.5	3.2	1,189.5	919.0	29.4
3. Net investment income	732.7	848.4	-13.6	59.5	44.7	33.2
4. Other income	14.5	13.8	5.0	19.4	13.6	42.5
Total income	4,156.5	4,166.6	-0.2	1,268.4	977.2	29.8
6. Expenses for claims incurred	-3,165.9	-3,258.3	-2.8	-806.3	-631.4	27.7
7. Operating expenses	-599.3	-577.9	3.7	-281.6	-218.9	28.6
8. Other expenses	-47.0	-43.7	7.6	-73.1	-53.2	37.4
Total expenses	-3,812.1	-3,879.8	-1.7	-1,161.0	-903.4	28.5
Profit before tax	344.3	286.8	20.1	107.5	73.8	45.6
Combined Ratio	94.6%	93.8%		92.2%	93.7%	

YE 2008 P&L - Split by Regions (II)

Regional segments, IFRS (€mn)

	Slovakia			Poland			Romania		
	YE 2008	YE 2007	+/-%	YE 2008	YE 2007	+/-%	YE 2008	YE 2007	+/-%
1. Gross written premiums	605.6	494.5	22.5	795.1	543.1	46.4	608.2	413.5	47.1
2. Net earned premiums	523.2	398.8	31.2	747.5	483.9	54.5	528.2	314.9	67.7
3. Net investment income	3.5	26.4	-86.9	5.1	22.1	-76.7	98.6	13.8	>100
4. Other income	6.8	2.1	>100	6.6	2.9	>100	45.1	9.8	>100
Total income	533.5	427.3	24.8	759.3	508.9	49.2	671.9	338.4	98.5
6. Expenses for claims incurred	-388.4	-279.6	38.9	-456.4	-269.6	69.3	-395.4	-208.5	89.6
7. Operating expenses	-96.7	-84.3	14.7	-255.4	-207.0	23.4	-171.6	-113.9	50.6
8. Other expenses	-43.4	-33.1	31.1	-21.4	-13.5	57.8	-47.5	-11.5	>100
Total expenses	-528.5	-397.0	33.1	-733.1	-490.1	49.6	-614.5	-333.9	84.0
Profit before tax	5.0	30.3	-83.5	26.1	18.8	39.0	57.5	4.6	>100
Combined Ratio	93.3%	92.9%		98.7%	99.2%		104.7%	100.9%	

YE 2008 P&L - Split by Regions (III)

Regional segments, IFRS (€mn)

	Other CEE			Other			TOTAL		
	YE 2008	YE 2007	+/-%	YE 2008	YE 2007	+/-%	YE 2008	YE 2007	+/-%
1. Gross written premiums	496.4	383.8	29.3	218.1	251.2	-13.2	7,898.9	6,911.9	14.3
2. Net earned premiums	378.8	300.3	26.1	185.0	220.3	-16.0	6,961.6	5,941.7	17.2
3. Net investment income	10.3	28.6	-64.2	8.5	18.7	-54.5	918.1	1,002.7	-8.4
4. Other income	7.1	5.7	23.7	28.0	4.1	>100	127.5	52.0	>100
Total income	396.1	334.6	18.4	221.5	243.1	-8.9	8,007.2	6,996.3	14.4
6. Expenses for claims incurred	-254.8	-199.8	27.6	-140.1	-184.4	-24.1	-5,607.4	-5,031.5	11.4
7. Operating expenses	-136.4	-114.2	19.5	-21.2	-28.8	-26.5	-1,562.1	-1,345.1	16.1
8. Other expenses	-19.2	-10.4	85.1	-45.4	-17.1	>100	-296.9	-182.4	62.8
Total expenses	-410.5	-324.4	26.5	-206.7	-230.3	-10.3	-7,466.4	-6,559.0	13.8
Profit before tax	-14.4	10.2	n.a.	14.9	12.8	16.2	540.8	437.3	23.7
Combined Ratio	105.8%	102.8%		74.0%	88.4%		96.4%	95.5%	

YE 2008 Results by Country

IFRS (€mn)

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	Non-Life		Life		Total		Profit before Tax		Combined Ratio	
	YE 2008	YE 2007	YE 2008	YE 2007	YE 2008	YE 2007	YE 2008	YE 2007	YE 2008	YE 2007
Austria	1,883.4	1,793.7	1,872.4	1,901.6	3,755.7	3,695.4	344.3	286.8	94.6%	93.8%
Czech Rep.	982.8	838.1	437.0	292.3	1,419.7	1,130.5	107.5	73.8	92.2%	93.7%
Slovakia	330.5	296.9	275.1	197.7	605.6	494.5	5.0	30.3	93.3%	92.9%
Poland	413.5	324.3	381.7	218.8	795.1	543.1	26.1	18.8	98.7%	99.2%
Romania	569.2	399.9	39.1	13.6	608.2	413.5	57.5	4.6	104.7%	100.9%
Other CEE	344.5	258.9	151.9	124.9	496.4	383.8	-14.4	10.2	105.8%	102.8%
Hungary	42.6	41.3	72.6	55.4	115.2	96.7	4.8	3.2	96.8%	100.1%
Croatia	50.0	42.9	47.0	40.8	97.0	83.7	-7.3	4.5	106.5%	106.2%
Serbia	32.5	26.6	21.1	18.6	53.6	45.3	0.1	0.0	109.9%	111.2%
Bulgaria	94.6	74.4	9.9	9.1	104.5	83.4	-4.9	0.8	103.7%	104.0%
Ukraine	40.9	24.9	1.3	1.1	42.2	26.0	-9.0	1.6	119.6%	95.0%
Turkey	83.8	48.7	-	-	83.8	48.7	1.9	0.1	103.0%	99.0%
Other	69.4	66.0	148.7	185.2	218.1	251.2	14.8	12.8	74.0%	88.4%
Liechtenstein	-	-	92.0	129.2	92.0	129.2	0.2	1.9	-	-
Germany	69.4	66.0	56.7	56.0	126.1	121.9	14.6	10.9	74.0%	88.4%
Total	4,593.1	3,977.8	3,305.7	2,934.2	7,898.9	6,911.9	540.8	437.3	96.4%	95.5%

Change in Group Shareholders' Equity

IFRS

	1.1. - 31.12.2008	1.1. - 31.12.2007
Equity as of 1 January	2,615,563	2,283,208
Currency changes	-40,833	8,726
Changes to consolidation	31,628	259,295
Capital Increase	1,343,454	-
Unrealised gains and losses on financial instruments available for sale	-134,328	-182,682
Profit for the period	442,343	348,871
Dividend payment	-119,037	-101,855
Equity as of 31 December	4,138,790	2,615,563

Life Insurance Premium Split

IFRS (€mn)

Premiums written - direct business	YE 2008	YE 2007	+/- %
Regular premiums	1,931.6	1,795.9	7.6%
Single premiums	1,363.1	1,135.1	20.1%
Total premiums written - direct business	3,294.7	2,931.0	12.4%
thereof:			
Policies with profit participation	1,851.7	1,724.7	7.4%
Policies without profit participation	347.7	393.9	-11.7%
unit- and index-linked life insurance	1,095.3	812.3	34.8%
thereof:			
Individual insurance	2,949.3	2,605.9	13.2%
Group insurance	345.4	325.1	6.2%

Q4 2008 Income Statement

IFRS (€mn)

	Q4 2008	Q4 2007	+/-%
1. Gross written premiums	1,881.1	1,880.1	0.1
2. Net earned premiums	1,792.5	1,721.4	4.1
3. Net investment income	111.9	259.6	-56.9
4. Other income	84.8	20.2	>100
Total income	1,989.2	2,001.1	-0.6
6. Expenses for claims incurred	-1,356.0	-1,464.1	-7.4
7. Operating expenses	-370.7	-356.2	4.0
8. Other expenses	-128.5	-67.7	89.8
Total expenses	-1,855.2	-1,888.0	-1.7
Profit before tax	134.0	113.1	18.5
Taxes	-20.6	-26.9	-23.4
Net profit before minorities (Profit for the year)	113.4	86.1	31.6
Minorities	-5.9	-24.3	-75.9
Net profit after minorites	107.5	61.8	74.0

YE 2008 Exchange Rates

National currency unit per EUR

YE 2008				YE 2007	
Country	Curr.	Balance Sheet EUR	P & L EUR	Balance Sheet EUR	P & L EUR
Bulgaria	EUR/BGN	1.9558	1.9558	1.9558	1.9558
Croatia	EUR/HRK	7.3555	7.2239	7.3308	7.3376
Liechtenstein	EUR/CHF	1.4850	1.5874	1.6547	1.6427
Poland	EUR/PLN	4.1535	3.5121	3.5935	3.7837
Romania	EUR/RON	4.0225	3.6826	3.6077	3.3353
Serbia	EUR/CSD	88.6006	81.9095	79.2362	80.0858
Slovakia	EUR/SKK	30.1260	31.2616	33.5830	33.7746
Czech Republik	EUR/CZK	26.8750	24.9463	26.6280	27.7656
Hungary	EUR/HUF	266.7022	251.5091	253.7300	251.3520
Turkey	EUR/TRY	2.1488	1.9064	1.7170	1.7865
Ukraine	EUR/UAH	10.8555	7.9070	7.4195	6.9590

Group Embedded Value 2008

Results (€mn)

	L&H		P&C		Total	
	2008	2007	2008	2007	2008	2007
Austria/Germany						
Free Surplus	403.6	525.3				
Required Capital	320.5	325.9				
ANAV	724.1	851.2	151.4	426.6	875.5	1,277.8
PVFP	1,233.9	1,568.5	n/a	n/a	1,233.9	1,568.5
- TVFOG	-172.3	-56.8	n/a	n/a	-172.3	-56.8
- CoC/FCRC	-43.5	-48.7	n/a	n/a	-43.5	-48.7
- CRNHR	-71.8	-54.2	n/a	n/a	-71.8	-54.2
VIF	946.3	1,408.8			946.3	1,408.8
Subtotal A/G	1,670.4	2,260.0	151.4	426.6	1,821.8	2,686.6
CEE						
Free Surplus	306.6	266.5				
Required Capital	135.4	113.5				
ANAV	442.0	380.0	1,371.6	1,340.7	1,813.6	1,720.7
PVFP	610.1	539.0	n/a	n/a	610.1	539.0
- TVFOG	-36.7	-29.6	n/a	n/a	-36.7	-29.6
- CoC/FCRC	-23.1	-20.5	n/a	n/a	-23.1	-20.5
- CRNHR	-23.3	-21.1	n/a	n/a	-23.3	-21.1
VIF	527.0	467.8			527.0	467.8
Subtotal CEE	969.0	847.8	1,371.6	1,340.7	2,340.6	2,188.5
Total	2,639.4	3,107.8	1,523.0	1,767.3	4,162.4	4,875.1

The GEV 2007 is after restatement and opening adjustments

Comments

- § Group Embedded Value (GEV) calculated as Value of In-Force Business (ViF) and Adjusted Net Asset Value (ANAV) for Life & Health (L&H) plus ANAV for Property & Casualty (P&C)
- § All results based on local GAAP
- § EEV based on stochastic cashflow projections
- § TEV based on deterministic projections
- § EEV for L&H business in A/G
- § EEV and TEV for L&H business in CEE

Change in scope:

Included for the first time are CPP in the Czech Republic, BENEFIA-LIFE and BENEFIA, INTERRISK and PZM in Poland, and the newly acquired insurance operations of ERSTE BANK in Austria, Czech Republic, Slovakia, Hungary, Romania and Croatia.

BACA-Versicherung in Austria and UNITA in Romania were sold during 2008.

Group Embedded Value 2008

Return on Adjusted Embedded Value (€mn)

	L&H		P&C		Total	
Austria / Germany						
EV Dec 31, 2008	1,670.3		151.4		1,821.7	
EV Dec 31, 2007 Reported	2,012.7		617.5		2,630.2	
EV Dec 31, 2007 Restated	2,037.4		570.7		2,608.1	
EV Dec 31, 2007 Restated and Adjusted	2,260.0		426.6		2,686.6	
+ Dividends	- 34.3		- 79.4		- 113.7	
+/- Closing Transfers	- 281.7		286.5		4.8	
Return on EV	- 871.4	-44.0%	11.3	1.6%	- 860.1	-32.0%
CEE						
EV Dec 31, 2008	969.1		1,371.6		2,340.7	
EV Dec 31, 2007 Reported	546.7		1,374.2		1,920.9	
EV Dec 31, 2007 Restated	569.4		1,197.1		1,766.5	
EV Dec 31, 2007 Restated and Adjusted	847.8		1,340.7		2,188.5	
+ Dividends	- 0.7		- 1.1		- 1.8	
+/- Closing Transfers	- 46.8		42.0		- 4.8	
Return on EV	74.5	9.3%	72.9	5.3%	147.4	6.8%
Return on Total GEV	- 796.9	-25.6%	84.2	4.8%	- 712.7	-14.6%

The total return on the GEV is mainly driven by an exceptional financial markets dislocation – a combination of low interest rates, negative equity returns, higher spreads on fixed income securities and high interest rate and equity volatility. A stable operating performance partly offsets these negative impacts and even leads to a positive return in CEE.

Change in Methodology and Assumptions

- § Allowance for Cost for Residual Non-Hedgeable Risk
- § The reference interest rates used for the EEV calculations are based on the corresponding swap rates at December 31, 2008 and include a liquidity spread of 50 bp for all terms
- § Volatilities used to calibrate the economic scenario generator at December 31, 2008 are based on average volatilities over 2008
- § All results shown after minorities and tax
- § GEV allows for all consolidation effects

Group Embedded Value 2008

New Business Values (€mn)

	L&H		
	2008	2007	+ / - %
Austria / Germany			
NBV	61.6	76.2	- 19.2%
APE	259.1	262.2	
<i>APE-Ratio</i>	23.8%	29.1%	
PVNBP	2,479.2	2,398.6	
<i>PVNBP-Ratio</i>	2.5%	3.2%	
CEE			
NBV	92.2	68.8	+ 34.0%
APE	211.1	213.8	
<i>APE-Ratio</i>	43.7%	32.2%	
PVNBP	1311.5	1121.1	
<i>PVNBP-Ratio</i>	7.0%	6.1%	
NBV-Total	153.8	145.0	+ 6.1%
APE-Total	470.2	476.0	
<i>APE-Ratio Total</i>	32.7%	30.5%	
PVNBP-Total	3,790.7	3,519.7	
<i>PVNBP-Ratio Total</i>	4.1%	4.1%	

Comments

- § The NBV represents the value generated by new business sold during the reporting period.
- § The NBV in A/G has decreased due to lower margins on the participating life insurance business as a result of the lower interest rates and higher volatility.
- § The total new business volumes in A/G have not changed relative to the previous year.
- § The total new business volumes in CEE as measured by PVNBP have increased.
- § The NBV in CEE has increased due to higher new business margins.

The increase of NBV in CEE more than offsets the reduction in A/G and leads to an increase of NBV for the group.

V.I.G. Has Excellent CEE Market Position

V.I.G. an early mover in CEE

Overview of Core Markets

Czech Rep.	Slovakia	Romania	Bulgaria
Pop.: 10.2 mn	Pop.: 5.4 mn	Pop.: 21.4 mn	Pop.: 7.6 mn
GDP/Cap.: \$ 17 k	GDP/Cap.: \$ 14 k	GDP/Cap.: \$ 8 k	GDP/Cap.: \$ 5 k
Density NL: \$ 370	Density NL: \$ 241	Density NL: \$ 109	Density NL: \$ 118
Density L: \$ 261	Density L: \$ 194	Density L: \$ 26	Density L: \$ 21
Market share: 31.4%	Market share: 31.3%	Market share: 30.5%	Market share: 17.9%
Croatia	Serbia	Poland	Hungary
Pop.: 4.6 mn	Pop.: 7.4 mn	Pop.: 38.0 mn	Pop.: 10.1 mn
GDP/Cap.: \$ 11 k	GDP/Cap.: \$ 6 k	GDP/Cap.: \$ 11 k	GDP/Cap.: \$ 14 k
Density NL: \$ 270	Density NL: \$ 93	Density NL: \$ 202	Density NL: \$ 218
Density L: \$ 101	Density L: \$ 11	Density L: \$ 209	Density L: \$ 274
Market share: 8.4%	Market share: 8.0%	Market share: 5.1%	Market share: 4.1%

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 03/2008,

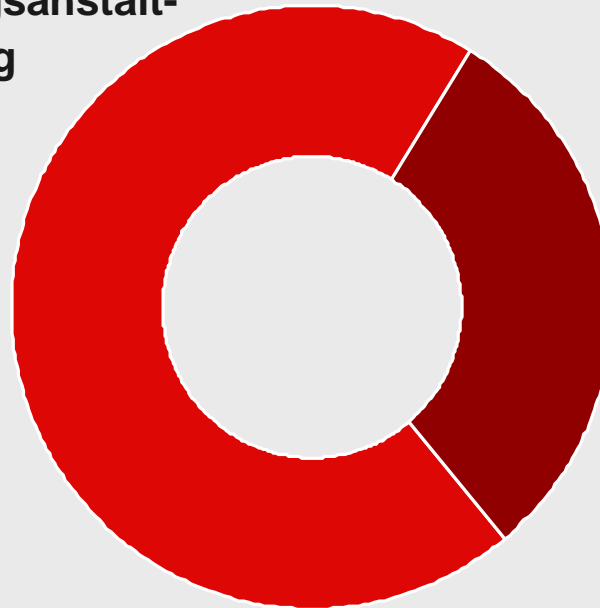
Market shares: data as of YE 2008, except for SER and Bulgaria

Shareholder Structure (I)

Total number of shares 128,000,000

Shareholder Structure

**~70 %
Wiener Städtische
Wechselseitige Versicherungsanstalt-
Vermögensverwaltung**

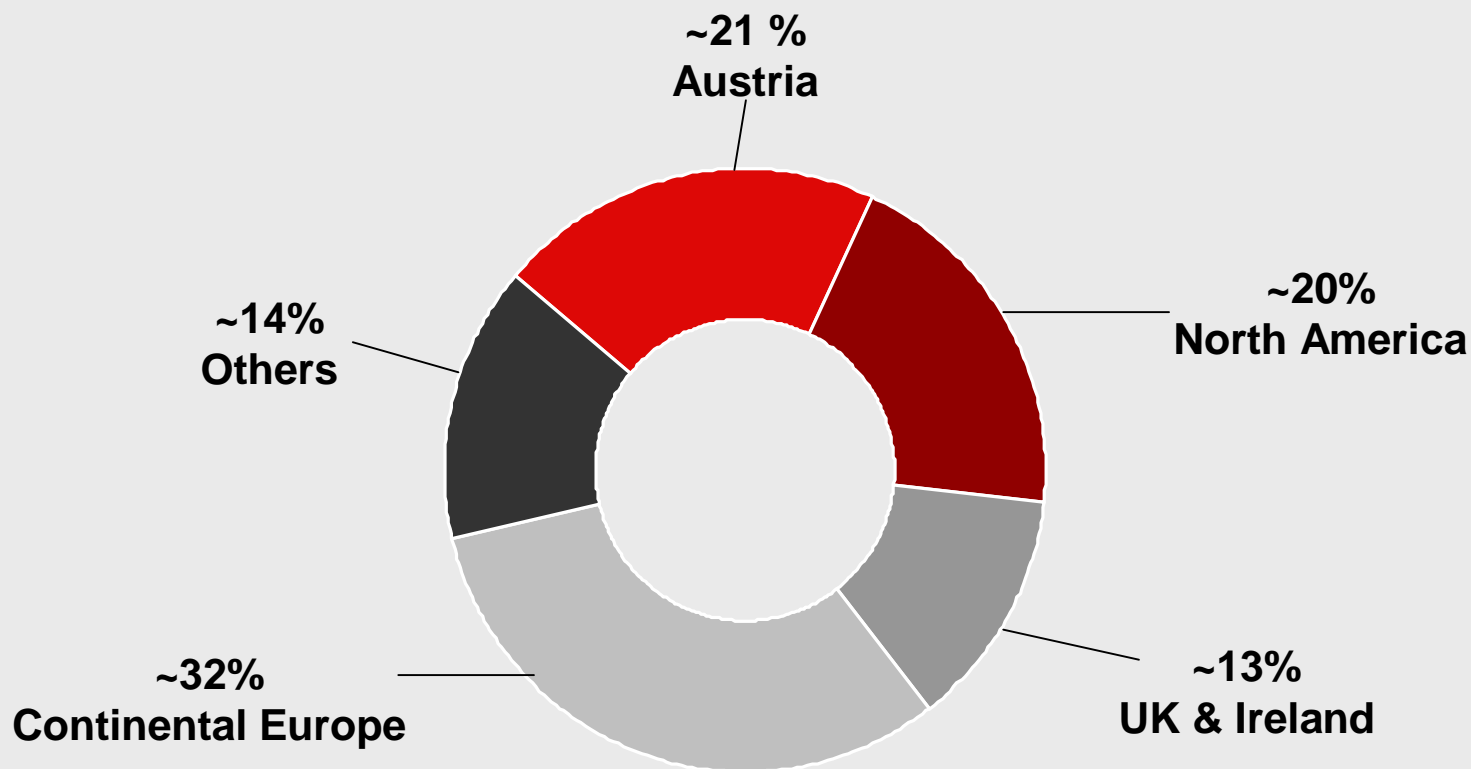


**~ 30 %
Free Float**

Shareholder Structure (II)

Total number of shares 128,000,000

Free Float Geographical Split



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Stock exchange listing:	VIENNA / PRAGUE
Ticker symbol:	VIG / VIG
Reuters:	VIGR.VI / VIGR.PR
Bloomberg:	VIG AV / VIG CP

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