



**V.I.G.**  
**Building its Market Position and Financial Strength**

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Canada & US Roadshow – 11 - 13 November 2009

**A** Investment proposition

**B** Growth potential in CEE and Austria

**C** Recent developments

**D** 9M 2009 results – highlights

**E** Appendix

# Investment Proposition at a Glance

V.I.G. set two strategic milestones

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

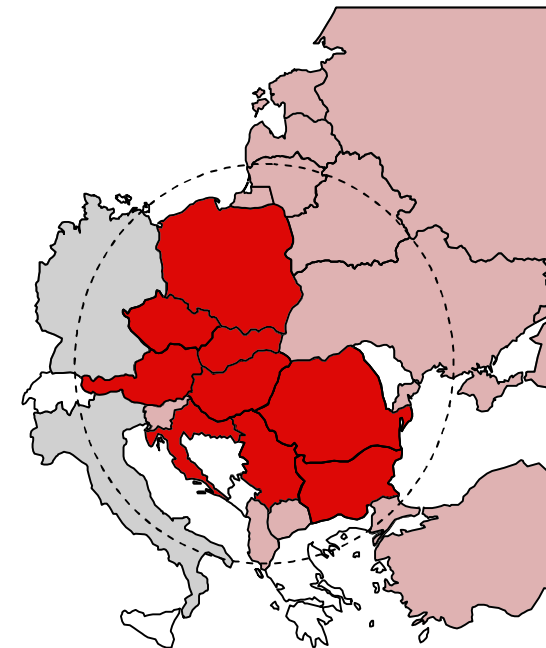
- Successful track record of exploiting growth potentials
- Continuous expansion of its business areas and geographic regions
- 15.3% market share in CEE<sup>1</sup> – clear no. 1 of international insurers

Milestone 2

## § V.I.G. - Extending distribution power

- Acquisition of s Versicherung Group
- Long-term distribution agreement with Erste Group

## Footprint



● Core Markets

CEE share ~50% of premiums

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

# V.I.G. – Leading Insurer in CEE

Market strategy proves effective

2005

2008

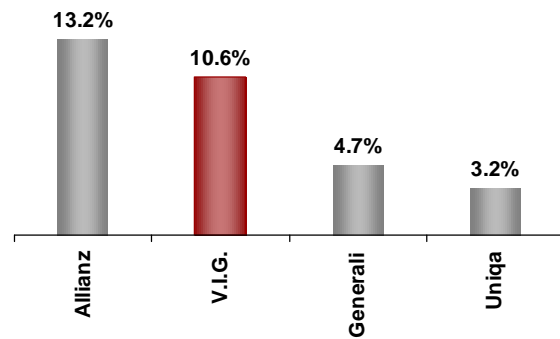
- § Gross written premiums: €5.0bn
- § Profit before tax: €240mn
- § Presence in 15 countries
- § No. 2 in CEE<sup>1</sup>

- § Gross written premiums: €7.9bn
- § Profit before tax: €541mn
- § Presence in 23 countries
- § No. 1 in CEE<sup>1</sup>

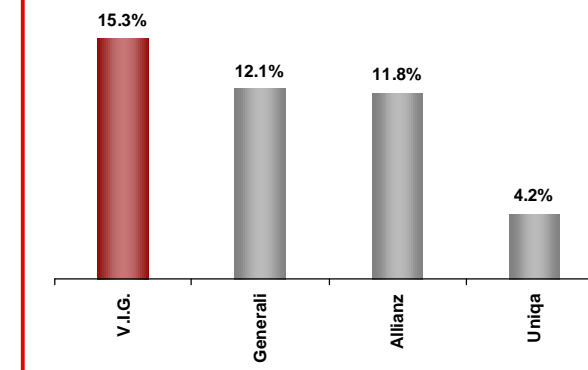
### Strategy

- § Strengthening the leading position in Austria
- § Steady expansion of insurance activities in CEE

Total market share



Total market share



1: CEE is defined as: Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania Serbia and Slovakia, 2: National insurance associations of the respective countries as of 6M 2006 and 6M 2009

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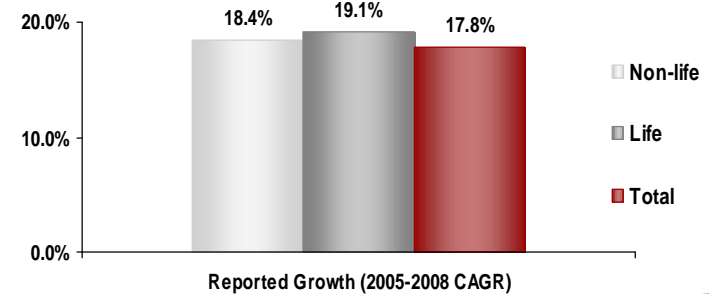
# V.I.G.'s Path of Growth



CEE markets still growing

2005-2008

- § Reported Group growth rates (2005 – 2008 CAGR) showed strong double-digit development
- § About two thirds of growth rates were organic



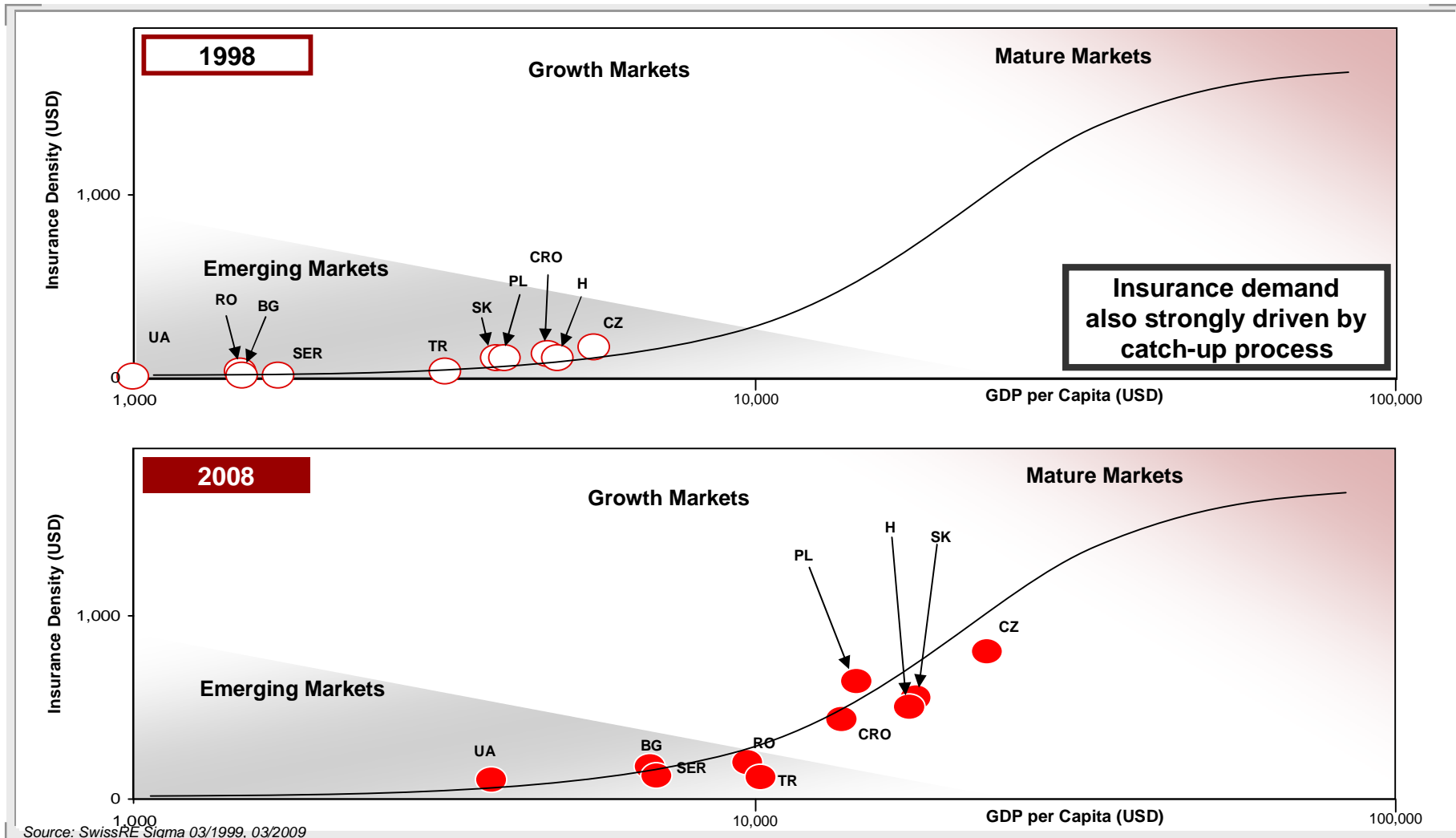
9M 2009

- § Extraordinary economic situation led to weak CEE currency rates
- § RO: restructuring of portfolio; market shaper position of V.I.G. allows for significant increase of its tariffs, in Life BCR\* grows by more than 40%
- § A and PL: weak development of life premiums is result of currently low demand for single premium business
- § SK: strict pricing discipline in non-life

Growth Rates net of FX			
9M 2009			
	Non-Life	Life	Total
Austria	0.8%	2.1%	1.6%
Czech Republic	11.6%	75.0%	27.7%
Slovakia	3.6%	21.5%	11.0%
Romania	-1.2%	142.9%	7.1%
Poland	9.4%	-42.5%	-14.9%
Other CEE	21.2%	47.8%	28.7%
Other	3.1%	-20.2%	-13.1%
<b>Total</b>	<b>5.5%</b>	<b>8.5%</b>	<b>6.6%</b>

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

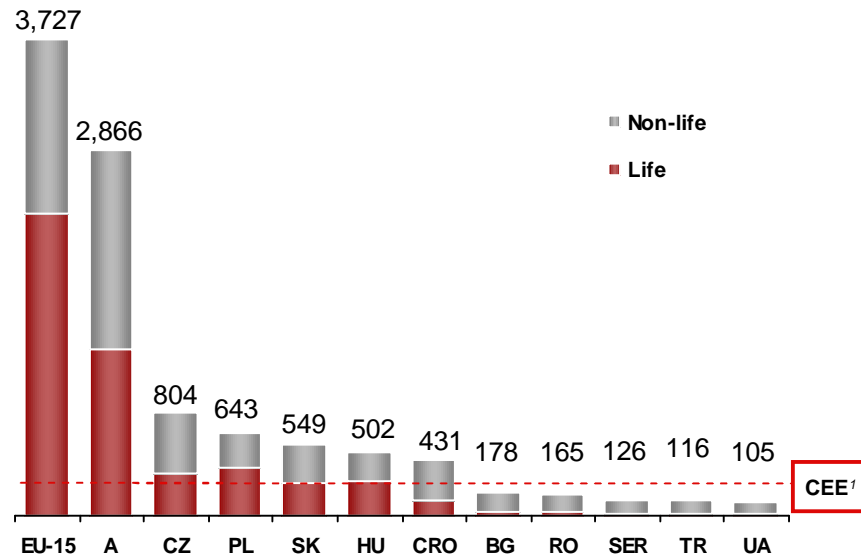
GDP growth and underpenetration are insurance drivers



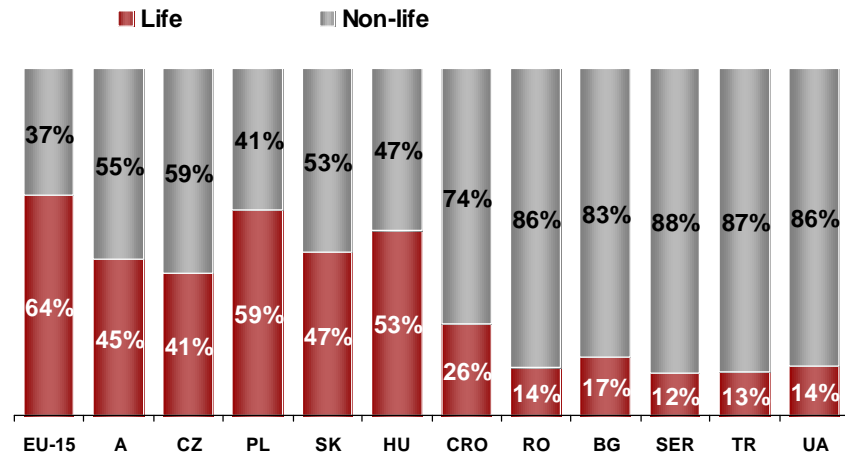
# V.I.G. Business Model Still in Place (II)

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

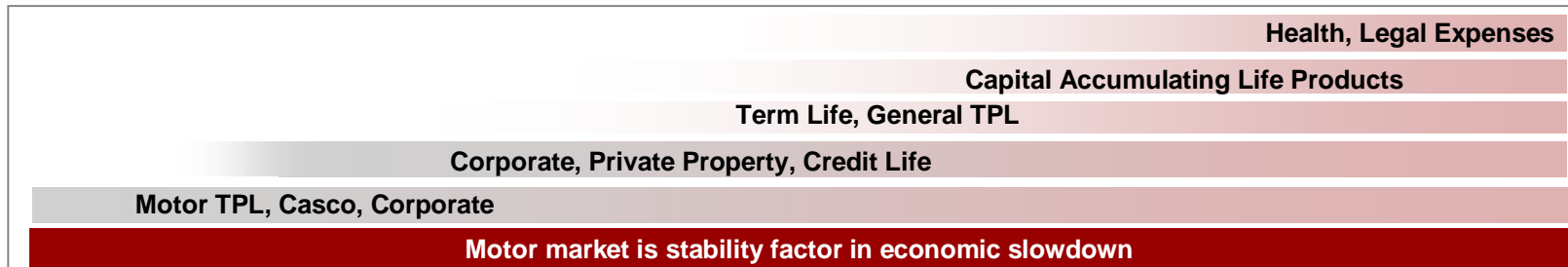
### Insurance Density 2008 (USD)



### Proportion of NL & L in CEE Markets



### Product Demand Timeline



1: weighted average of CZ, SK, H, PL, CRO, BG, RO, SER, UA, TR; Source: Swiss RE Sigma 03/2009



# Management Approach (I)

Multi-brand strategy is paramount for distribution

## Multi-Brand

## Features



in total about 40 brands

- § Strong brand awareness in local markets
- § Entrepreneurship of management build up well established local brands thus retain loyalty of employees and management, customers and distribution networks
- § Multi-brand allows for internal benchmarking
- § Regular appraisal of brands efficiency – otherwise merger of companies (e.g. in SK)
- § Multi-brand also strongly supports multi-channel distribution

Multi-brand and multi-channel differentiate V.I.G. from most of its competitors

# Management Approach (II)

## Strength of distribution supports future growth

Comment	Multi-Channel				
<ul style="list-style-type: none"> <li>§ V.I.G. has one of the broadest distribution networks</li> <li>§ Distribution differs from country to country according to local market practice and legal regulations</li> <li>§ Backbone of distribution are tied agents (employed or freelancer) in almost every market</li> <li>§ In advanced growth markets bank-channel gaining significant importance in life business</li> <li>§ Internal competition of distribution channels within Group raises motivation to be first at client</li> </ul>	<div style="display: flex; flex-direction: column; align-items: flex-start;"> <div style="display: flex; align-items: center; margin-bottom: 5px;"> <div style="width: 15px; height: 15px; border: 1px solid black; background-color: white; margin-right: 5px;"></div> <span>&lt;10%</span> </div> <div style="display: flex; align-items: center; margin-bottom: 5px;"> <div style="width: 15px; height: 15px; border: 1px solid black; background-color: gray; margin-right: 5px;"></div> <span>11% - 20%</span> </div> <div style="display: flex; align-items: center; margin-bottom: 5px;"> <div style="width: 15px; height: 15px; border: 1px solid black; background-color: black; margin-right: 5px;"></div> <span>21% - 30%</span> </div> <div style="display: flex; align-items: center; margin-bottom: 5px;"> <div style="width: 15px; height: 15px; border: 1px solid black; background-color: red; margin-right: 5px;"></div> <span>31% - 40%</span> </div> <div style="display: flex; align-items: center;"> <div style="width: 15px; height: 15px; border: 1px solid black; background-color: darkred; margin-right: 5px;"></div> <span>&gt; 41%</span> </div> </div>	Tied agents	Banks	Brokers	Other
	Austria	●	●	●	○
	Czech Rep.	●	●	●	○
	Slovakia	●	●	●	○
	Romania	●	○	●	○
	Poland	●	●	●	○
	Hungary	○	●	●	○
	Croatia	●	●	●	○
	Others	●	○	●	○

**A** Investment proposition

**B** Growth potential in CEE and Austria

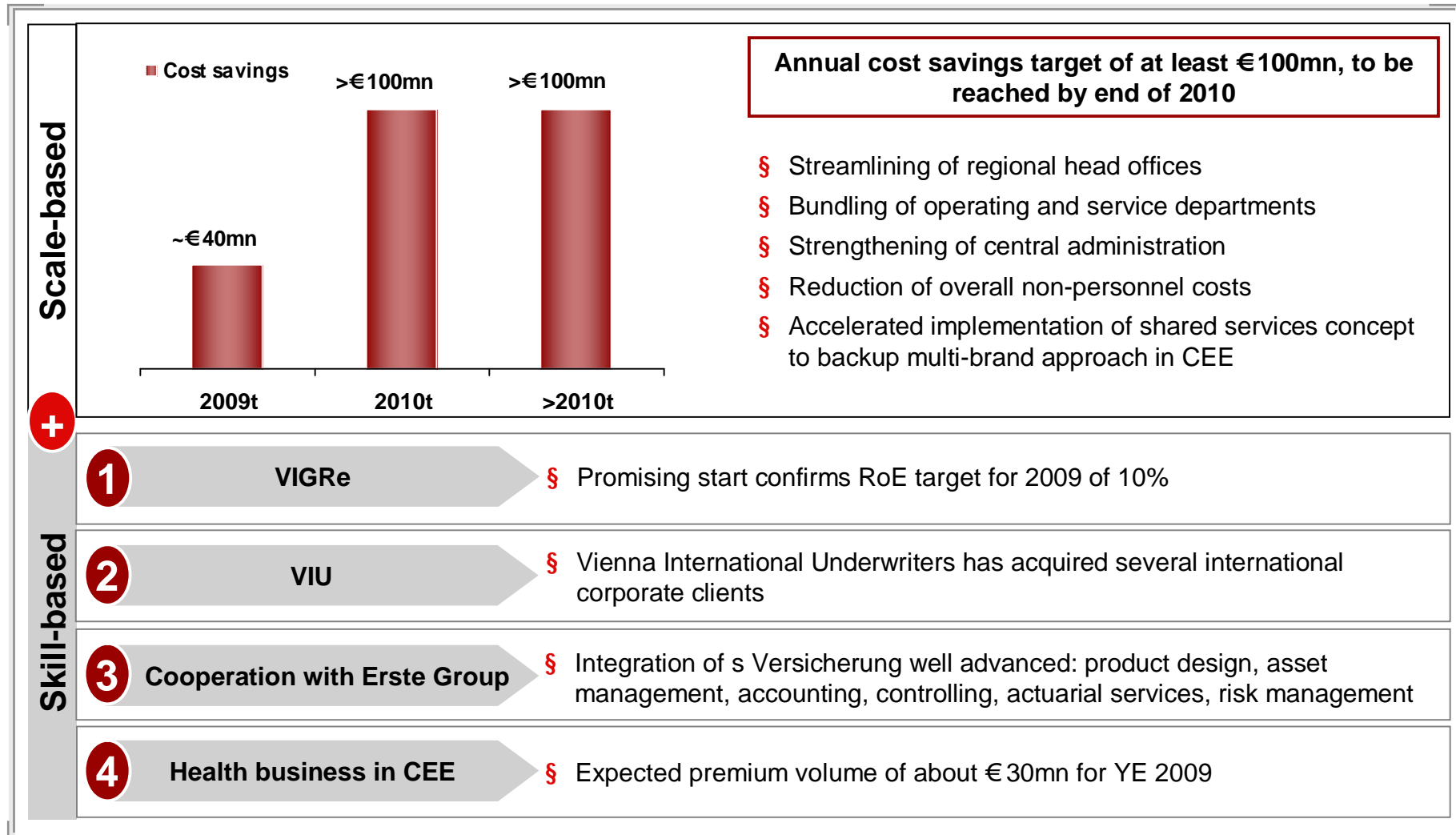
**C** Recent developments

**D** 9M 2009 results – highlights

**E** Appendix

# Financial Control and Business Initiatives

## Setting the basis for future performance



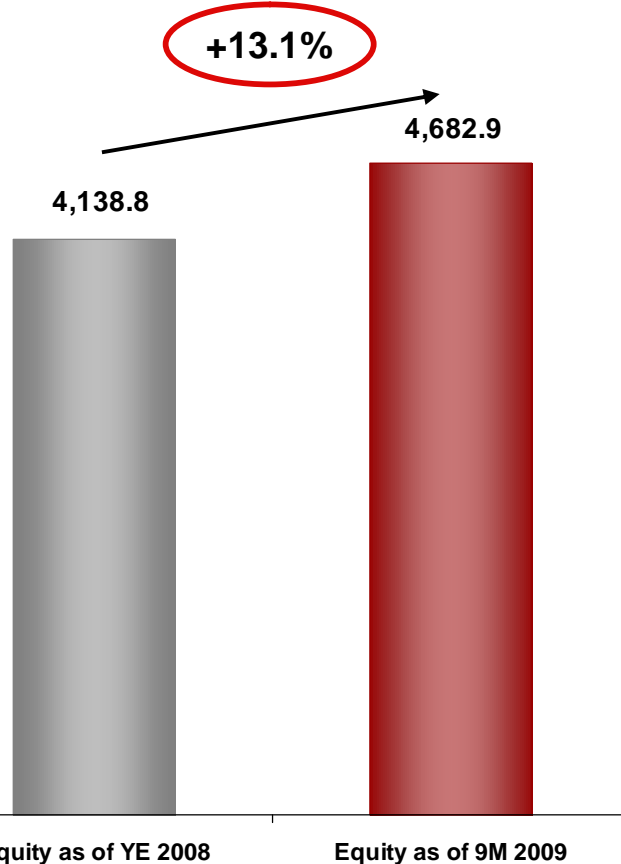
# Capitalisation

Strong capitalisation is excellent basis for future expansion

## Shareholders' Equity

## Capitalisation

Change in Group Shareholders' Equity (€mn)



- § Group shareholders' equity increased by 13.1% to about €4.7bn in 9M 2009
- § Comfortable solvency ratio of above 180% on IFRS basis
- § V.I.G. develops new risk based internal capital model according to Solvency II

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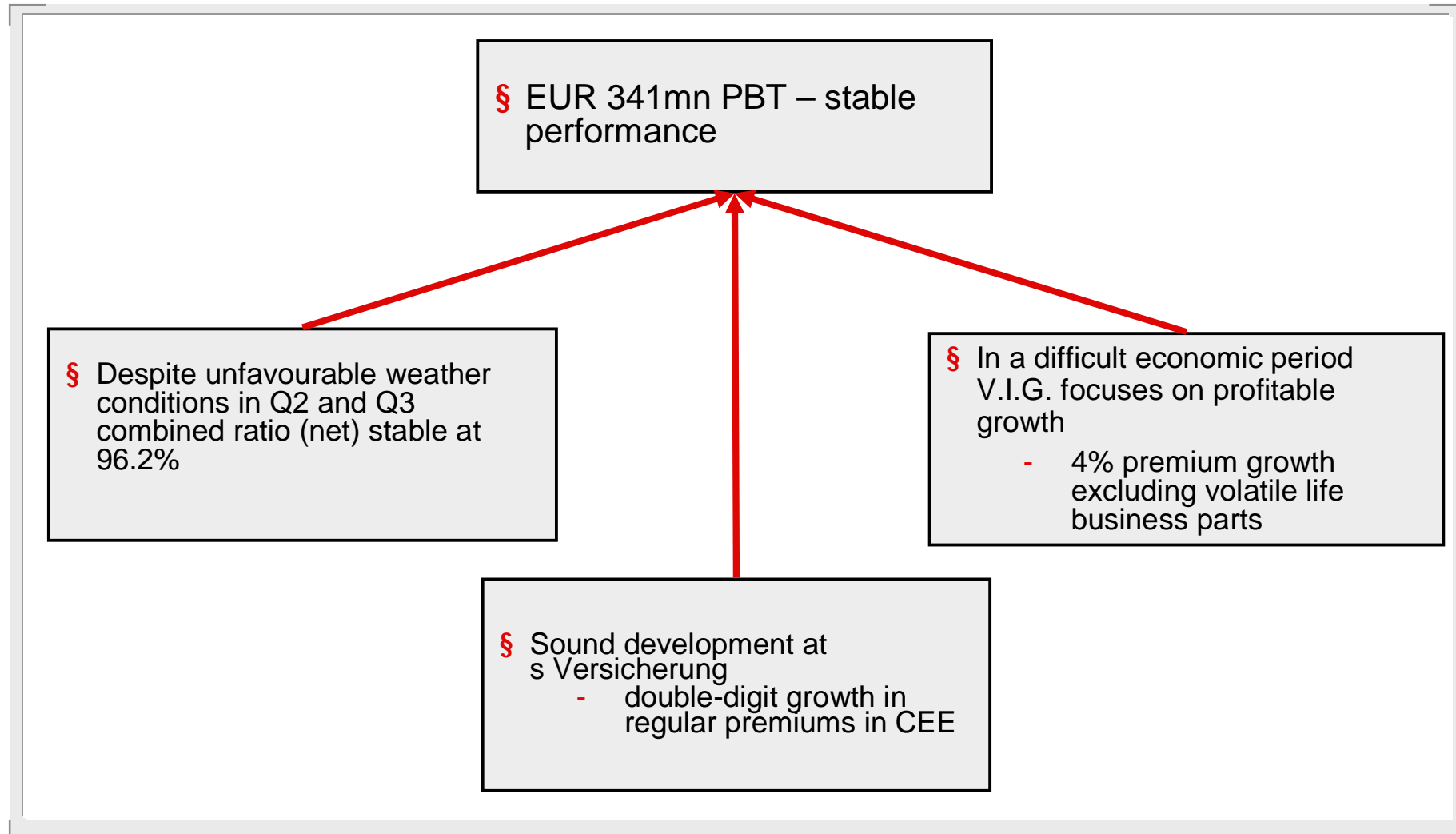
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# 9M 2009 Highlights

V.I.G. with steady solid performance during 3 quarters

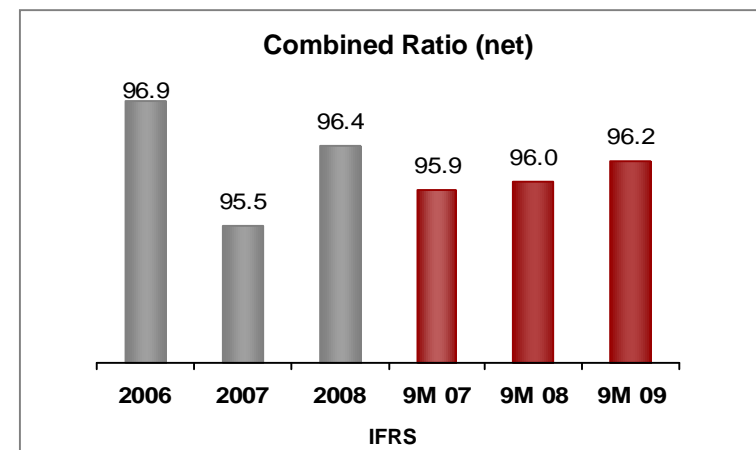
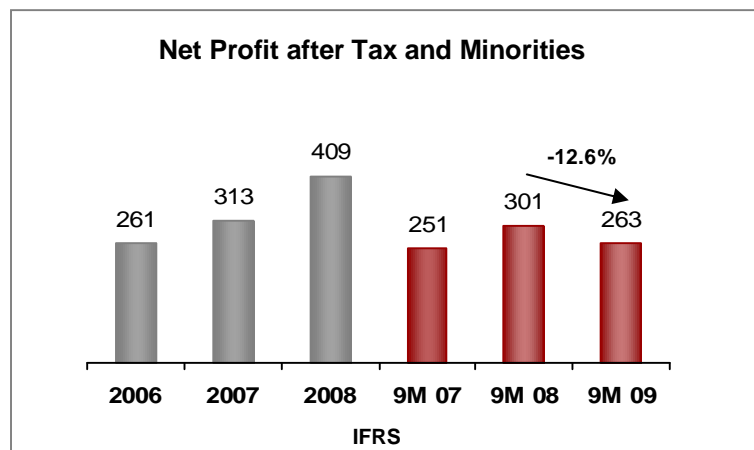
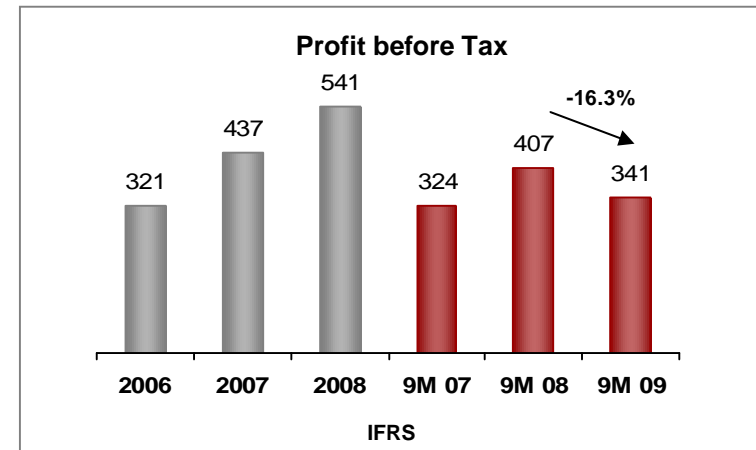
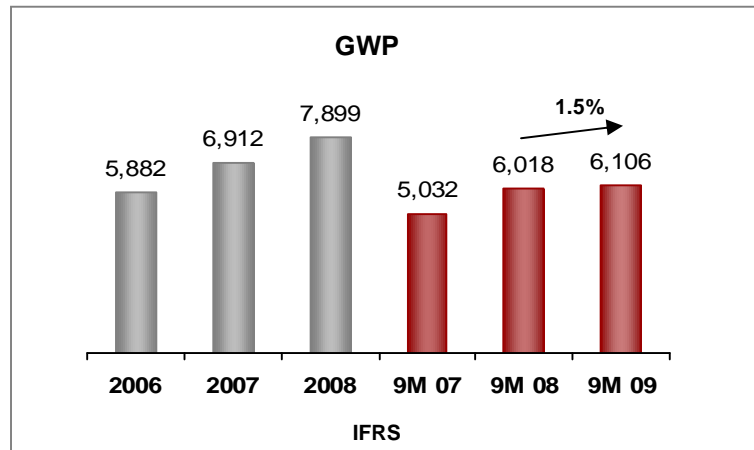
D 15



# 9M 2009 Financial Highlights

9M PBT yoy above level of excellent year 2007

D 16





 **V.I.G. ahead of the game**

 **Local knowledge and brand awareness**

 **Extending distribution power and product development**

 **Significant catch-up potential in underpenetrated CEE insurance markets**

 **Experienced management and strong integration skills**

 **Strong balance sheet and prudent financial investment**

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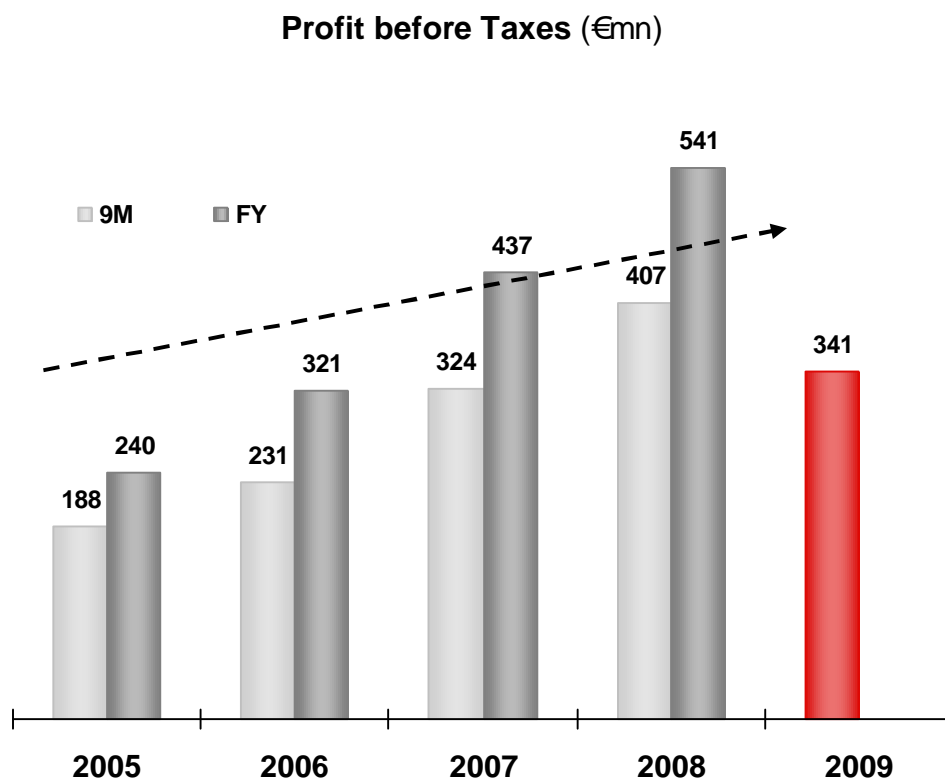
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# Performance/Outlook

Economic uncertainty and market volatility constrain forecasts

## Development of 9M profits vs. YE

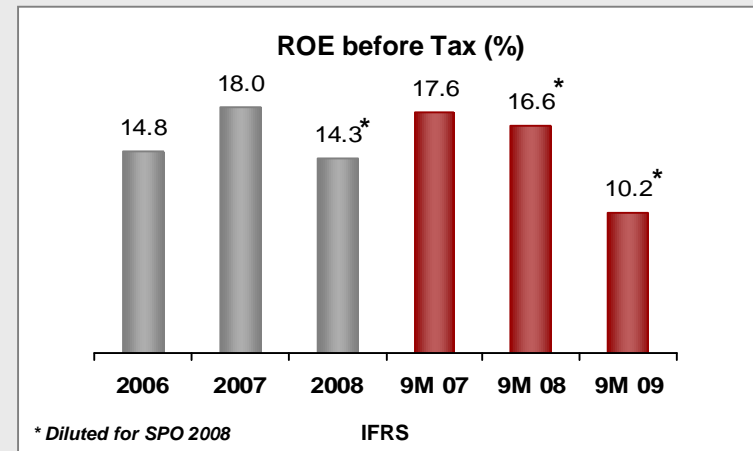
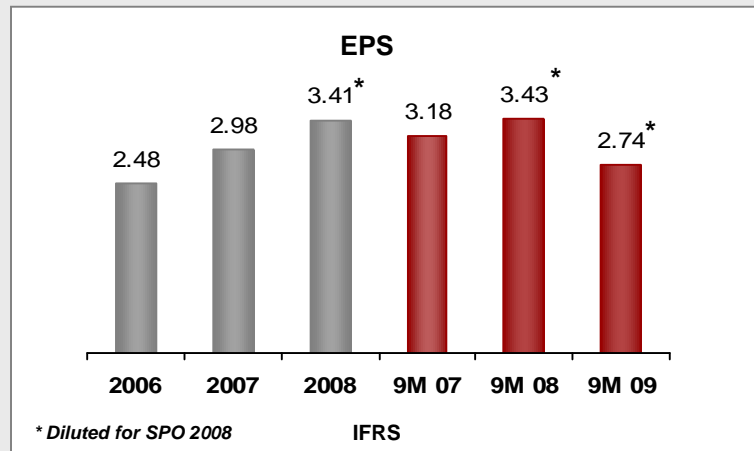


## Outlook

§ Management expects a fairly smooth development for the rest of 2009 unless there are unexpected surprises in the markets

- It is company philosophy to keep the combined ratio well below 100% throughout the business cycle
- V.I.G. dividend policy is defined as a payout ratio of min. 30% of Group net profit

# 9M 2009 Financial Highlights (II)



# 9M 2009 Income Statement

IFRS (€mn)

	9M 2009	9M 2008	+/-%
1. Gross premiums written	6,106.0	6,017.8	1.5
2. Net earned premiums	5,374.3	5,169.1	4.0
3. Financial result	727.2	806.2	-9.8
4. Other income	85.6	42.7	>100
<b>Total income</b>	<b>6,187.0</b>	<b>6,018.0</b>	<b>2.8</b>
6. Expenses for claims and insurance benefits	-4,414.0	-4,251.4	3.8
7. Operating expenses	-1,230.9	-1,191.5	3.3
8. Other expenses	-201.7	-168.4	19.7
<b>Total expenses</b>	<b>-5,846.5</b>	<b>-5,611.2</b>	<b>4.2</b>
<b>Profit before taxes</b>	<b>340.5</b>	<b>406.8</b>	<b>-16.3</b>
Taxes	-59.6	-77.8	-23.4
<b>Net profit before minorities (Profit for the period)</b>	<b>280.9</b>	<b>329.0</b>	<b>-14.6</b>
Minorities	-17.8	-28.0	-36.3
<b>Net profit after minorites</b>	<b>263.1</b>	<b>301.0</b>	<b>-12.6</b>

# 9M 2009 Balance Sheet

IFRS (€mn)

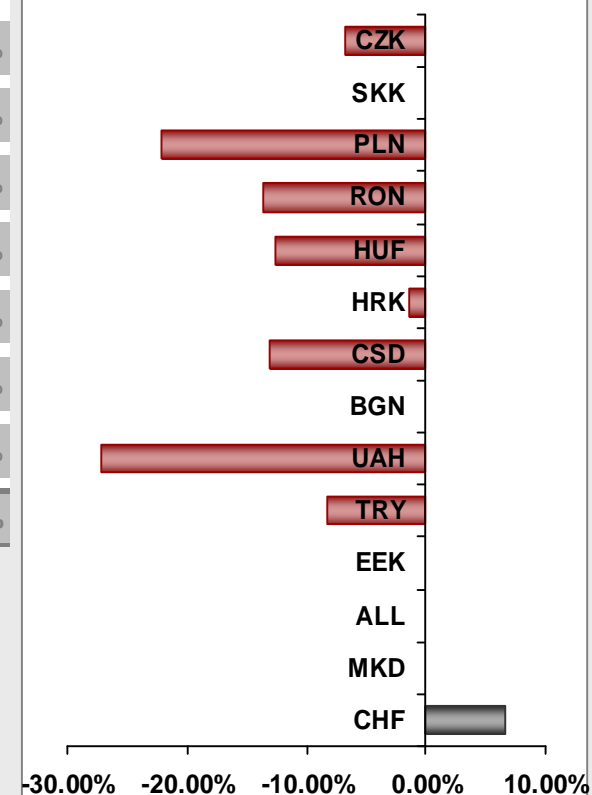
	9M 2009	YE 2008	+/- %
Intangible assets	2,007	1,649	21.7
Investments	26,048	24,548	6.1
Unit- and index-linked investments	4,393	3,602	22.0
Reinsurers' share in underwriting provisions	1,172	1,222	-4.1
Receivables	1,710	1,500	14.0
Deferred tax assets	148	131	12.6
Other assets	493	393	25.4
Cash and cash equivalents	334	619	-46.1
<b>Total assets</b>	<b>36,304</b>	<b>33,665</b>	<b>7.8</b>
Shareholders' equity	4,683	4,139	13.1
<i>thereof minorities</i>	287	267	7.5
Subordinated liabilities	546	501	8.9
Underwriting provisions	22,801	21,682	5.2
Unit- and index-linked technical provisions	4,175	3,347	24.7
Non-underwriting provisions	658	752	-12.5
Liabilities	3,006	2,843	5.7
Deferred tax liabilities	198	141	40.2
Other liabilities	239	260	-8.1
<b>Total liabilities and equity</b>	<b>36,304</b>	<b>33,665</b>	<b>7.8</b>

# 9M 2009 P&L Major Items – Gross Written Premiums (I)

Premium development affected by weak CEE currencies (€mn)

	GWP Non-life			GWP Life			Total		
	9M 2009	9M 2008	+/-%	9M 2009	9M 2008	+/-%	9M 2009	9M 2008	+/-%
Austria	1,536.4	1,520.8	1.0%	1,469.2	1,438.6	2.1%	3,005.6	2,959.4	1.6%
Czech Rep.	782.8	752.0	4.1%	415.7	254.8	63.2%	1,198.5	1,006.7	19.1%
Slovakia	256.2	247.4	3.6%	213.1	175.5	21.5%	469.4	422.8	11.0%
Poland	277.4	324.1	-14.4%	128.4	285.1	-55.0%	405.7	609.1	-33.4%
Romania	396.2	466.2	-15.0%	59.7	28.6	>100%	455.9	494.8	-7.9%
Other CEE	282.1	253.4	11.3%	136.7	100.5	36.1%	418.8	353.9	18.3%
Other	53.8	52.2	3.1%	98.2	118.8	-17.3%	152.0	171.0	-11.1%
<b>Total</b>	<b>3,585.0</b>	<b>3,616.0</b>	<b>-0.9%</b>	<b>2,521.0</b>	<b>2,401.8</b>	<b>5.0%</b>	<b>6,106.0</b>	<b>6,017.8</b>	<b>1.5%</b>

FX development 9M 09 vs 9M 08  
(vs. €; average exchange rates)



Note: Pro rata consolidation of TBIH insurance companies (Bulstrad, Helios) increased from 60% to 100% as of Q1 2009

First time consolidation of s Versicherung Austria as of H2 2008, of s Versicherung CZ, SK, H, CRO as of Q4 2008; of BCR NL and L as of Q1 2009, deconsolidation of BACAV (A) and Unita (RO) as of June 2008

First time consolidation of Compensa Life (Baltics) as of Q1 2009

First time consolidation of Sigma Albania and Winner Macedonia as of Q2 2009 (retroactive for HY 2009)

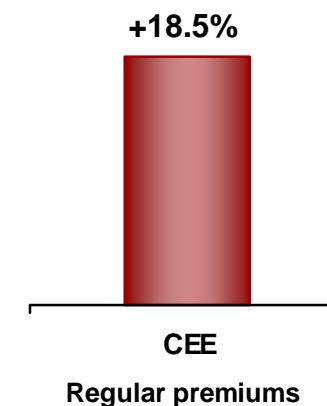
# 9M 2009 P&L Major Items – Gross Written Premiums (II)

Stable premiums, supported by new consolidations<sup>1</sup>

- § Group GWP show steady development
- § Austria: In Life, inclusion of s Versicherung offsets ongoing weak single premiums; current premiums flat in Q3; in P&C, weak motor market is driven by sale of smaller cars (V.I.G. still growing above market), expected recovery of pricing not seen in Q3; sound non-motor growth
- § Czech Republic: Increase in Non-life despite very weak motor market; substantial growth in Life both organic or including consolidation of s Versicherung
- § Slovakia: In Non-life growth achieved against shrinking market and despite strict pricing strategy of V.I.G.; Life supported by consolidation of s Versicherung
- § Poland: Non-life influenced by focus on product profitability; Life driven by weak single premium business
- § Romania: Ongoing portfolio restructuring in Non-Life (sharp increase of tariffs by V.I.G. as market leader) leading to interim loss of market share; Life up due to consolidation of BCR which is growing tremendously against market
- § Other CEE: Non-life influenced by consolidation effects. Life still growing vs. weaker motor markets
- § Other Markets: Continuous growth in Non-life and Life in Germany, while single premium business is down in Liechtenstein

<sup>1</sup>: Note: For changes in scope of consolidation see previous page

## Development of s Versicherung Group in CEE



- § Double digit premium increase in s Versicherung in regular premium business in CEE
- § Austria and Czech Republic facing weak demand in single premiums due to current economic situation
- § Non-life growing by 9.4% (excl. BCR NL)



# 9M 2009 P&L Major Items – Expenses for Claims Incurred

Loss ratio up due to higher claims in CEE and floods in A, CZ

- § Group loss ratio (net) at 65.9% (64.2% in 9M 2008, 65.1% in HY09)
- § Austrian loss ratio increased by 3.3% pts as unfavourable weather conditions led to damage from floodings (HY) and hailstorms (Q3)
- § Czech Republic saw loss ratio improving by 3.9% pts to 59.8%, stable vs. HY09
- § In Slovakia loss ratio stable at 59.3% (9M 08: 59.4%) despite € 12mn contribution to reserve for claims from former state monopoly (legal requirement)
- § Poland increasing by 6.3% pts to 63.4% due to increase of reserves as a consequence of legal changes
- § Romania saw increase of claims ratio to 77.8% (9M 08: 72.8%) influenced by motor claims inflation (currency effects, partly offset by higher financial income)
- § Other CEE up by 2.5% pts at 63.6%

EUR mn	P&C	
	9M 2009	9M 2008
Net Earned Premiums:	2,625.6	2,545.4
Expenses for Claims Incurred:	1,729.2	1,633.7
<b>Ratio</b>	<b>65.9%</b>	<b>64.2%</b>

# 9M 2009 P&L Major Items – Operating Expenses

Cost ratio down as a result of savings programmes

- § Group cost ratio (net) decreasing by 1.5% pts to reach 30.4%
- § Cost ratio in Austria slightly down at 28.3% (HY09: 28.4%) despite wage inflation, due to efficiency programme
- § Costs in the Czech Republic reduced by 0.4% pts to 28.1%
- § Cost ratio in Slovakia up by 0.6% pts at 35.0% due to Group restructuring (merger of 2 companies)
- § Poland showing lower cost ratio at 37.2% (9M 08: 41.7%) thanks to lower administration costs as well as abolition of Religa tax (surcharge on motor premiums for health system)
- § Romania recording substantial decrease by 6.4% pts to 25.4% due to portfolio restructuring and cost cutting
- § Cost ratio in Other CEE down by 0.4% pts at 41.8%

EUR mn	P&C	
	6M 2009	6M 2008
Net Earned Premiums:	2,625.6	2,545.4
Operating Expenses: <sup>1</sup>	797.1	809.6
<b>Ratio</b>	<b>30.4%</b>	<b>31.8%</b>

<sup>1</sup> incl. Other technical result (Other underwriting income and expenses)

# 9M 2009 P&L Major Items – Financial Result

Sound financial result (€000)

Income	P&C		Life		Health		Total	
in €'000	9M 2009	9M 2008	9M 2009	9M 2008	9M 2009	9M 2008	9M 2009	9M 2008
Current income	132,321	136,980	808,070	693,430	28,032	25,623	968,423	856,033
Income from appreciations	8,260	5,592	55,103	20,638	5,878	60	69,241	26,290
Income from the disposal of investments	136,541	208,781	138,940	412,610	16,117	6,365	291,598	627,756
Other income	1,276	3,130	10,899	6,433	7	50	12,182	9,613
<b>Total Income</b>	<b>278,398</b>	<b>354,483</b>	<b>1,013,012</b>	<b>1,133,111</b>	<b>50,034</b>	<b>32,098</b>	<b>1,341,444</b>	<b>1,519,692</b>
Expenses	P&C		Life		Health		Total	
in €'000	9M 2009	9M 2008	9M 2009	9M 2008	9M 2009	9M 2008	9M 2009	9M 2008
Depreciation of investments	13,919	28,029	87,044	138,826	3,183	10,088	104,146	176,943
Impairment of investments	37,254	34,139	114,339	91,688	4,741	444	156,334	126,271
Exchange rate changes	-4,182	-185	-1,430	5,884	-9	3	-5,621	5,702
Losses from the disposal of investments	31,038	13,010	143,600	220,533	30,277	8,320	204,915	241,863
Interest expenses	22,154	20,677	64,455	56,268	5,089	3,938	91,698	80,883
Other expenses	10,961	24,843	49,630	55,667	2,176	1,282	62,767	81,792
<b>Total Expenses</b>	<b>111,144</b>	<b>120,513</b>	<b>457,638</b>	<b>568,866</b>	<b>45,457</b>	<b>24,075</b>	<b>614,239</b>	<b>713,454</b>
<b>Total Financial Result</b>	<b>167,254</b>	<b>233,970</b>	<b>555,374</b>	<b>564,245</b>	<b>4,577</b>	<b>8,023</b>	<b>727,205</b>	<b>806,238</b>

§ Decrease in Group Financial Result by 9.8% to  
€ 727.2mn reflecting one-off effects in 9M 08 (sale of BACAV and  
Unita)

# 9M 2009 P&L – Business Segments

Property & Casualty, IFRS (€mn)

	9M 2009	9M 2008	+/-%
1. Gross premiums written	3,343.3	3,379.5	-1.1
2. Net earned premiums	2,625.6	2,545.4	3.2
3. Financial result	167.3	234.0	-28.5
4. Other income	53.6	28.1	90.9
<b>Total income</b>	<b>2,846.5</b>	<b>2,807.5</b>	1.4
6. Expenses for claims and insurance benefits	-1,729.2	-1,633.7	5.8
7. Operating expenses	-728.3	-725.3	0.4
8. Other expenses	-136.4	-126.5	7.8
<b>Total expenses</b>	<b>-2,593.9</b>	<b>-2,485.5</b>	4.4
<b>Profit before taxes</b>	<b>252.6</b>	<b>322.0</b>	-21.6

# 9M 2009 P&L – Business Segments

Life, IFRS (€mn)

	9M 2009	9M 2008	+/-%
1. Gross premiums written	2,521.0	2,401.8	5.0
2. Net earned premiums	2,509.1	2,389.4	5.0
3. Financial result	555.4	564.2	-1.6
4. Other income	31.9	14.6	>100
<b>Total income</b>	<b>3,096.3</b>	<b>2,968.2</b>	<b>4.3</b>
6. Expenses for claims and insurance benefits	-2,485.5	-2,410.5	3.1
7. Operating expenses	-472.1	-435.2	8.5
8. Other expenses	-64.6	-41.2	56.7
<b>Total expenses</b>	<b>-3,022.1</b>	<b>-2,886.9</b>	<b>4.7</b>
<b>Profit before taxes</b>	<b>74.2</b>	<b>81.4</b>	<b>-8.9</b>

# 9M 2009 P&L – Business Segments

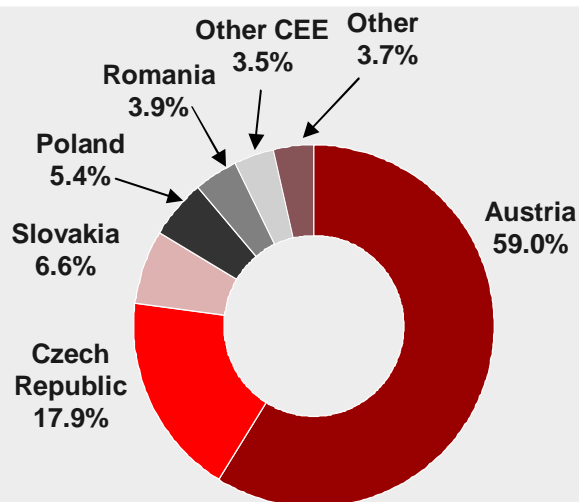
Health, IFRS (€mn)

	9M 2009	9M 2008	+/-%
1. Gross premiums written	241.7	236.6	2.2
2. Net earned premiums	239.6	234.2	2.3
3. Financial result	4.6	8.0	-43.0
4. Other income	0.1	0.0	62.5
<b>Total income</b>	<b>244.2</b>	<b>242.3</b>	0.8
6. Expenses for claims and insurance benefits	-199.3	-207.2	-3.8
7. Operating expenses	-30.5	-31.0	-1.6
8. Other expenses	-0.7	-0.7	-4.4
<b>Total expenses</b>	<b>-230.5</b>	<b>-238.9</b>	-3.5
<b>Profit before taxes</b>	<b>13.8</b>	<b>3.4</b>	>100

# Premium Portfolio

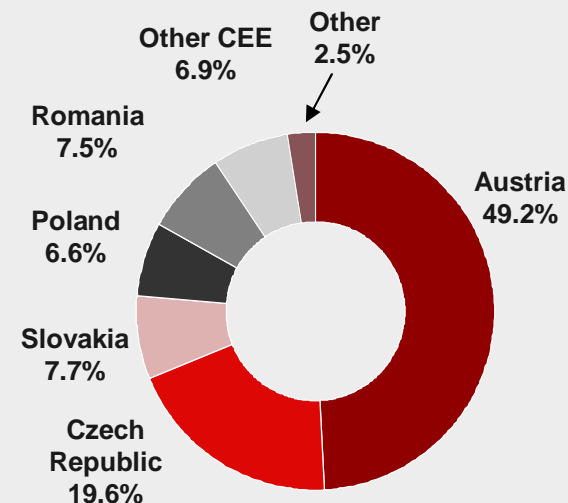
Source of business origination substantially widened

### GWP by Geography 9M 06



**9M 2006 Total: €4.3bn**

### GWP by Geography 9M 09



**9M 2009 Total: €6.1bn**

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

# 9M 2009 P&L - Split by Regions (I)

Regional segments, IFRS (€mn)

	Austria			Czech Republic		
	9M 2009	9M 2008	+/-%	9M 2009	9M 2008	+/-%
1. Gross premiums written	3,005.6	2,959.4	1.6	1,198.5	1,006.7	19.1
2. Net earned premiums	2,652.1	2,582.5	2.7	1,026.7	815.1	26.0
3. Financial result	543.7	648.3	-16.1	54.1	36.8	47.1
4. Other income	8.5	7.7	10.6	18.9	9.6	97.4
<b>Total income</b>	<b>3,204.3</b>	<b>3,238.5</b>	<b>-1.1</b>	<b>1,099.6</b>	<b>861.4</b>	<b>27.7</b>
6. Expenses for claims/benefits	-2,518.5	-2,472.8	1.8	-682.5	-547.8	24.6
7. Operating expenses	-469.4	-488.5	-3.9	-258.1	-202.4	27.5
8. Other expenses	-32.2	-35.7	-10.0	-60.7	-40.7	49.2
<b>Total expenses</b>	<b>-3,020.1</b>	<b>-2,997.1</b>	<b>0.8</b>	<b>-1,001.3</b>	<b>-790.9</b>	<b>26.6</b>
<b>Profit before taxes</b>	<b>184.2</b>	<b>241.4</b>	<b>-23.7</b>	<b>98.4</b>	<b>70.5</b>	<b>39.6</b>
<b>Combined Ratio</b>	<b>96.3%</b>	<b>93.3%</b>		<b>88.0%</b>	<b>92.2%</b>	



## 9M 2009 P&L - Split by Regions (II)

Regional segments, IFRS (€mn)

	Slovakia			Poland			Romania		
	9M 2009	9M 2008	+/-%	9M 2009	9M 2008	+/-%	9M 2009	9M 2008	+/-%
1. Gross premiums written	469.4	422.8	11.0	405.8	609.1	-33.4	455.9	494.8	-7.9
2. Net earned premiums	411.8	358.1	15.0	368.7	564.7	-34.7	414.6	423.3	-2.1
3. Financial result	28.2	10.7	>100	24.9	8.3	>100	33.5	83.5	-59.9
4. Other income	2.9	2.8	3.1	3.0	5.0	-39.4	26.7	11.1	>100
<b>Total income</b>	<b>442.9</b>	<b>371.7</b>	19.2	<b>396.6</b>	<b>577.9</b>	-31.4	<b>474.8</b>	<b>518.0</b>	-8.3
6. Expenses for claims/benefits	-321.7	-262.2	22.7	-208.0	-358.7	-42.0	-320.8	-320.1	0.2
7. Operating expenses	-68.6	-64.8	5.8	-159.1	-184.2	-13.6	-128.3	-132.9	-3.5
8. Other expenses	-36.5	-33.4	9.4	-10.0	-17.2	-41.6	-9.1	-13.0	-29.5
<b>Total expenses</b>	<b>-426.8</b>	<b>-360.5</b>	18.4	<b>-377.2</b>	<b>-560.0</b>	-32.7	<b>-458.2</b>	<b>-466.0</b>	-1.7
<b>Profit before taxes</b>	<b>16.1</b>	<b>11.3</b>	42.6	<b>19.5</b>	<b>17.9</b>	8.7	<b>16.6</b>	<b>52.0</b>	-68.1
<b>Combined Ratio</b>	<b>94.3%</b>	<b>93.9%</b>		<b>100.6%</b>	<b>98.9%</b>		<b>103.2%</b>	<b>104.6%</b>	

# 9M 2009 P&L - Split by Regions (III)

Regional segments, IFRS (€mn)

	Other CEE <sup>1</sup>			Other			TOTAL		
	9M 2009	9M 2008	+/-%	9M 2009	9M 2008	+/-%	9M 2009	9M 2008	+/-%
1. Gross premiums written	418.8	353.9	18.3	152.0	171.0	-11.1	6,106.0	6,017.8	1.5
2. Net earned premiums	350.4	277.9	26.1	149.9	147.5	1.6	5,374.3	5,169.1	4.0
3. Financial result	29.1	7.5	>100	13.9	11.1	24.4	727.2	806.2	-9.8
4. Other income	6.3	4.2	48.3	19.2	2.3	>100	85.6	42.7	>100
<b>Total income</b>	<b>385.8</b>	<b>289.6</b>	33.2	<b>183.0</b>	<b>160.9</b>	13.7	<b>6,187.0</b>	<b>6,018.0</b>	2.8
6. Expenses for claims/benefits	-247.8	-175.3	41.4	-114.7	-114.4	0.2	-4,414.0	-4,251.4	3.8
7. Operating expenses	-121.4	-101.5	19.6	-26.1	-17.2	51.8	-1,230.9	-1,191.5	3.3
8. Other expenses	-21.3	-11.7	>100	-31.8	-16.7	90.1	-201.7	-168.4	19.7
<b>Total expenses</b>	<b>-390.4</b>	<b>-288.5</b>	35.4	<b>-172.6</b>	<b>-148.4</b>	16.3	<b>-5,846.5</b>	<b>-5,611.2</b>	4.2
<b>Profit before taxes</b>	<b>-4.7</b>	<b>1.1</b>	>-100	<b>10.5</b>	<b>12.6</b>	-16.9	<b>340.5</b>	<b>406.8</b>	-16.3
<b>Combined Ratio</b>	<b>105.4%</b>	<b>103.4%</b>		<b>92.1%</b>	<b>81.3%</b>		<b>96.2%</b>	<b>96.0%</b>	

1: In Croatia, a one-off provision of about EUR 10 million had to be recognised in the financial statements due to a regulatory reduction of the guaranteed interest on life insurance contracts. This had an adverse effect on the result.

# 9M 2009 Results by Country

IFRS (€mn)

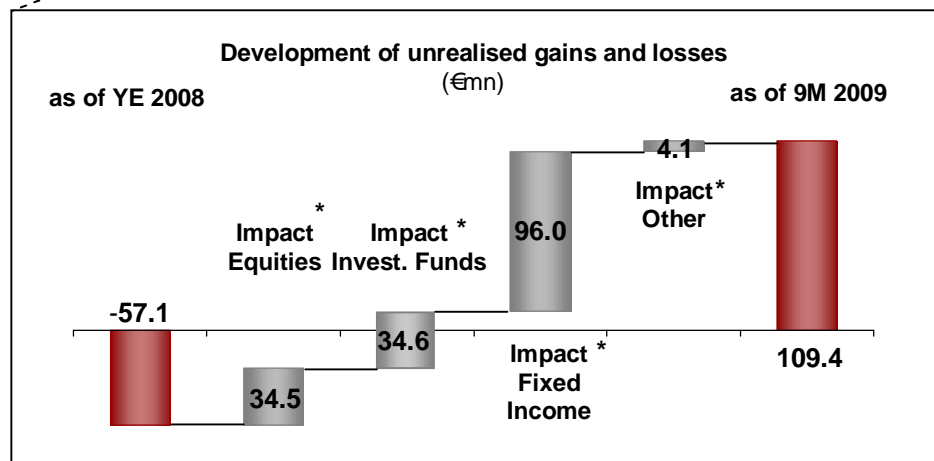
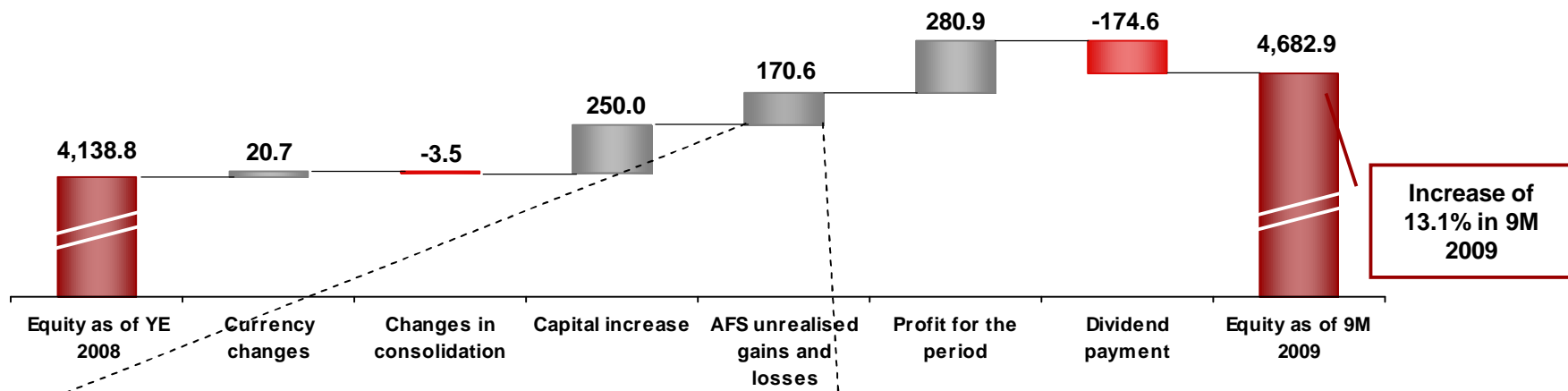
	GWP Non-Life		Life GWP		GWP Total		Profit before Taxes		Net Combined Ratio	
	9M 2009	9M 2008	9M 2009	9M 2008	9M 2009	9M 2008	9M 2009	9M 2008	9M 2009	9M 2008
<b>Austria</b>	<b>1,536.4</b>	<b>1,520.8</b>	<b>1,469.2</b>	<b>1,438.6</b>	<b>3,005.6</b>	<b>2,959.4</b>	<b>184.2</b>	<b>241.4</b>	<b>96.3%</b>	<b>93.3%</b>
<b>Czech Rep.</b>	<b>782.8</b>	<b>752.0</b>	<b>415.7</b>	<b>254.8</b>	<b>1,198.5</b>	<b>1,006.7</b>	<b>98.4</b>	<b>70.5</b>	<b>88.0%</b>	<b>92.2%</b>
<b>Slovakia</b>	<b>256.2</b>	<b>247.4</b>	<b>213.1</b>	<b>175.5</b>	<b>469.4</b>	<b>422.8</b>	<b>16.1</b>	<b>11.3</b>	<b>94.3%</b>	<b>93.9%</b>
<b>Poland</b>	<b>277.4</b>	<b>324.1</b>	<b>128.4</b>	<b>285.1</b>	<b>405.7</b>	<b>609.1</b>	<b>19.5</b>	<b>17.9</b>	<b>100.6%</b>	<b>98.9%</b>
<b>Romania</b>	<b>396.2</b>	<b>466.2</b>	<b>59.7</b>	<b>28.6</b>	<b>455.9</b>	<b>494.8</b>	<b>16.6</b>	<b>52.0</b>	<b>103.2%</b>	<b>104.6%</b>
<b>Other CEE</b>	<b>282.1</b>	<b>253.4</b>	<b>136.7</b>	<b>100.5</b>	<b>418.8</b>	<b>353.9</b>	<b>-4.7</b>	<b>1.1</b>	<b>105.4%</b>	<b>103.4%</b>
Hungary	44.7	32.1	56.6	47.0	101.3	79.0	4.0	2.5	99.4%	100.5%
Croatia	36.8	36.9	43.1	31.2	79.9	68.1	-9.0	0.1	105.6%	108.8%
Serbia	20.0	25.3	14.5	14.6	34.6	40.0	0.7	-0.7	103.9%	103.5%
Bulgaria	100.4	68.4	9.2	6.7	109.6	75.1	-0.1	-1.6	104.7%	101.2%
Ukraine	15.3	32.0	0.7	1.0	16.0	33.0	-3.5	0.2	131.9%	101.9%
Turkey	48.4	58.8	-	-	48.4	58.8	-1.9	0.6	109.2%	104.2%
Baltics	-	-	12.6	-	12.6	-	2.3	-	-	-
Albania	12.8	-	-	-	12.8	-	2.7	-	81.0%	-
Macedonia	3.6	-	-	-	3.6	-	0.1	-	94.4%	-
<b>Other</b>	<b>53.8</b>	<b>52.2</b>	<b>98.2</b>	<b>118.8</b>	<b>152.0</b>	<b>171.0</b>	<b>10.5</b>	<b>12.6</b>	<b>92.1%</b>	<b>81.3%</b>
Liechtenstein	-	-	55.5	78.7	55.5	78.7	0.4	1.9	-	-
Germany	53.8	52.2	42.7	40.1	96.5	92.3	10.1	10.7	92.1%	81.3%
<b>Total</b>	<b>3,585.0</b>	<b>3,616.0</b>	<b>2,521.0</b>	<b>2,401.8</b>	<b>6,106.0</b>	<b>6,017.8</b>	<b>340.5</b>	<b>406.8</b>	<b>96.2%</b>	<b>96.0%</b>

1: Note: For one-off effect in profit before taxes in Croatia see explanation on previous page

# 9M 2009 Shareholders' Equity

Shareholders' equity supports strong capitalisation

Change in Group Shareholders' Equity (€mn)



\* including minority interests

## Capitalisation

- § V.I.G. has issued, within the scope of the existing € 500mn hybrid bonds programme of May 2008, a second tranche with a volume of € 250mn at the same terms in April 2009
- § Comfortably solvency ratio above 180% on IFRS basis
- § V.I.G. develops new risk based internal capital model according to Solvency II

# Change in Group Shareholders' Equity

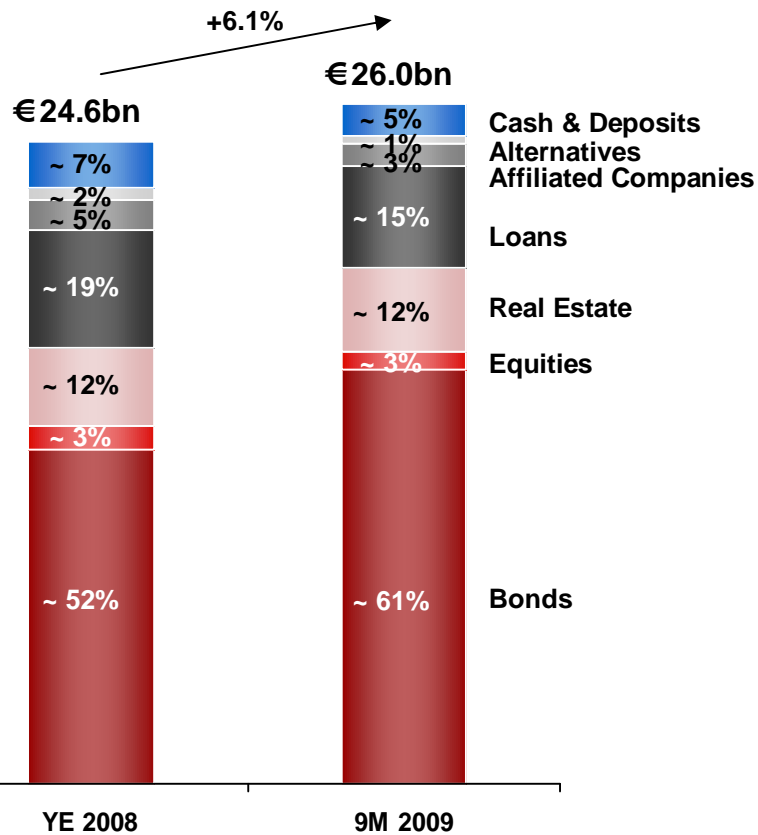
IFRS (€000)

	1.1. - 30.09.2009	1.1. - 30.09.2008
Equity as of 1 January	4,138,790	2,615,563
Exchange rate changes	20,720	39,237
Changes in scope of consolidation	-3,452	42,810
Capital increase	250,000	1,343,078
Unrealised gains and losses from financial instruments available for sale	170,567	-149,545
Profit for the period	280,898	328,953
Dividend payment	-174,624	-119,050
<b>Equity as of 30 September</b>	<b>4,682,899</b>	<b>4,101,046</b>

# 9M 2009 Investment Split

V.I.G. follows a prudent investment approach

## Portfolio Overview

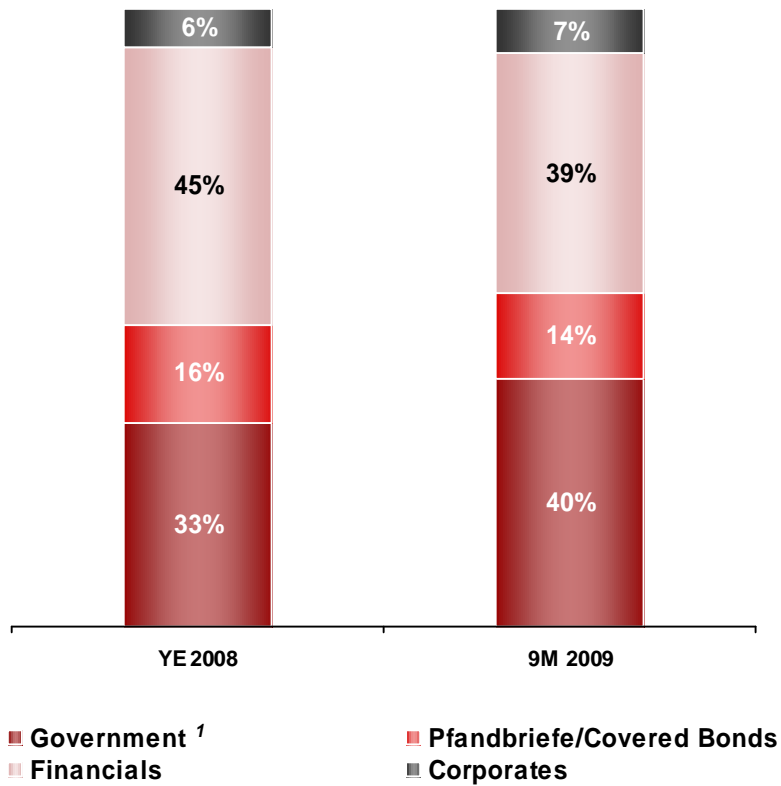


## Current Investment Strategy

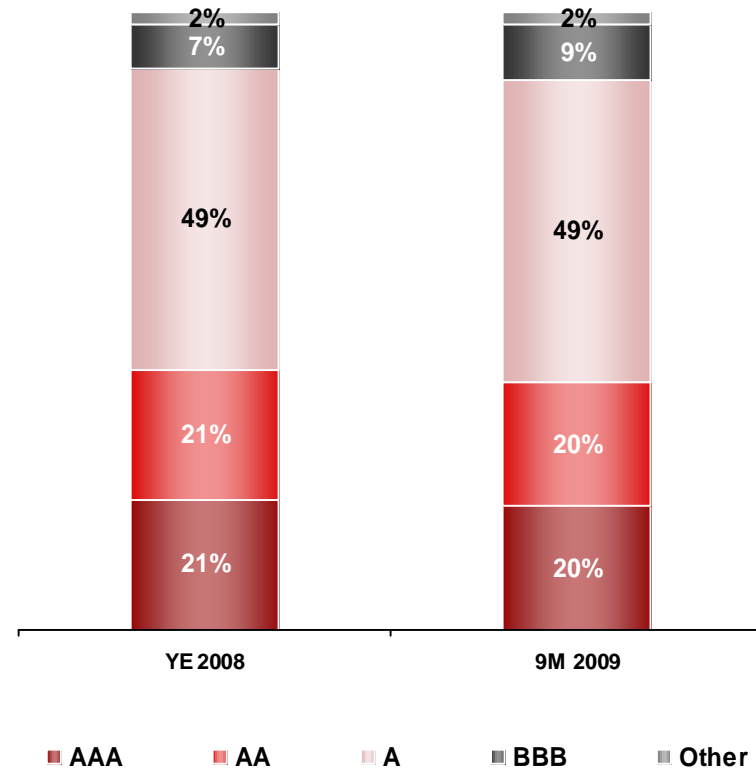
- 1 Further investments into high quality sovereign bonds
- 2 For trading reasons acquisition of good quality corporate bonds (defensive sectors) => taking advantage of attractive yield pick-up's
- 3 Equity ratio to remain at fairly low level in order to limit volatility of investment portfolio

# Development of Bond Portfolio

## By Issuer



## By Rating



<sup>1</sup>: Government and government guaranteed

# Life Insurance Premium Split

IFRS (€mn)

Premiums written - direct business	9M 2009	9M 2008	+/- %
Regular premiums	1,588.3	1,356.7	17.1%
Single premiums	921.2	1,037.7	-11.2%
<b>Total premiums written - direct business</b>	<b>2,509.5</b>	<b>2,394.4</b>	<b>4.8%</b>
<b>thereof:</b>			
Policies with profit participation	1,383.1	1,347.1	2.7%
Policies without profit participation	297.4	251.9	18.0%
unit- and index-linked life insurance	829.0	795.4	4.2%
<b>thereof:</b>			
Individual insurance	2,369.7	2,045.7	15.8%
Group insurance	139.8	348.7	-59.9%



# Q3 2009 Income Statement

IFRS (€mn)

E 41

	Q3 2009	Q3 2008	+/-%
1. Gross premiums written	1,854.5	1,802.7	2.9
2. Net earned premiums	1,761.2	1,697.8	3.7
3. Financial result	255.6	187.5	36.3
4. Other income	23.6	12.0	96.7
<b>Total income</b>	<b>2,040.4</b>	<b>1,897.3</b>	<b>7.5</b>
6. Expenses for claims and insurance benefits	-1,451.1	-1,339.0	8.4
7. Operating expenses	-407.3	-391.6	4.0
8. Other expenses	-71.7	-48.4	48.1
<b>Total expenses</b>	<b>-1,930.1</b>	<b>-1,779.0</b>	<b>8.5</b>
<b>Profit before taxes</b>	<b>110.3</b>	<b>118.4</b>	<b>-6.8</b>
Taxes	-19.4	-18.4	5.4
<b>Net profit before minorities (Profit for the period)</b>	<b>90.9</b>	<b>100.1</b>	<b>-9.2</b>
Minorities	-7.6	-6.8	11.9
<b>Net profit after minorites</b>	<b>83.3</b>	<b>93.3</b>	<b>-10.7</b>

# 9M 2009 Exchange Rates

National currency unit per EUR

Country	Curr.	9M 2009		9M 2008	
		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	7.2580	7.3620	7.2365	7.2556
Estonia	EUR/EEK	15.6466	15.6466	-	-
Liechtenstein	EUR/CHF	1.5078	1.5104	1.6056	1.6114
Poland	EUR/PLN	4.2295	4.3797	3.3513	3.4070
Romania	EUR/RON	4.2180	4.2304	3.6415	3.6521
Serbia	EUR/CSD	93.0111	93.9285	78.9784	81.6813
Slovakia	EUR/SKK	-	-	30.2050	31.4028
Czech Republik	EUR/CZK	25.1640	26.6093	23.8930	24.8304
Hungary	EUR/HUF	269.7017	283.5432	235.4300	248.0447
Turkey	EUR/TRY	2.1734	2.1496	1.9323	1.9717
Ukraine	EUR/UAH	11.6537	10.5576	7.6361	7.6895
Albania	EUR/ALL	61.1741	130.8883	-	-
Macedonia	EUR/MKD	61.1642	61.3053	-	-

# Group Embedded Value 2008

## Results (€mn)

	L&H		P&C		Total	
	2008	2007	2008	2007	2008	2007
<b>Austria/Germany</b>						
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	<b>1,670.4</b>	<b>2,260.0</b>	<b>151.4</b>	<b>426.6</b>	<b>1,821.8</b>	<b>2,686.6</b>
<b>CEE</b>						
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	<b>969.0</b>	<b>847.8</b>	<b>1,371.6</b>	<b>1,340.7</b>	<b>2,340.6</b>	<b>2,188.5</b>
<b>Total</b>	<b>2,639.4</b>	<b>3,107.8</b>	<b>1,523.0</b>	<b>1,767.3</b>	<b>4,162.4</b>	<b>4,875.1</b>

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	
<b>Austria / Germany</b>						
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%
<b>CEE</b>						
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%
<b>Return on Total GEV</b>	<b>- 796.9</b>	<b>-25.6%</b>	<b>84.2</b>	<b>4.8%</b>	<b>- 712.7</b>	<b>-14.6%</b>

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	+ / - %
<b>Austria / Germany</b>			
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%	
<b>CEE</b>			
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%	
<b>NBV-Total</b>	<b>153.8</b>	<b>145.0</b>	<b>+ 6.1%</b>
<b>APE-Total</b>	<b>470.2</b>	<b>476.0</b>	
<b><i>APE-Ratio Total</i></b>	<b>32.7%</b>	<b>30.5%</b>	
<b>PVNBP-Total</b>	<b>3,790.7</b>	<b>3,519.7</b>	
<b><i>PVNBP-Ratio Total</i></b>	<b>4.1%</b>	<b>4.1%</b>	

### 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

Slovakia	Czech Rep.	Romania	Bulgaria
Pop.: 5.4 mn	Pop.: 10.2 mn	Pop.: 21.3 mn	Pop.: 7.6 mn
GDP/Cap.: \$ 17 k	GDP/Cap.: \$ 23 k	GDP/Cap.: \$ 10 k	GDP/Cap.: \$ 7 k
Density NL: \$ 292	Density NL: \$ 478	Density NL: \$ 132	Density NL: \$ 154
Density L: \$ 257	Density L: \$ 326	Density L: \$ 33	Density L: \$ 24
<b>Market share: 31.7%</b>	<b>Market share: 31.4%</b>	<b>Market share: 29.6%</b>	<b>Market share: 18.9%</b>
Croatia	Serbia	Hungary	Poland
Pop.: 4.6 mn	Pop.: 7.4 mn	Pop.: 10.0 mn	Pop.: 38.0 mn
GDP/Cap.: \$ 13 k	GDP/Cap.: \$ 7 k	GDP/Cap.: \$ 17 k	GDP/Cap.: \$ 14 k
Density NL: \$ 318	Density NL: \$ 111	Density NL: \$ 236	Density NL: \$ 262
Density L: \$ 113	Density L: \$ 15	Density L: \$ 266	Density L: \$ 381
<b>Market share: 8.0%</b>	<b>Market share: 7.6%</b>	<b>Market share: 5.7%</b>	<b>Market share: 5.3%</b>

## Details

- § leading market position in nearly all core markets
- § strong market positions also in Ukraine, Georgia and Albania

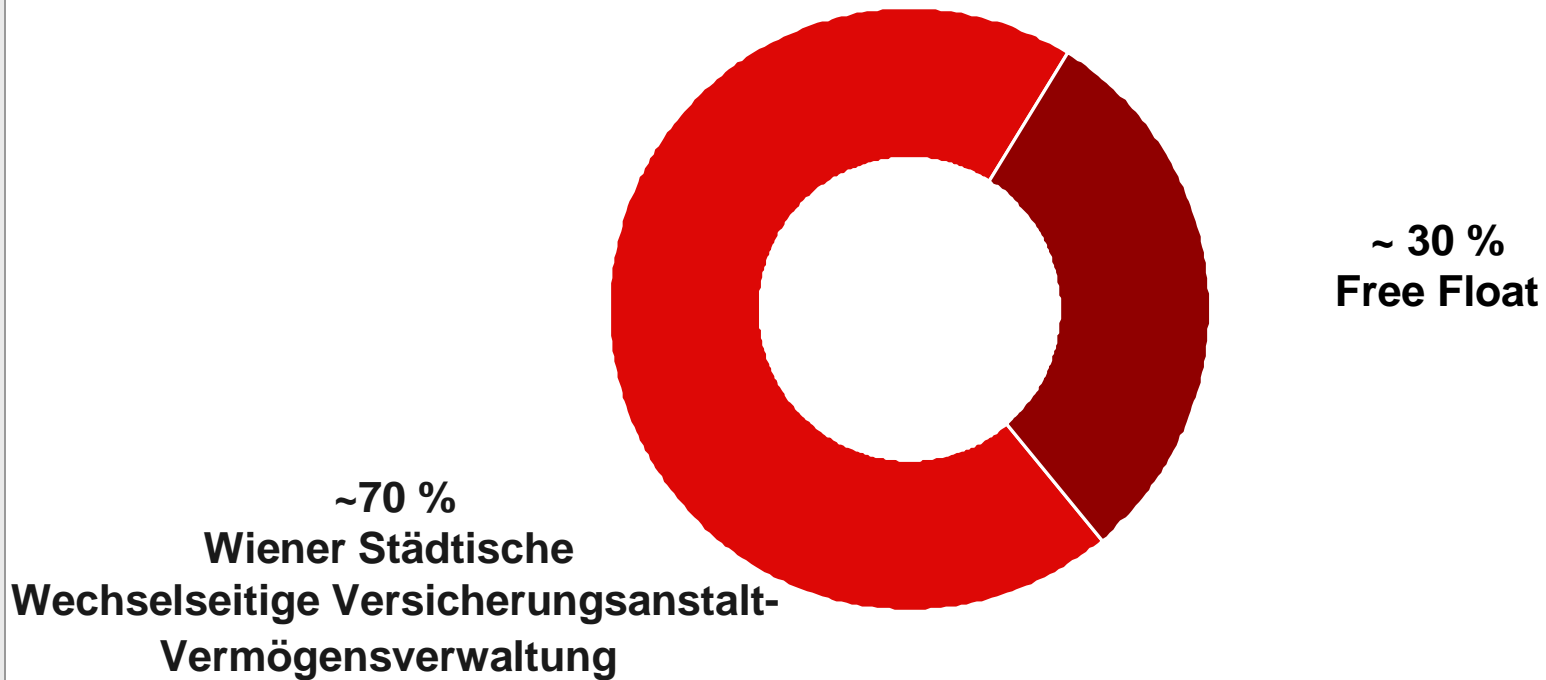
- § focus on retail business
- § systematic market entry
- § tight operational management

Source: Swiss RE 03/2009,  
Market shares: data as of 6M 2009

## Shareholder Structure (I)

Total number of shares 128,000,000

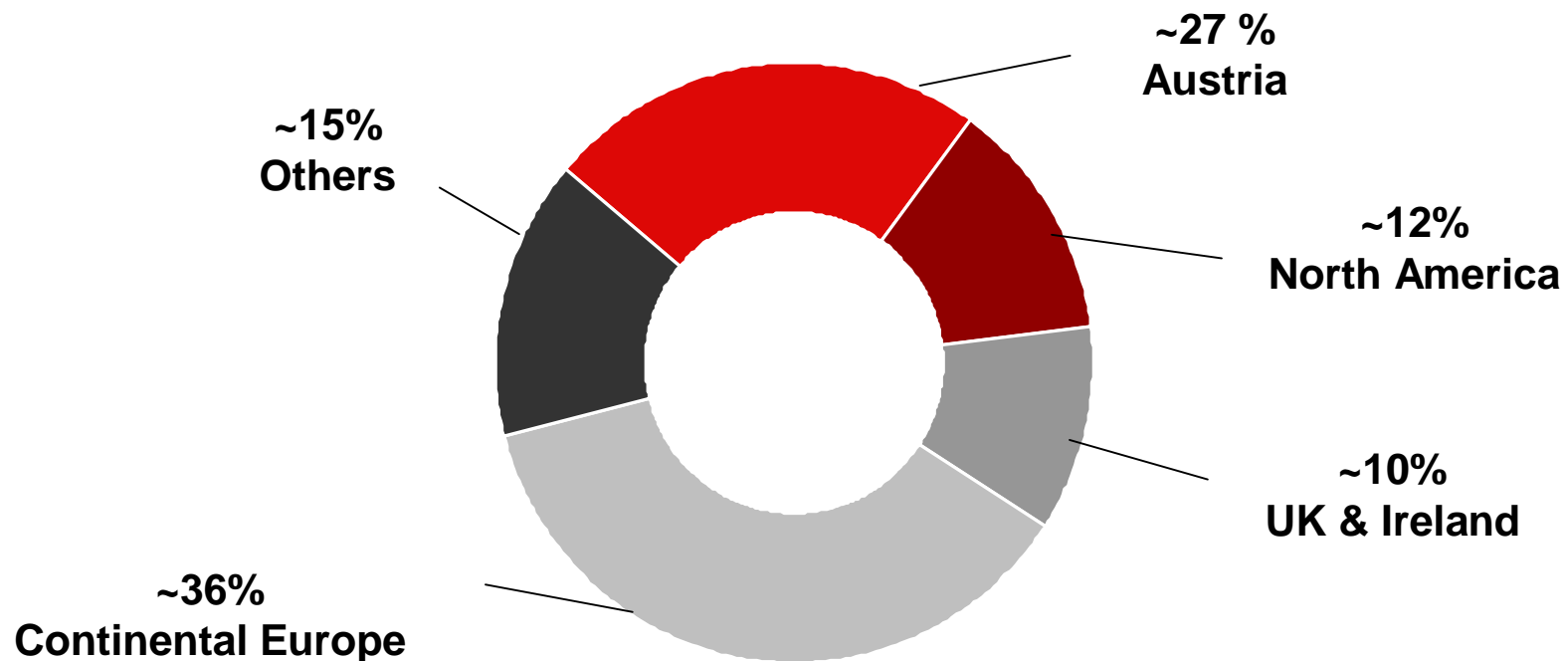
### Shareholder Structure



## Shareholder Structure (II)

Total number of shares 128,000,000

### Free Float Geographical Split





#### V.I.G. Share

- § **Number of common shares**  
128mn
- § **ISIN**  
AT0000908504
- § **Stock exchange listing**  
Vienna – Initial listing 17 Oct. 1994  
Prague – Initial listing 5 Feb. 2008
- § **Ticker symbol**  
VIG
- § **Bloomberg**  
VIG AV / VIG CP
- § **Reuters**  
VIGR.VI / VIGR.PR

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