



V.I.G. – Getting in shape for economic recovery in CEE

UniCredit, Mailand - 28 April 2010

A **V.I.G. – a model expansion**

B Adopting to a changing environment

C Distribution is key in insurance

D Exploiting potential going forward

E Appendix

V.I.G. in 1990 – The Big Bang

Leading Austrian position as basis for international growth story

1990 – Pioneer in CEE

§ Early mover advantage due to exploiting opportunities offered by underdeveloped insurance markets in CEE

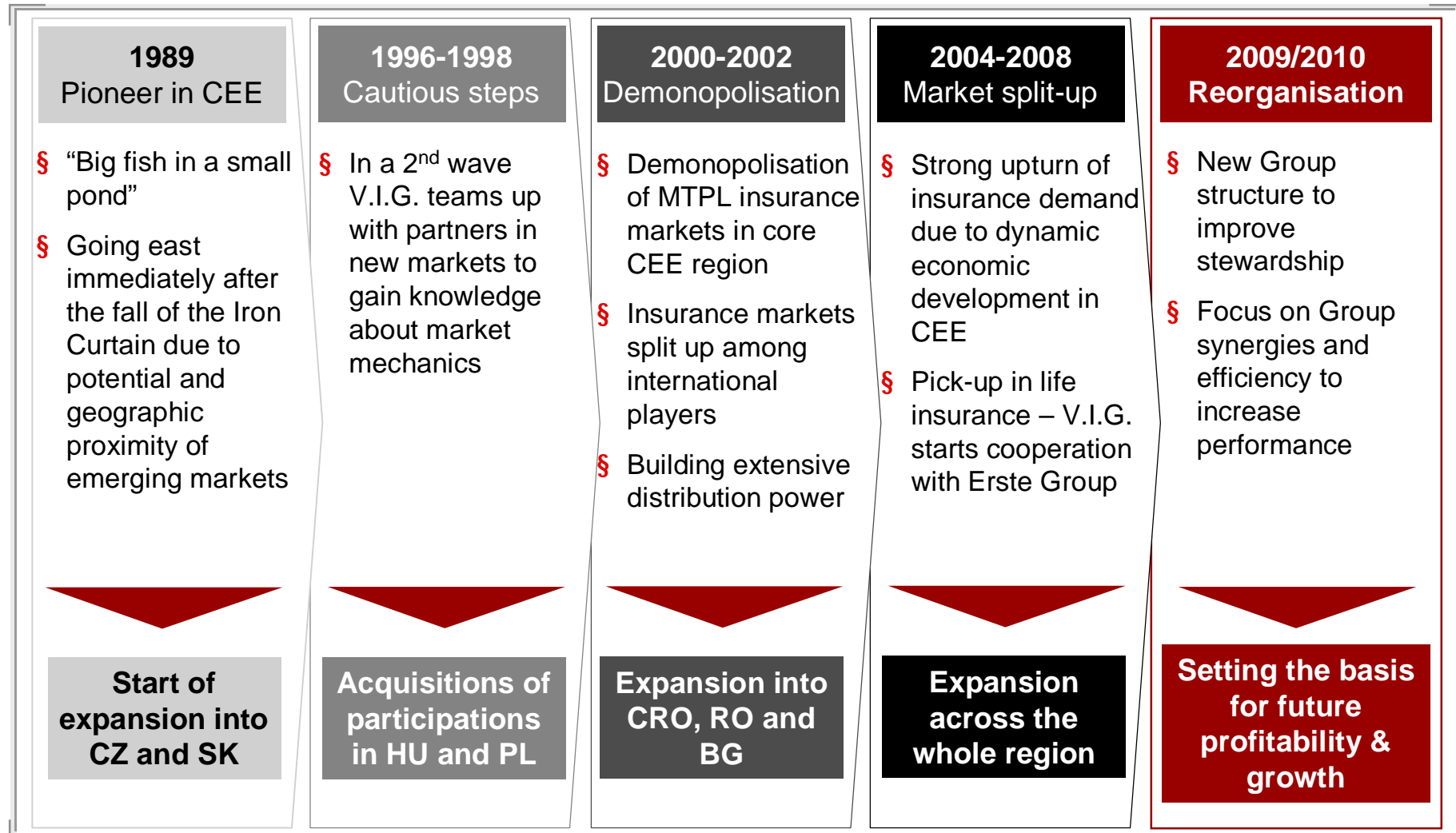
- Gross written premiums: €1.2bn
- Profit before tax: €86mn
- Employees: ~ 5,800
- Presence in Austria
- Market share in Austria: ~18%

Footprint in 1990



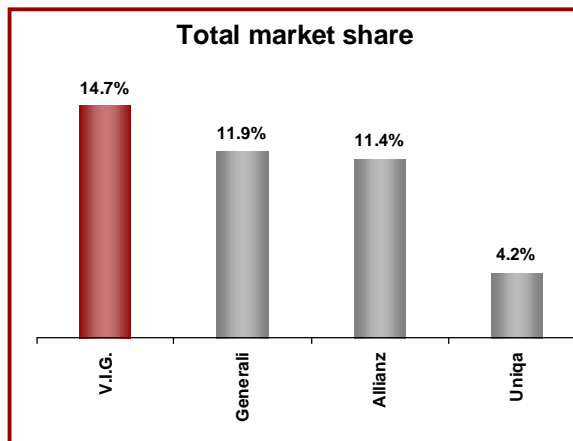
Building a Strong Franchise

Dynamic yet risk-aware expansion into CEE

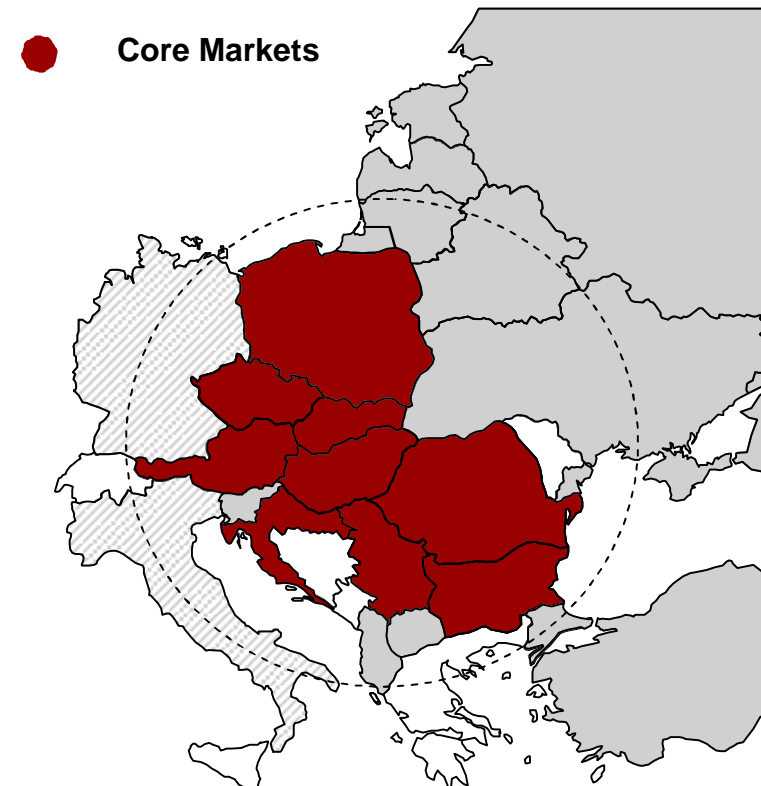


2009 – No. 1 in its Core Markets

- Gross written premiums: €8.0bn
- Profit before tax: €441mn
- Employees: ~ 24,000
- Presence in 23 countries
- Clear No. 1 position in CEE¹: ~15%



Footprint in 2009



CEE share ~50% of premiums

¹: CEE is defined as: Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Serbia and Slovakia, ³: National insurance associations of the respective countries as of 9M 2009

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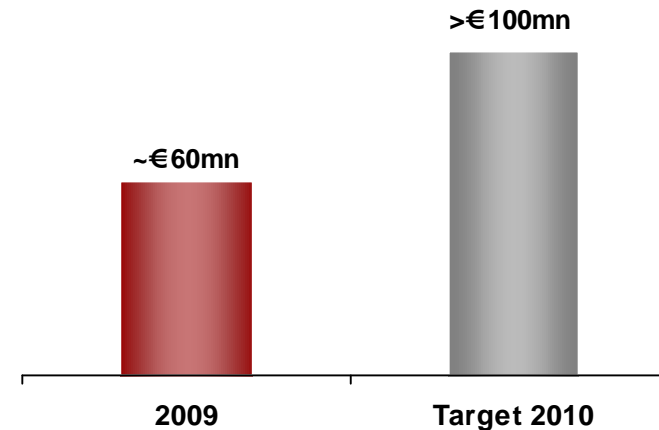
Focus on Efficiency

Setting the basis for future sustainable profitability

Efficiency Programme

- 1 Streamlining of regional head offices in A**
Focus on reduction of administrative tasks
- 2 Accelerated implementation of shared services concept in line with multi-brand approach in CEE**
- 3 Strengthening of central administration**
Higher service commitment
- 4 Reduction of overall non-personnel costs**
In particular in IT and office space

Savings of € 100mn by 2010

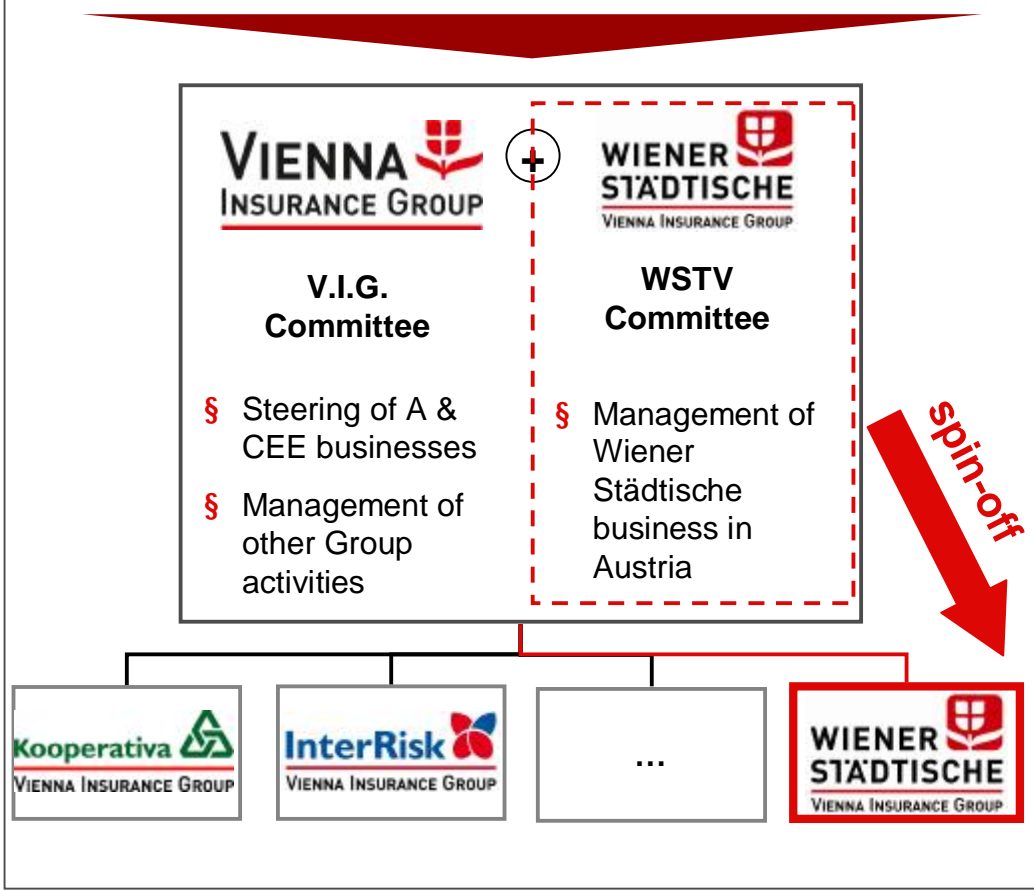


- § Cost savings target of at least € 100mn, to be reached by end of 2010
- § Includes companies in CEE and Austria
- § Accelerated efficiency programme in CEE

New Governance Structure

Improving Group transparency by spinning-off WSTV

Shareholders



Details

- § Continuous expansion of V.I.G. resulted in greater group-wide management requirements
- § Existing governance framework does not reflect increasing scope of management tasks
- § Evolving Group architecture reflects increasing importance of CEE business

- § **Clear corporate governance**
 - Local companies manage operating retail and SME business
 - Holding will be insurance company with direct and reinsurance business
- § **Transparency, internally and externally**
 - Improved benchmarking
- § **Clear-cut responsibilities between operational Austrian business and Group matters**

- A** V.I.G. – a model expansion
- B** Adopting to a changing environment
- C** Distribution is key in insurance
- D** Exploiting potential going forward
- E** Appendix

Distribution Model (I)

Multi-brand strategy is paramount for distribution

C 10

Multi-Brand

Features

VIENNA 
INSURANCE GROUP

WIENER 
STÄDTISCHE
VIENNA INSURANCE GROUP


onau
VIENNA INSURANCE GROUP

ЮПИТЕР 
VIENNA INSURANCE GROUP

Kooperativa 
VIENNA INSURANCE GROUP

Kooperativa 
VIENNA INSURANCE GROUP

ERSTE BIZTOSÍTO
VIENNA INSURANCE GROUP

KVARNER 
VIENNA INSURANCE GROUP

OMNIASIG
VIENNA INSURANCE GROUP

in total about 40 brands

- § Strong brand awareness in local markets
- § Entrepreneurship of management builds up well established local brands thus retaining loyalty of employees and management, customers and distribution networks
- § Several brands also within one country
- § Multi-brand allows for internal benchmarking
- § Regular appraisal of brand 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

Distribution Model (II)

Diversified distribution supports future growth

Comment	Multi-Channel				
<p>§ V.I.G. has one of the broadest distribution networks</p> <p>§ Distribution differs from country to country according to local market practice and legal regulations</p> <p>§ Backbone of distribution are tied agents (employed or freelancers)</p> <p>§ In advanced growth markets, bank-channel gaining importance in life business</p> <p>§ Benchmarking of distribution channels within Group raises motivation to be first at client</p>	<div style="display: flex; flex-direction: column; gap: 5px;"> <div> <10%</div> <div> 11% - 20%</div> <div> 21% - 30%</div> <div> 31% - 40%</div> <div> > 41%</div> </div>	Tied agents	Banks	Brokers	Other
	Austria	●	●	●	○
	Czech Rep.	●	●	●	○
	Slovakia	●	●	●	○
	Romania	●	○	●	○
	Poland	●	●	●	○
	Hungary	○	●	●	○
	Croatia	●	●	●	○
	Others	●	○	●	○

A V.I.G. – a model expansion

B Adopting to a changing environment

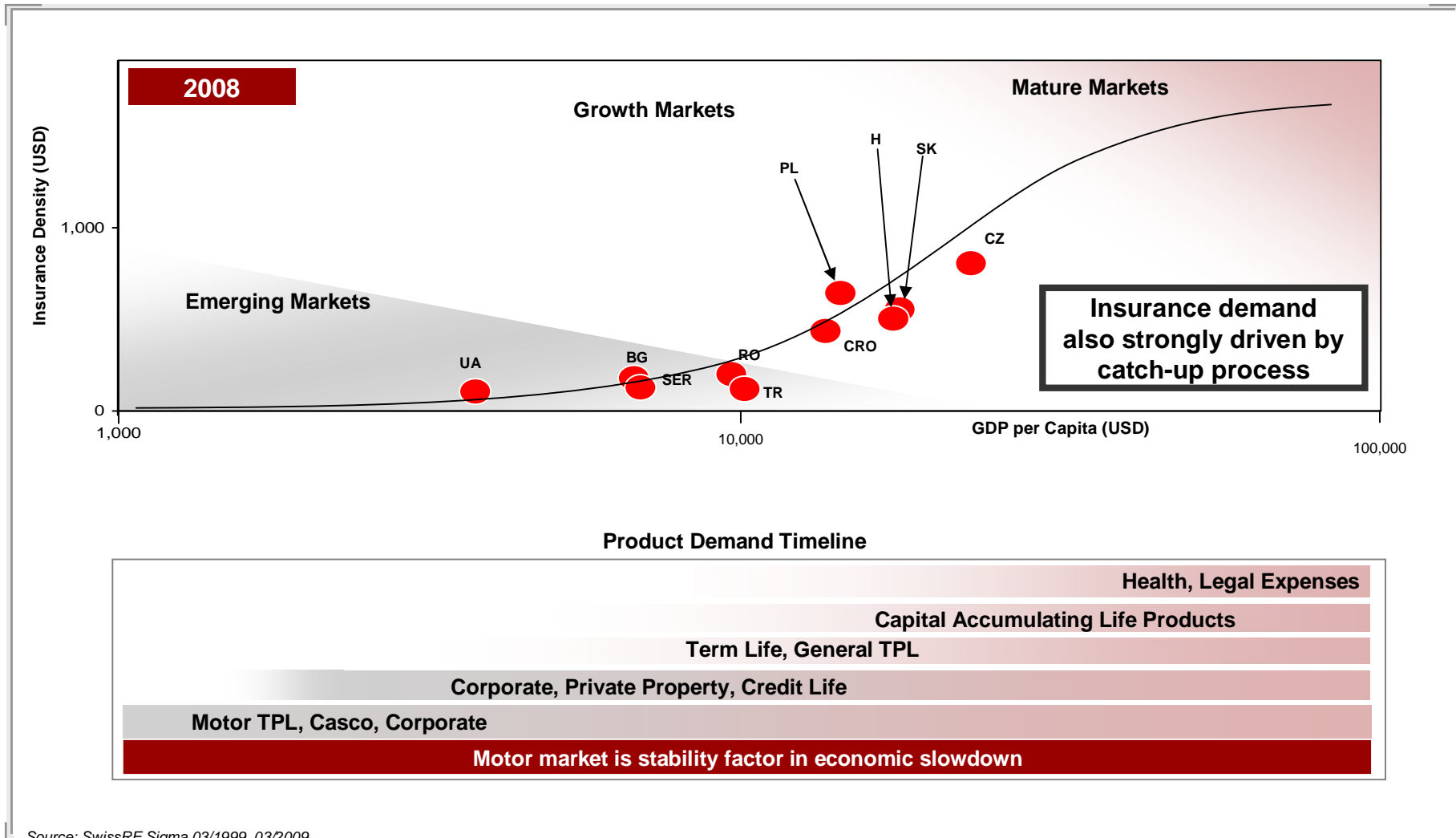
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Development of Insurance Demand

GDP growth and underpenetration are insurance drivers

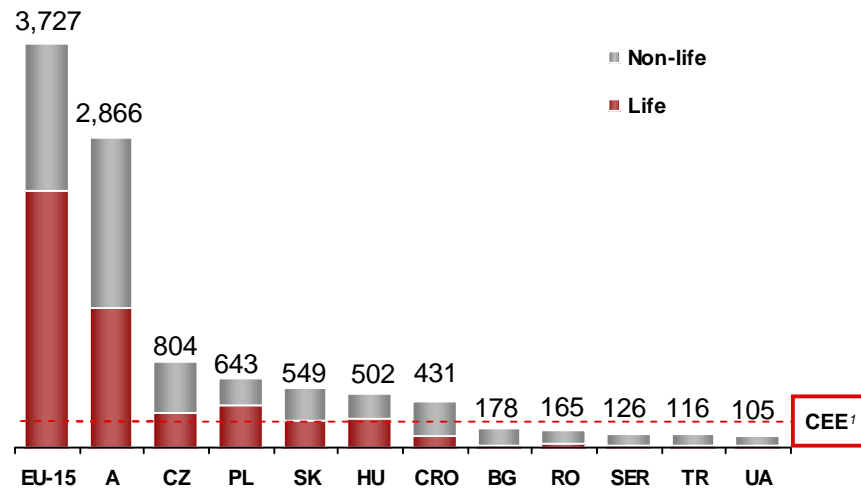


Source: SwissRE Sigma 03/1999, 03/2009

Low Penetration of Insurance Markets

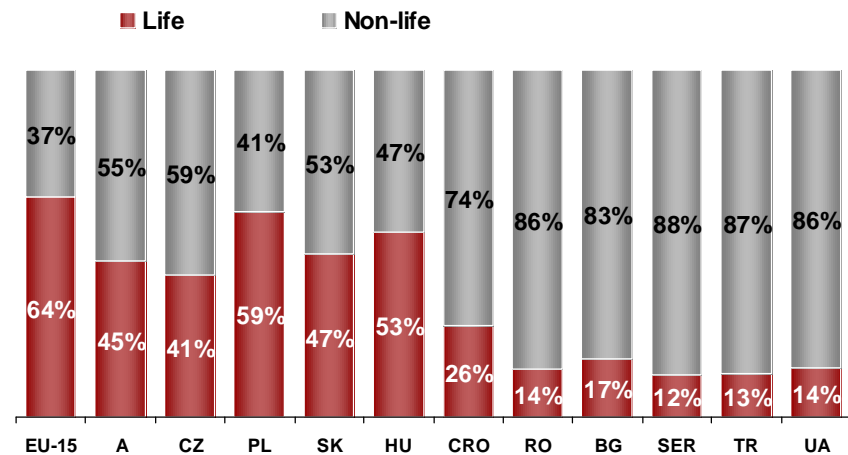
Catch-up potential in CEE in Non-life and Life

Insurance Density 2008 (USD)



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

Proportion of NL & L in CEE Markets



Austrian Insurance Market

Year	Premium Income (€bn)	Insurance penetration (%)	Density (€)	GDP/Capita (€)
1970	0.81	3.0%	109	3,659
1980	2.85	3.9%	378	9,782
1985	4.36	4.4%	575	13,130
2008	16.21	5.7%	1,942	33,807

x1.5 (from 1980 to 2008 for penetration)
x3.5 (from 1980 to 2008 for density)

Source: Swiss RE Sigma 03/2009; VVO

CEE Insurance Markets in 2008

Country	Insurance Penetration (%)	Density (€)	GDP/Capita (€)
Serbia	1.9%	86	4,594
Romania	1.8%	112	6,384
Bulgaria	2.7%	121	6,579
Croatia	3.2%	293	9,016
Hungary	3.1%	341	10,878
Slovakia	3.1%	373	11,835
Poland	4.6%	437	9,500
Czech Republic	3.5%	547	15,330

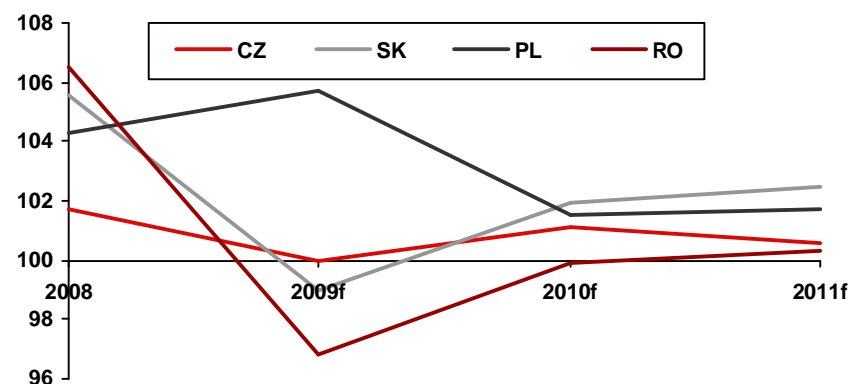
Macro Environment in CEE Countries

Recovery in CEE region exceeds development of Euro area

GDP Development (real, % change vs. previous year)

	2008	2009f	2010f	2011f
Euro area	0.6%	-4.0%	0.7%	1.5%
Czech Rep.	2.3%	-4.0%	1.8%	2.1%
Slovakia	6.2%	-5.0%	2.6%	4.0%
Poland	4.9%	1.7%	2.2%	3.2%
Romania	7.1%	-7.2%	0.6%	1.8%

GDP Development vs. Euro Area (indexed, Euro area = 100)



Current Account (% of GDP)

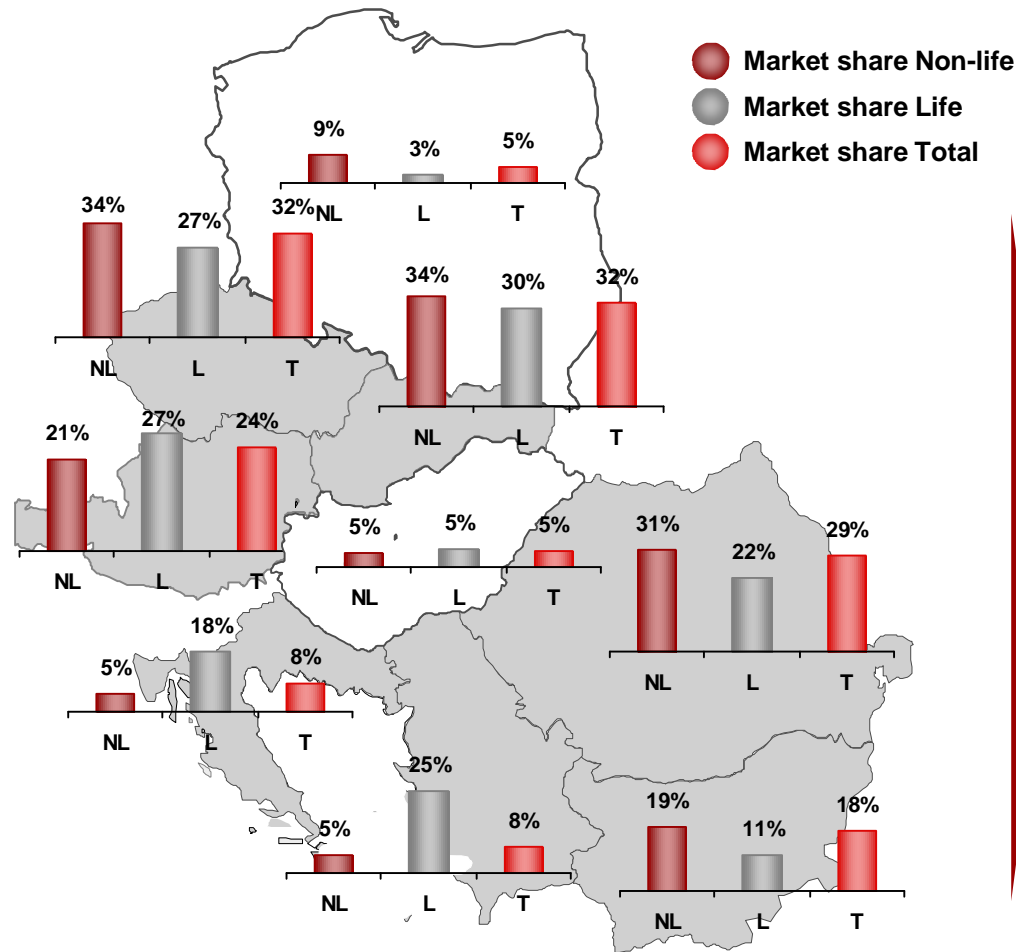
	2008	2009f	2010f	2011f
Euro area	-0.8%	-0.7%	-0.5%	-0.5%
Czech Rep.	-3.1%	-1.4%	-1.6%	-1.7%
Slovakia	-6.5%	-3.3%	-2.6%	-3.3%
Poland	-5.0%	-2.0%	-3.1%	-4.8%
Romania	-12.3%	-4.6%	-4.8%	-5.0%

Gross Government Debts (% of GDP)

	2008	2009f	2010f	2011f
Euro area	69.3%	78.2%	84.0%	88.2%
Czech Rep.	30.0%	36.5%	40.6%	44.0%
Slovakia	27.7%	34.6%	39.2%	42.7%
Poland	47.2%	51.7%	57.0%	61.3%
Romania	13.6%	21.8%	27.4%	31.3%

V.I.G. – Building its Market Position (I)

Expansion focus mainly on Poland and Hungary



Diversified CEE-Portfolio

- § About 50% of V.I.G.-premium volume is generated in CEE, thus purest CEE insurance play
- § Leading position allows V.I.G. to shape markets
- § Currently V.I.G. concentrates business development on core markets
- § Focus on strengthening positions in core markets either organically or through M&A
- § Cooperation with largest retail bank in CEE region is new platform for growth in life

V.I.G. – Building its Market Position (II)

Recent steps

D 17

Montenegro

- § Planning to set up a life insurance company in Montenegro in 2010
- § Distribution of products via Erste Group subsidiary
- § Further extension of partnership with Erste Group to by now 9 countries

Details of market¹:

- § Population: ~630,000
- § GDP/Capita: ~€ 11,100
- § Density/Capita: € 95
- § Penetration: 1.8%
- § Market volume: ~ € 60mn

Lithuania

- § Opening of branch office of Compensa Non-life (Poland)
- § Launch of Non-life insurance business as of April 2010
- § Distribution via brokers
- § V.I.G. has been selling life insurance in Lithuania since 2007

Details of market²:

- § Population: ~3,300,000
- § GDP/Capita: ~\$ 11,850
- § Density/Capita: € 173
- § Penetration: 1.8%
- § Market volume: ~ € 570mn

1: Source: VVO

2: Source: www.insurer.net, worldbank

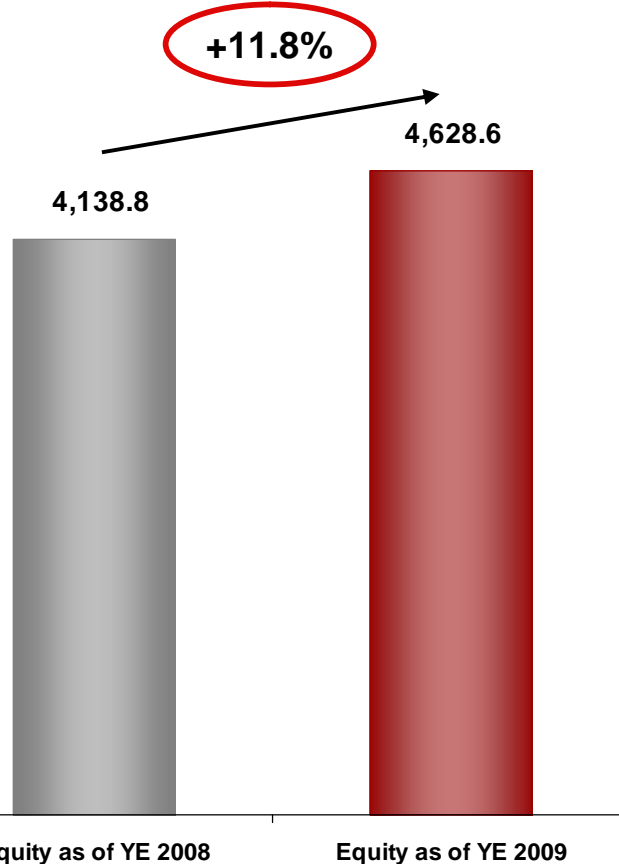
Capitalisation

Strong capitalisation is excellent basis for future expansion

Shareholders' Equity

Capitalisation

Change in Group Shareholders' Equity (€mn)



§ Group shareholders' equity increased by 11.8% to about €4.6bn in YE 2009

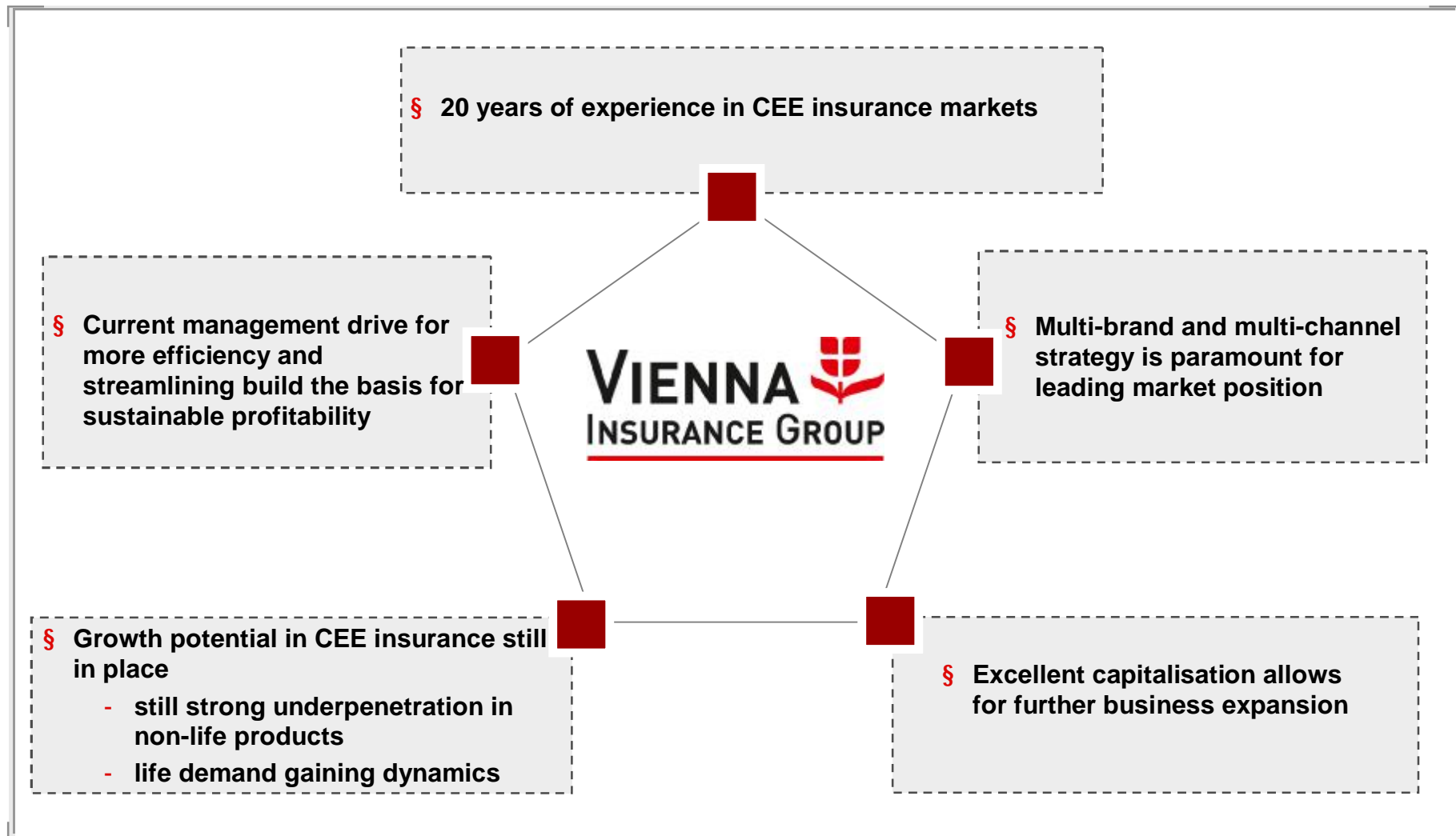
§ S&P-Rating of A+ (stable outlook)

§ Comfortable solvency ratio of above 200% on IFRS basis

§ V.I.G. develops new risk based internal capital model according to Solvency II

Summary

V.I.G. to benefit from its strong position



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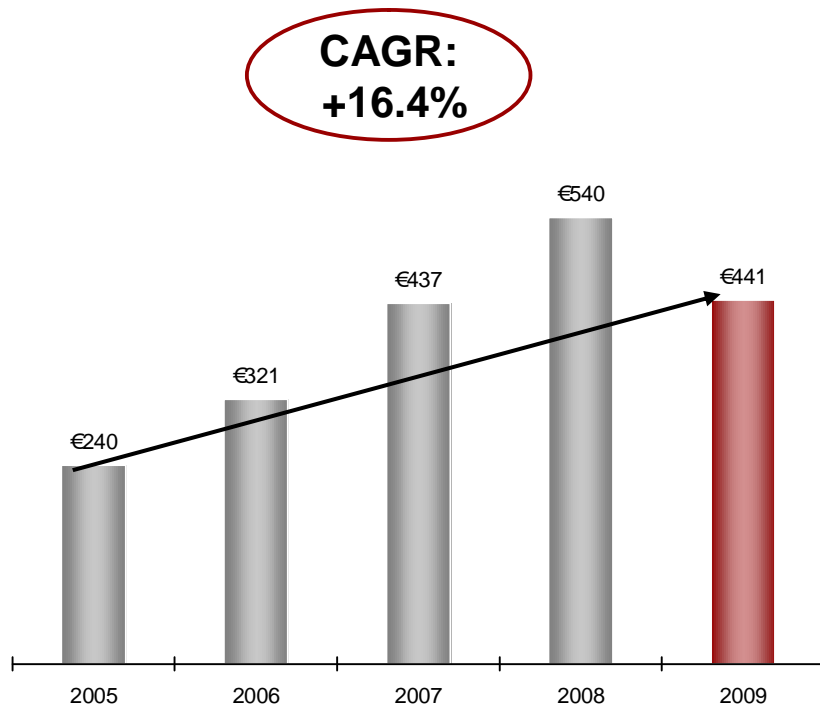
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Outlook for 2010

Confidence about rising PBT despite economic uncertainty

V.I.G.'s Path of Profitability



2010

- § Subdued GDP growth outlook for Austria, higher unemployment rates expected
- § CEE core countries slowly regaining GDP growth

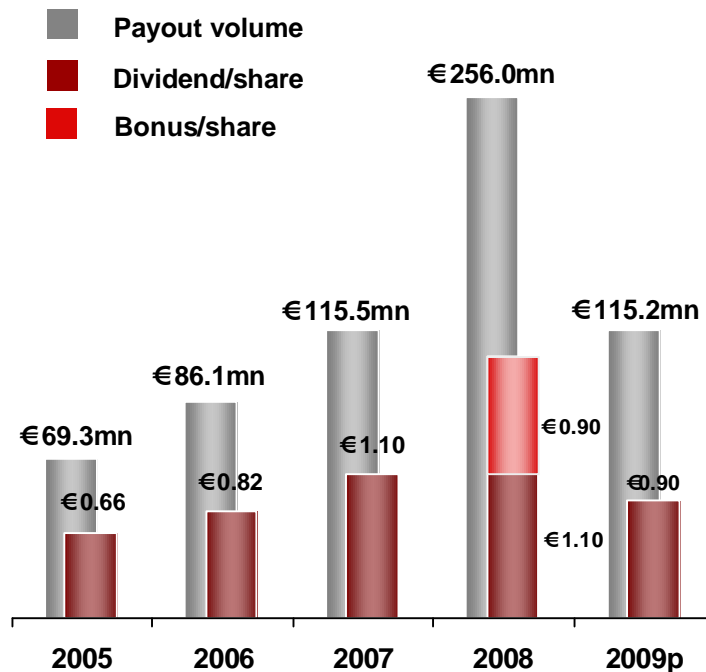
- Single-digit premium growth expected

- PBT to be raised by at least 10%

Dividend

Consistent long-term dividend policy

Development of Dividend¹



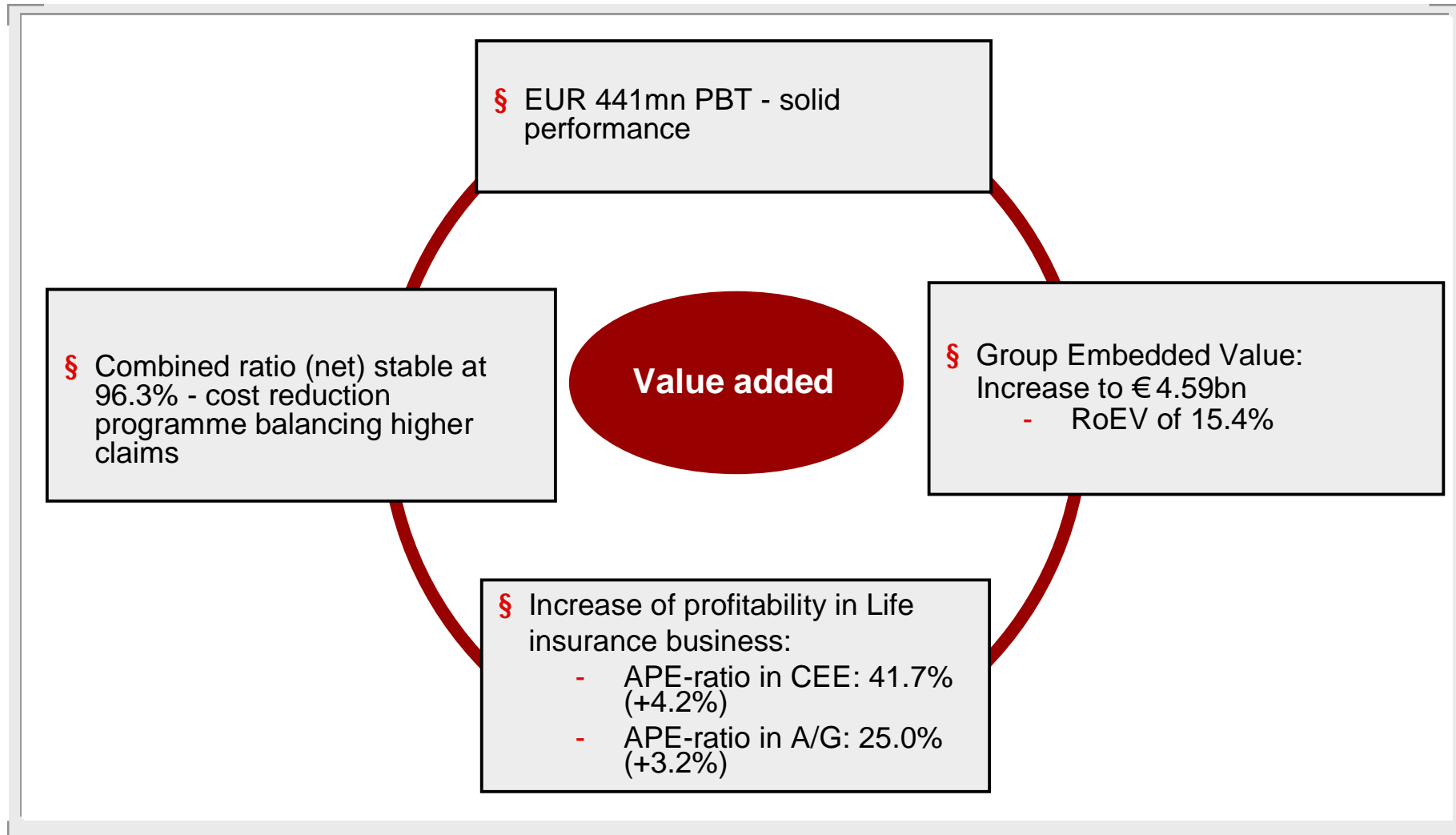
¹: dividend shown for respective business year (payout effected in the following year)

Comments

- § 2005 – 2007 payout ratio ranging from 33-37%
- § One-off bonus dividend paid-out last year as a reward for shareholder support during capital increase in 2008
- § V.I.G. keeping to its dividend policy which is defined as a payout ratio of minimum 30% of Group net profit

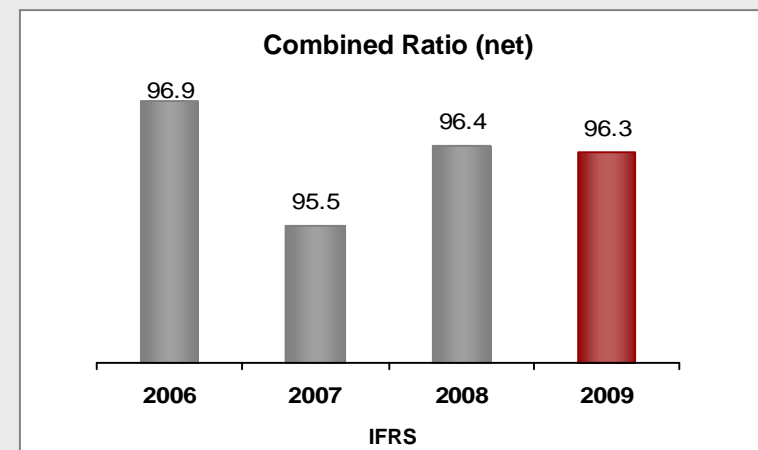
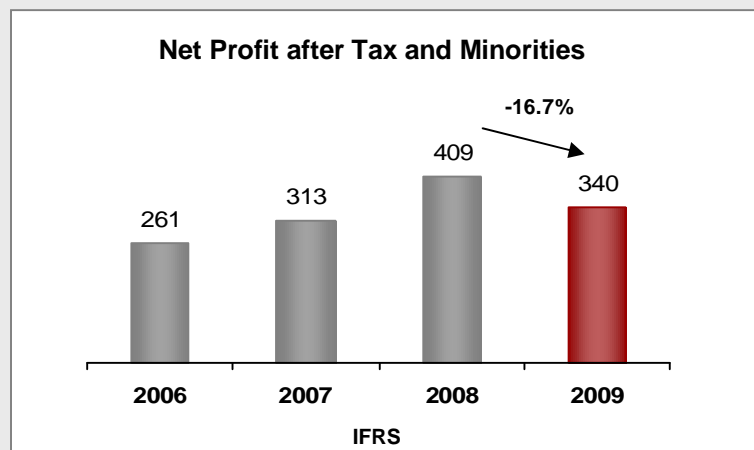
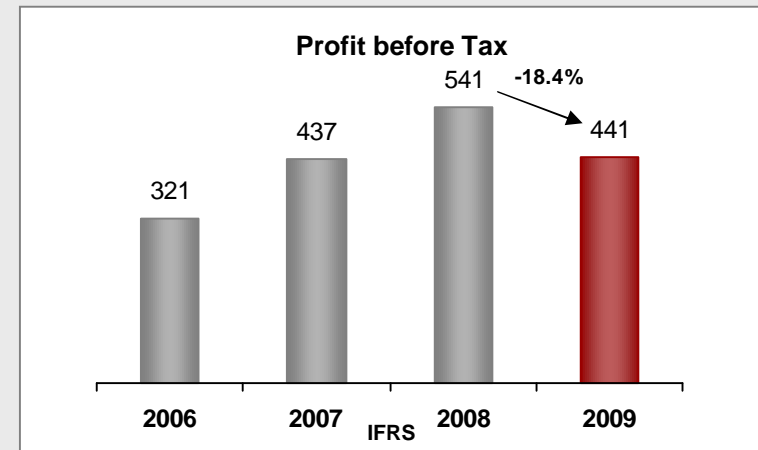
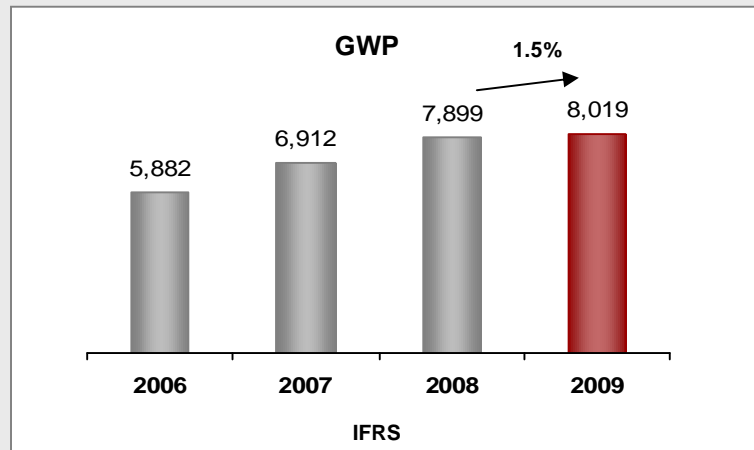
YE 2009 Highlights

V.I.G. with continuing solid performance

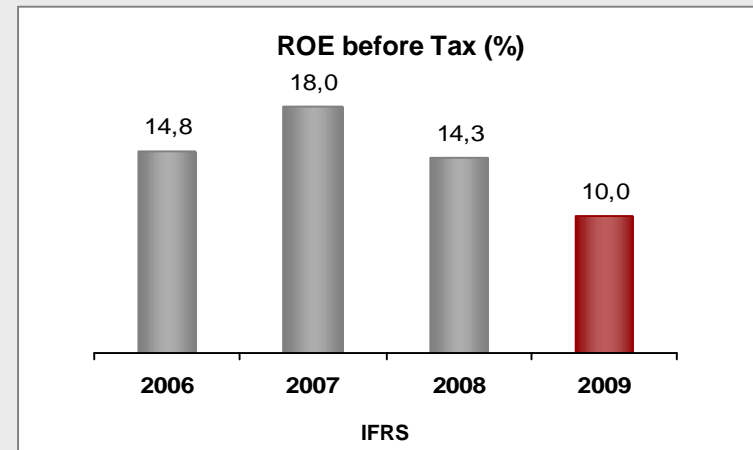
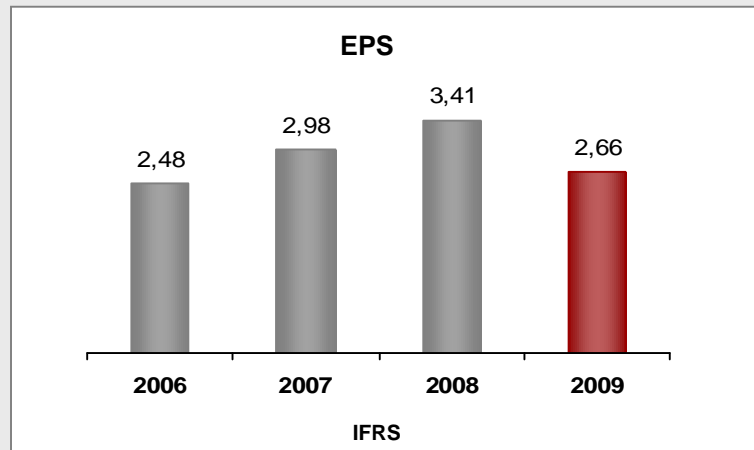


YE 2009 Financial Highlights (I)

V.I.G. caught up with year 2007 PBT level



YE 2009 Financial Highlights (II)



YE 2009 Income Statement

IFRS (€mn)

	YE 2009	YE 2008	+/-%
1. Gross premiums written	8,019.3	7,898.9	1.5
2. Net earned premiums	7,242.3	6,961.6	4.0
3. Financial result	929.1	918.1	1.2
4. Other income	125.0	127.5	-1.9
Total income	8,296.4	8,007.2	3.6
6. Expenses for claims and insurance benefits	-5,877.2	-5,607.4	4.8
7. Operating expenses	-1,649.4	-1,562.1	5.6
8. Other expenses	-328.6	-296.9	10.7
Total expenses	-7,855.1	-7,466.4	5.2
Profit before taxes	441.2	540.8	-18.4
Taxes	-77.5	-98.5	-21.2
Net profit before minorities (Profit for the period)	363.7	442.3	-17.8
Minorities	-23.2	-33.8	-31.3
Net profit after minorites	340.5	408.5	-16.7

YE 2009 Balance Sheet

IFRS (€mn)

	YE 2009	YE 2008	+/- %
Intangible assets	1,975	1,649	19.8
Investments	25,894	24,548	5.5
Unit- and index-linked investments	4,628	3,602	28.5
Reinsurers' share in underwriting provisions	1,117	1,222	-8.6
Receivables	1,563	1,475	6.0
Tax receivables and advance payments out of income tax	111	124	-10.8
Deferred tax assets	122	131	-6.7
Other assets	376	294	27.8
Cash and cash equivalents	485	619	-21.8
Total assets	36,272	33,665	7.7
Shareholders' equity	4,629	4,139	11.8
<i>thereof minorities</i>	289	267	8.4
Subordinated liabilities	545	501	8.8
Underwriting provisions	22,578	21,682	4.1
Unit- and index-linked technical provisions	4,376	3,347	30.8
Non-underwriting provisions	585	599	-2.4
Liabilities	3,052	2,859	6.8
Tax liabilities out of income tax	112	137	-17.8
Deferred tax liabilities	160	141	13.1
Other liabilities	234	260	-9.7
Total liabilities and equity	36,272	33,665	7.7

YE 2009 P&L Major Items – Gross Written Premiums (I)

Premium development affected by weak CEE currencies (€mn)

	GWP Non-life			GWP Life			Total		
	YE 2009	YE 2008	+/-%	YE 2009	YE 2008	+/-%	YE 2009	YE 2008	+/-%
Austria	1,888.7	1,883.4	0.3%	1,985.4	1,872.4	6.0%	3,874.2	3,755.7	3.2%
Czech Rep.	975.5	982.8	-0.7%	627.8	437.0	43.7%	1,603.3	1,419.7	12.9%
Slovakia	333.4	330.5	0.9%	295.0	275.1	7.2%	628.4	605.6	3.8%
Poland	384.1	413.5	-7.1%	164.2	381.7	-57.0%	548.3	795.1	-31.0%
Romania	519.4	569.2	-8.7%	87.2	39.1	>100%	606.7	608.2	-0.3%
Other CEE	355.6	344.5	3.2%	191.0	151.9	25.7%	546.6	496.4	10.1%
Other	71.4	69.4	2.9%	140.6	148.7	-5.5%	212.0	218.1	-2.8%
Total	4,528.1	4,593.1	-1.4%	3,491.2	3,305.7	5.6%	8,019.3	7,898.9	1.5%

Development of s Versicherung Group in CEE

Regular premiums

+15.8%

CEE

- § Czech s Versicherung facing substantial increase in demand of unit-linked life business by more than 70%
- § Robust 38.4% growth in BCR Life driven by launch of unit-linked products
- § Overall, double-digit premium increase (+15.9%) in s Versicherung in regular premium business in CEE overall
- § Non-life growing by 8.6% (excl. BCR NL)

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

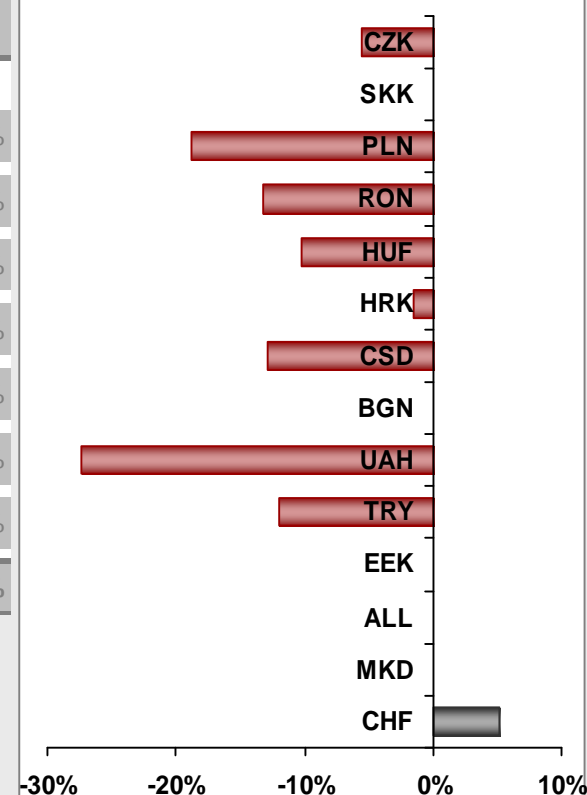
First time consolidation of Sigma Albania and Winner Macedonia as of Q2 2009 (retroactive for HY 2009)

YE 2009 P&L Major Items – Gross Written Premiums (II)

Premium adjusted for currency effects (€mn)

	GWP Non-life			GWP Life			Total		
	YE 2009	YE 2008	+/-%	YE 2009	YE 2008	+/-%	YE 2009	YE 2008	+/-%
Austria	1,888.7	1,883.4	0.3%	1,985.4	1,872.4	6.0%	3,874.2	3,755.7	3.2%
Czech Rep.	1,031.9	982.8	5.0%	664.4	437.0	52.1%	1,696.3	1,419.7	19.5%
Slovakia	333.4	330.5	0.9%	295.0	275.1	7.2%	628.4	605.6	3.8%
Poland	473.3	413.5	14.5%	202.3	381.7	-47.0%	675.6	795.1	-15.0%
Romania	598.0	569.2	5.1%	100.4	39.1	157.2%	698.5	608.2	14.8%
Other CEE	383.1	344.5	11.2%	204.4	151.9	34.6%	587.5	496.4	18.4%
Other	71.4	69.4	2.9%	136.6	148.7	-8.1%	208.0	218.1	-4.6%
Total	4,779.7	4,593.1	4.1%	3,588.6	3,305.7	8.6%	8,368.3	7,898.9	5.9%

FX development YE 09 vs YE 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

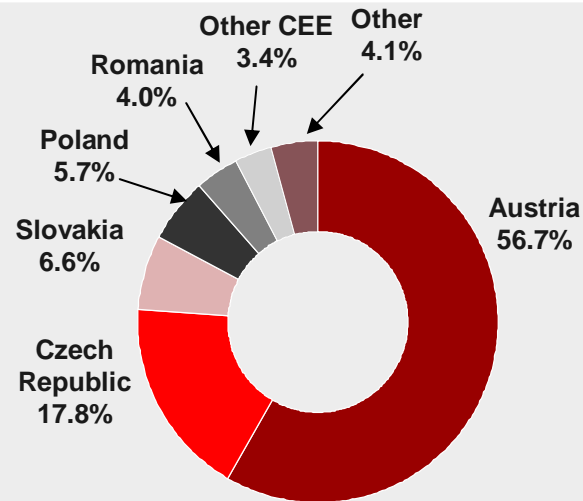
First time consolidation of Compensa Life (Baltics) as of Q1 2009

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

Premium Portfolio

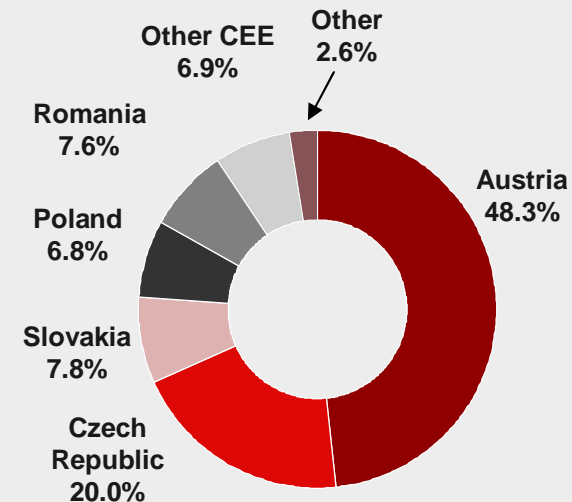
Basis of business origination substantially widened

GWP by Geography YE 06



YE 2006 Total: €5.8bn

GWP by Geography YE 09



YE 2009 Total: €8.0bn

- § V.I.G. has gained a much wider geographical scope of premium origination within a relatively short period
- § Non-life business (60%) still dominates portfolio (influenced by CEE, in Austria even split)

YE 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 65.3% (64.5% in YE 2008, 65.1% in HY09)
- § Austrian loss ratio increased by 1.0% pts as unfavourable weather conditions led to damage from floodings (HY) and hailstorms (Q3)
- § Czech Republic saw loss ratio up by 1.4% pts to 64.2% as a consequence of Nat Cat events and increase in reserves for personal damage
- § In Slovakia loss ratio slightly up at 57.3% (YE 08: 55.9%) due to € 15mn contribution to reserve for claims from former state monopoly (legal requirement)
- § Poland increasing by 5.5% pts to 63.1% due to increase of reserves as a consequence of legal changes (personal damage claims)
- § Romania saw decrease of claims ratio to 69.9% (YE 08: 73.9%); performance measures show results (rising motor tariffs, containment of repair prices and fight against fraud)
- § Other CEE up by 3.6% pts at 66.7% mainly influenced by Ukraine and Turkey

EUR mn	P&C	
	YE 2009	YE 2008
Net Earned Premiums:	3,457.7	3,375.4
Expenses for Claims Incurred:	2,257.2	2,175.7
Ratio	65.3%	64.5%

YE 2009 P&L Major Items – Operating Expenses

Cost ratio down as a result of savings programmes

- § Group cost ratio (net) decreasing by 0.9% pts to reach 31.0%
- § Cost ratio in Austria stable at 28.8% (YE 08: 28.4%) despite wage inflation and higher retention of reinsurance, due to efficiency programme
- § Costs in the Czech Republic reduced by 2.4% pts to 27.0%
- § Cost ratio in Slovakia down by 3.9% pts at 33.5% after Group restructuring (merger of 2 companies)
- § Poland showing lower cost ratio at 37.5% (YE 08: 41.1%) thanks to lower administration costs as well as abolition of Religa tax (surcharge on motor premiums for health system)
- § Romania recording decrease by 1.4% pts to 29.4% due to portfolio restructuring and cost cutting
- § Cost ratio in Other CEE up by 1.3% pts at 44.1%

EUR mn	P&C	
	YE 2009	YE 2008
Net Earned Premiums:	3,457.7	3,375.4
Operating Expenses: ¹	1,072.1	1,077.5
Ratio	31.0%	31.9%

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

YE 2009 P&L Major Items – Financial Result

Sound financial result

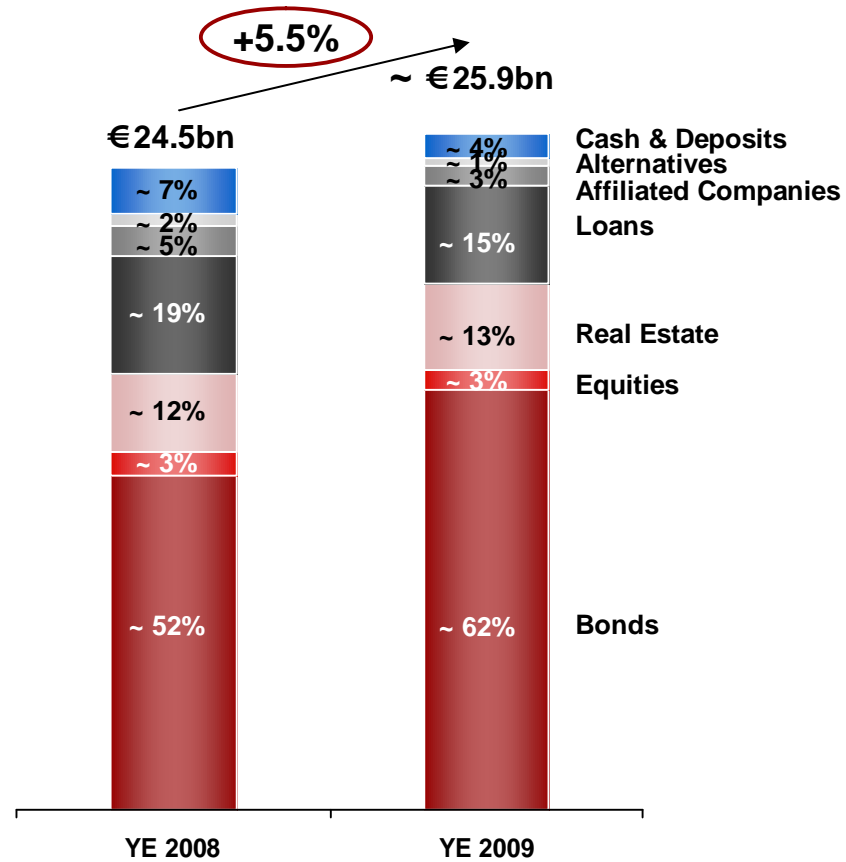
Income	P&C		Life		Health		Total	
in €'000	YE 2009	YE 2008	YE 2009	YE 2008	YE 2009	YE 2008	YE 2009	YE 2008
Current income	176,724	207,956	1,095,810	1,007,718	39,729	39,201	1,312,263	1,254,875
Income from appreciations	11,505	12,112	55,917	41,050	3,137	328	70,559	53,490
Income from the disposal of investments	155,041	249,361	195,191	606,584	16,705	7,693	366,937	863,638
Other income	2,799	2,645	32,907	17,926	1,606	71	37,312	20,642
Total Income	346,069	472,074	1,379,825	1,673,278	61,177	47,293	1,787,071	2,192,645
Expenses	P&C		Life		Health		Total	
in €'000	YE 2009	YE 2008	YE 2009	YE 2008	YE 2009	YE 2008	YE 2009	YE 2008
Depreciation of investments	19,797	23,851	117,837	199,487	437	14,747	138,071	238,085
Impairment of investments	60,748	55,076	187,532	307,846	4,882	724	253,162	363,646
Exchange rate changes	1,090	-11,159	-4,384	-761	-13	-8	-3,307	-11,928
Losses from the disposal of investments	30,507	38,099	156,588	382,321	26,431	9,814	213,526	430,234
Interest expenses	31,222	31,693	84,116	99,560	7,117	6,739	122,455	137,992
Other expenses	37,786	27,503	89,775	86,371	6,481	2,606	134,042	116,480
Total Expenses	181,150	165,063	631,464	1,074,824	45,335	34,622	857,949	1,274,509
Total Financial Result	164,919	307,011	748,361	598,454	15,842	12,671	929,122	918,136

§ Group Financial Result stable at €929.1mn reflecting one-off effects in YE 08 (sale of BACAV and Unita) and improving financial markets

YE 2009 Investment Split

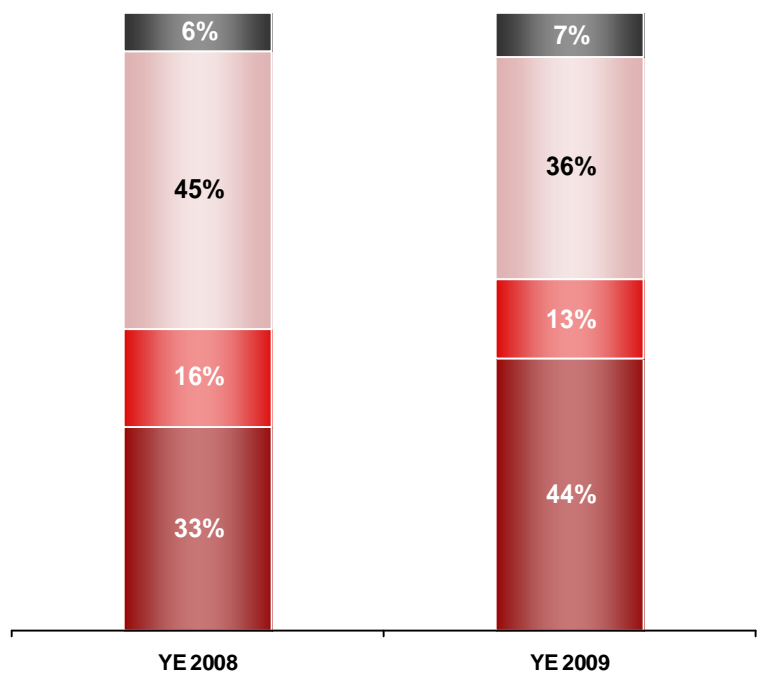
V.I.G. follows a consistent investment approach

Portfolio Overview



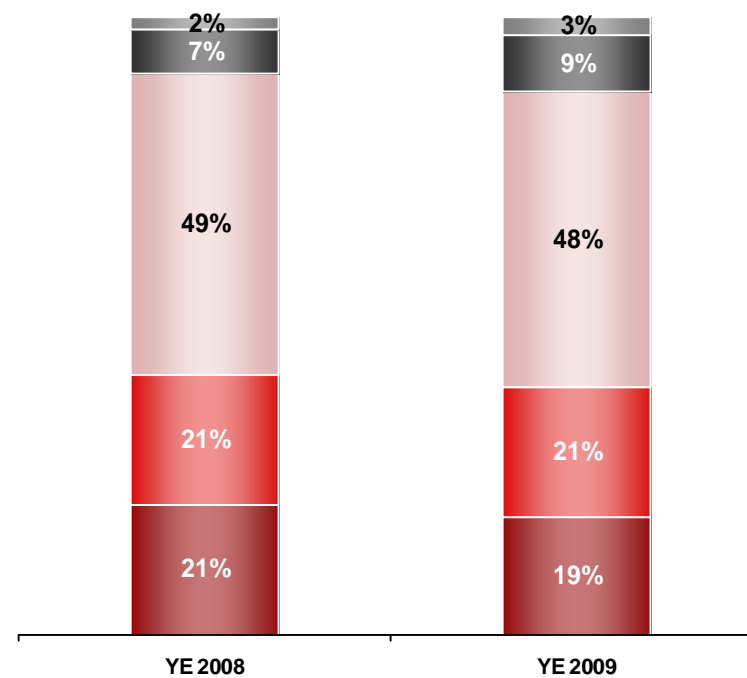
Development of Bond Portfolio

By Issuer



■ Government ¹ ■ Pfandbriefe/Covered Bonds
■ Financials ■ Corporates

By Rating

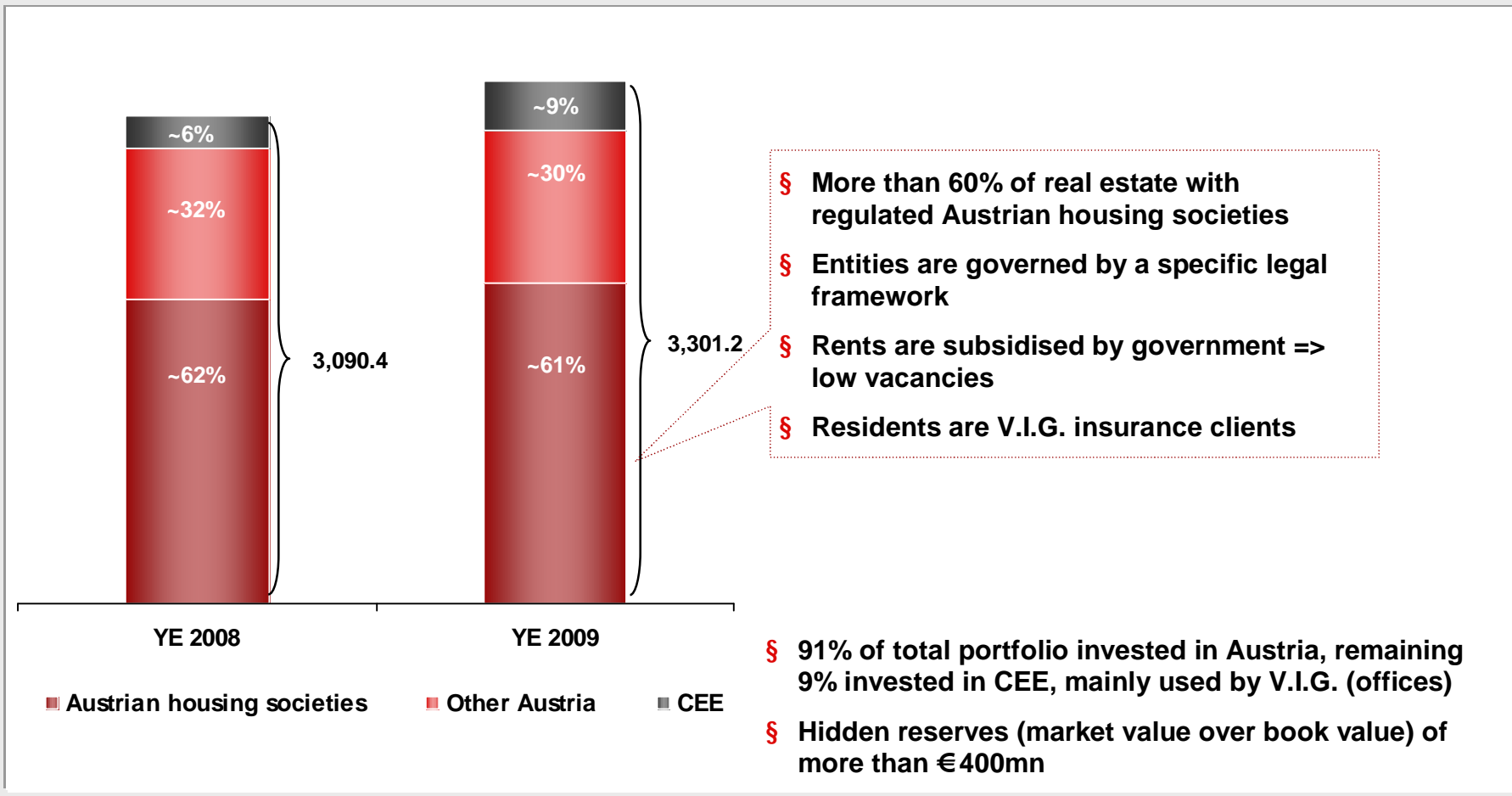


■ AAA ■ AA ■ A ■ BBB ■ Other

¹: Government and government guaranteed

Composition of Real Estate

Real Estate (€mn)



YE 2009 P&L – Business Segments

Property & Casualty, IFRS (€mn)

	YE 2009	YE 2008	+/-%
1. Gross premiums written	4,206.7	4,278.9	-1.7
2. Net earned premiums	3,457.7	3,375.4	2.4
3. Financial result	164.9	307.0	-46.3
4. Other income	77.3	77.9	-0.7
Total income	3,699.9	3,760.3	-1.6
6. Expenses for claims and insurance benefits	-2,257.2	-2,175.7	3.7
7. Operating expenses	-973.7	-958.3	1.6
8. Other expenses	-230.2	-212.0	8.6
Total expenses	-3,461.1	-3,346.1	3.4
Profit before taxes	238.9	414.2	-42.3

YE 2009 P&L – Business Segments

Life, IFRS (€mn)

	YE 2009	YE 2008	+/-%
1. Gross premiums written	3,491.2	3,305.7	5.6
2. Net earned premiums	3,464.0	3,272.9	5.8
3. Financial result	748.4	598.5	25.0
4. Other income	47.6	49.6	-4.0
Total income	4,259.9	3,920.9	8.6
6. Expenses for claims and insurance benefits	-3,347.1	-3,171.9	5.5
7. Operating expenses	-639.1	-562.2	13.7
8. Other expenses	-96.0	-84.4	13.7
Total expenses	-4,082.1	-3,818.5	6.9
Profit before taxes	177.8	102.4	73.6

YE 2009 P&L – Business Segments

Health, IFRS (€mn)

	YE 2009	YE 2008	+/-%
1. Gross premiums written	321.4	314.3	2.3
2. Net earned premiums	320.7	313.3	2.3
3. Financial result	15.8	12.7	25.0
4. Other income	0.1	0.0	69.2
Total income	336.6	326.0	3.2
6. Expenses for claims and insurance benefits	-272.9	-259.7	5.1
7. Operating expenses	-36.7	-41.6	-11.8
8. Other expenses	-2.4	-0.6	>100
Total expenses	-311.9	-301.9	3.3
Profit before taxes	24.6	24.2	1.9

YE 2009 P&L - Split by Regions (I)

Regional segments, IFRS (€mn)

	Austria			Czech Republic		
	YE 2009	YE 2008	+/-%	YE 2009	YE 2008	+/-%
1. Gross premiums written	3,874.2	3,755.7	3.2	1,603.3	1,419.7	12.9
2. Net earned premiums	3,529.6	3,409.3	3.5	1,441.0	1,189.5	21.1
3. Financial result	682.3	732.7	-6.9	82.2	59.5	38.2
4. Other income	16.1	14.5	11.4	20.8	19.4	7.0
Total income	4,228.0	4,156.5	1.7	1,543.9	1,268.4	21.7
6. Expenses for claims/benefits	-3,274.6	-3,165.9	3.4	-999.5	-806.3	24.0
7. Operating expenses	-606.4	-599.3	1.2	-359.1	-281.6	27.5
8. Other expenses	-99.6	-47.0	>100	-62.4	-73.1	-14.7
Total expenses	-3,980.6	-3,812.1	4.4	-1,421.0	-1,161.0	22.4
Profit before taxes	247.5	344.3	-28.1	122.9	107.5	14.4
Combined Ratio	96.0%	94.6%		91.2%	92.2%	

YE 2009 P&L - Split by Regions (II)

Regional segments, IFRS (€mn)

	Slovakia			Poland			Romania		
	YE 2009	YE 2008	+/-%	YE 2009	YE 2008	+/-%	YE 2009	YE 2008	+/-%
1. Gross premiums written	628.4	605.6	3.8	548.3	795.1	-31.0	606.7	608.2	-0.3
2. Net earned premiums	552.8	523.2	5.6	496.2	747.5	-33.6	550.6	528.2	4.2
3. Financial result	37.4	3.5	>100	40.4	5.1	>100	25.2	98.6	-74.5
4. Other income	24.3	6.8	>100	3.8	6.6	-42.1	22.5	45.1	-50.2
Total income	614.5	533.5	15.2	540.4	759.3	-28.8	598.2	671.9	-11.0
6. Expenses for claims/benefits	-437.6	-388.4	12.7	-282.3	-456.4	-38.1	-385.5	-395.4	-2.5
7. Operating expenses	-91.6	-96.7	-5.3	-217.0	-255.4	-15.0	-171.5	-171.6	0.0
8. Other expenses	-62.3	-43.4	43.7	-13.7	-21.4	-36.0	-16.9	-47.5	-64.3
Total expenses	-591.5	-528.5	11.9	-512.9	-733.1	-30.0	-574.0	-614.5	-6.6
Profit before taxes	23.0	5.0	>100	27.4	26.1	5.0	24.2	57.5	-57.9
Combined Ratio	90.8%	93.3%		100.5%	98.7%		99.3%	104.7%	

YE 2009 P&L - Split by Regions (III)

Regional segments, IFRS (€mn)

	Other CEE ¹			Other			TOTAL		
	YE 2009	YE 2008	+/-%	YE 2009	YE 2008	+/-%	YE 2009	YE 2008	+/-%
1. Gross premiums written	546.5	496.4	10.1	212.0	218.1	-2.8	8,019.3	7,898.9	1.5
2. Net earned premiums	464.6	378.8	22.6	207.6	185.0	12.2	7,242.3	6,961.6	4.0
3. Financial result	41.4	10.3	>100	20.3	8.5	>100	929.1	918.1	1.2
4. Other income	9.2	7.1	30.2	28.3	28.0	0.9	125.0	127.5	-1.9
Total income	515.2	396.1	30.1	256.2	221.5	15.6	8,296.4	8,007.2	3.6
6. Expenses for claims/benefits	-344.0	-254.8	35.0	-153.6	-140.1	9.7	-5,877.2	-5,607.4	4.8
7. Operating expenses	-166.5	-136.4	22.0	-37.3	-21.2	76.3	-1,649.4	-1,562.1	5.6
8. Other expenses	-28.5	-19.2	48.0	-45.3	-45.4	-0.4	-328.6	-296.9	10.7
Total expenses	-539.0	-410.5	31.3	-236.2	-206.7	14.3	-7,855.1	-7,466.4	5.2
Profit before taxes	-23.8	-14.4	n/a	20.0	14.9	34.3	441.2	540.8	-18.4
Combined Ratio	110.7%	105.8%		83.8%	74.0%		96.3%	96.4%	

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.

YE 2009 Results by Country

IFRS (€mn)

	GWP Non-Life		Life GWP		GWP Total		Profit before Taxes		Net Combined Ratio	
	YE 2009	YE 2008	YE 2009	YE 2008	YE 2009	YE 2008	YE 2009	YE 2008	YE 2009	YE 2008
Austria	1,888.7	1,883.4	1,985.4	1,872.4	3,874.2	3,755.7	247.5	344.3	96.0%	94.6%
Czech Rep.	975.5	982.8	627.8	437.0	1,603.3	1,419.7	122.9	107.4	91.2%	92.2%
Slovakia	333.4	330.5	295.0	275.1	628.4	605.6	23.0	5.0	90.8%	93.3%
Poland	384.1	413.5	164.2	381.7	548.3	795.1	27.4	26.1	100.5%	98.7%
Romania	519.4	569.2	87.2	39.1	606.7	608.2	24.2	*57.5	99.3%	104.7%
Other CEE	355.6	344.5	191.0	151.9	546.6	496.4	-23.8	-14.4	110.7%	105.8%
Hungary	40.2	42.6	78.1	72.6	118.3	115.2	4.8	4.8	97.5%	96.8%
Croatia ¹	47.8	50.0	60.5	47.0	108.3	97.0	-12.3	-7.3	109.5%	106.5%
Serbia	27.0	32.5	21.1	21.1	48.1	53.6	1.4	0.1	100.8%	109.9%
Bulgaria	131.4	94.6	13.6	9.9	145.0	104.5	0.9	-4.9	104.4%	103.7%
Ukraine	20.5	40.9	1.1	1.3	21.6	42.2	-16.7	-9.0	190.9%	119.6%
Turkey	67.9	83.8	-	-	67.9	83.8	-6.1	1.9	118.7%	103.0%
Baltics	-	-	16.6	-	16.6	-	1.3	-	-	-
Albania	15.8	-	-	-	15.8	-	2.8	-	85.4%	-
Macedonia	5.0	-	-	-	5.0	-	0.1	-	94.9%	-
Other	71.4	69.4	140.6	148.7	212.0	218.1	20.0	14.9	83.8%	74.0%
Liechtenstein	-	-	81.0	92.0	81.0	92.0	1.1	0.2	-	-
Germany	71.4	69.4	59.6	56.7	131.0	126.1	18.9	14.6	83.8%	74.0%
Total	4,528.1	4,593.1	3,491.2	3,305.7	8,019.3	7,898.9	441.3	540.8	96.3%	96.4%

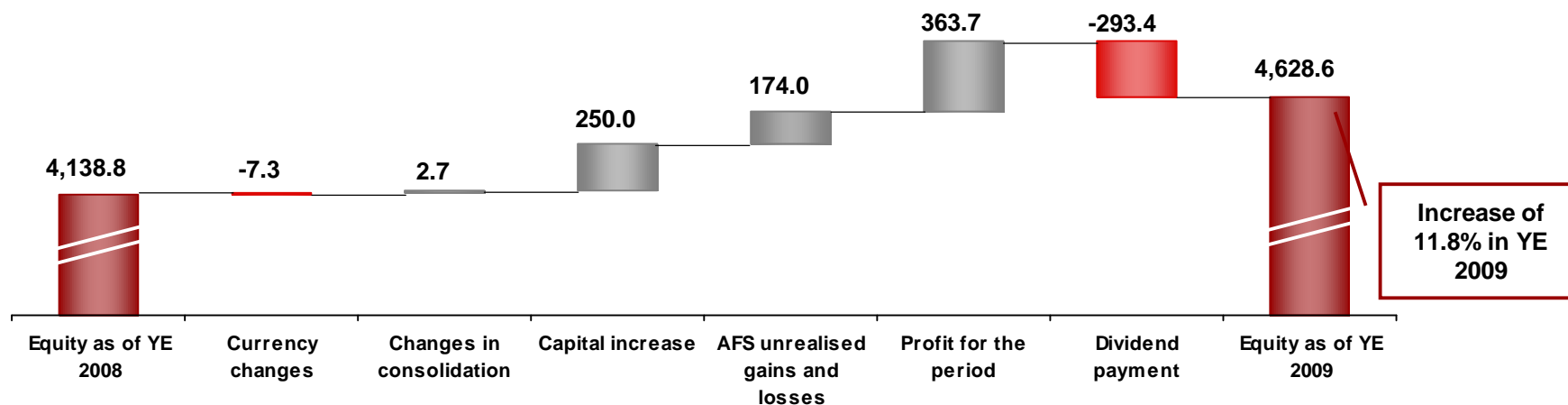
¹Note: For one-off effect in profit before taxes in Croatia see explanation on previous page

* RO: Incl. one-off effect due to sale of subsidiary

YE 2009 Shareholders' Equity

Shareholders' equity supports strong capitalisation

Change in Group Shareholders' Equity (€mn)



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 200% 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. - 31.12.2009	1.1. - 31.12.2008
Equity as of 1 January	4,138,790	2,615,563
Exchange rate changes	-7,276	-40,833
Changes in scope of consolidation	2,659	31,628
Capital increase	250,000	1,343,454
Unrealised gains and losses from financial instruments available for sale	174,047	-134,328
Profit for the period	363,713	442,343
Dividend payment	-293,360	-119,037
Equity as of 31 December	4,628,573	4,138,790

Life Insurance Premium Split

IFRS (€mn)

Premiums written - direct business	YE 2009	YE 2008	+/- %
Regular premiums	2,144.1	1,931.6	11.0%
Single premiums	1,332.5	1,363.1	-2.2%
Total premiums written - direct business	3,476.6	3,294.7	5.5%
thereof:			
Policies with profit participation	1,953.3	1,851.7	5.5%
Policies without profit participation	398.7	347.7	14.7%
unit- and index-linked life insurance	1,124.6	1,095.3	2.7%
thereof:			
Individual insurance	3,295.7	2,949.3	11.7%
Group insurance	180.8	345.4	-47.6%

Q4 2009 Income Statement

IFRS (€mn)

	Q4 2009	Q4 2008	+/-%
1. Gross premiums written	1,913.3	1,881.1	1.7
2. Net earned premiums	1,868.0	1,792.5	4.2
3. Financial result	201.9	111.9	80.4
4. Other income	39.4	84.8	-53.5
Total income	2,109.3	1,989.2	6.0
6. Expenses for claims and insurance benefits	-1,463.1	-1,356.0	7.9
7. Operating expenses	-418.5	-370.7	12.9
8. Other expenses	-126.9	-128.5	-1.3
Total expenses	-2,008.6	-1,855.2	8.3
Profit before taxes	100.7	134.0	-24.8
Taxes	-17.9	-20.6	-13.1
Net profit before minorities (Profit for the period)	82.8	113.4	-27.0
Minorities	-5.4	-5.9	-7.6
Net profit after minorites	77.4	107.5	-28.0

YE 2009 Exchange Rates

National currency unit per EUR

YE 2009				YE 2008	
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	7.3000	7.3400	7.3555	7.2239
Estonia	EUR/EEK	15.6466	15.6466	-	-
Liechtenstein	EUR/CHF	1.4836	1.5100	1.4850	1.5874
Poland	EUR/PLN	4.1045	4.3276	4.1535	3.5121
Romania	EUR/RON	4.2363	4.2399	4.0225	3.6826
Serbia	EUR/CSD	95.8892	93.9514	88.6006	81.9095
Slovakia	EUR/SKK	-	-	30.1260	31.2616
Czech Republik	EUR/CZK	26.4730	26.4349	26.8750	24.9463
Hungary	EUR/HUF	270.4164	280.3241	266.7022	251.5091
Turkey	EUR/TRY	2.1547	2.1631	2.1488	1.9064
Ukraine	EUR/UAH	11.4489	10.8889	10.8555	7.9070
Albania	EUR/ALL	137.9596	132.6559	-	-
Macedonia	EUR/MKD	61.1733	61.2726	-	-

Group Embedded Value 2009

Results (€mn)

	L&H		P&C		Total	
	2009	2008(*)	2009	2008(*)	2009	2008(*)
Austria / Germany						
Free Surplus	227.6	351.0				
Required Capital	356.7	320.5				
ANAV	584.2	671.4	73.3	164.4	657.6	835.8
PVFP	1,440.3	1,304.8			1,440.3	1,304.8
- TVFOG	- 180.2	- 199.8			- 180.2	- 199.8
- CoC/FCRC	- 55.4	- 43.9			- 55.4	- 43.9
- CRNHR	- 104.8	- 73.6			- 104.8	- 73.6
VIF	1,099.9	987.4			1,099.9	987.4
Subtotal A/G	1,684.2	1,658.9	73.3	164.4	1,757.5	1,823.3
CEE						
Free Surplus	301.7	242.8				
Required Capital	147.6	135.4				
ANAV	449.3	378.2	1,734.4	1,541.4	2,183.7	1,919.6
PVFP	740.2	622.3			740.2	622.3
- TVFOG	- 46.5	- 47.2			- 46.5	- 47.2
- CoC/FCRC	- 15.8	- 15.8			- 15.8	- 15.8
- CRNHR	- 33.8	- 38.2			- 33.8	- 38.2
VIF	644.1	521.0			644.1	521.0
Subtotal CEE	1,093.3	899.2	1,734.4	1,541.4	2,827.7	2,440.6
Total	2,777.5	2,558.0	1,807.7	1,705.8	4,585.3	4,263.9

(*) The results shown above for 2008 are after restatement

Comments

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

Scope of GEV-Reporting:

- § Group Embedded Value (GEV) calculated as Life & Health (L&H) EEV or TEV plus Adjusted Net Asset Value (ANAV) for Property & Casualty (P&C)
- § PCS in Czech Republic and PSLSP in Slovakia: Change from TEV to EEV;
- § Methodology, assumptions and calculations reviewed by B&W Deloitte GmbH, Cologne

Group Embedded Value 2009

Return on Adjusted Embedded Value (€mn)

	L&H		P&C		Total	
Austria / Germany						
EV Dec 31, 2009	1,684.2		73.3		1,757.5	
EV Dec 31, 2008 Reported	1,670.3		151.4		1,821.7	
EV Dec 31, 2008 Restated	1,658.9		164.4		1,823.3	
EV Dec 31, 2008 Restated and Adjusted	1,516.8		- 16.1		1,500.7	
Dividends	- 58.9		- 186.7		- 245.6	
Closing Adjustments	- 11.0		- 23.8		- 34.8	
Return on EV	178.4	11.8%	113.2	>100%	291.6	19.4%
CEE						
EV Dec 31, 2009	1,093.3		1,734.4		2,827.7	
EV Dec 31, 2008 Reported	969.1		1,371.6		2,340.7	
EV Dec 31, 2008 Restated	899.2		1,541.4		2,440.6	
EV Dec 31, 2008 Restated and Adjusted	901.5		1,572.0		2,473.5	
Dividends	- 3.1		- 7.3		- 10.4	
Closing Adjustments	12.8		21.9		34.7	
Return on EV	179.0	19.9%	140.5	8.9%	319.5	12.9%
Return on Total GEV	357.4	14.8%	253.7	16.3%	611.1	15.4%

In YE 2009 P&C surplus in claims reserve remained stable at €439.8mn

Change in Methodology and Assumptions

- § The reference interest rates used for the EEV calculations are based on the corresponding swap rates at December 31, 2009 and include a liquidity spread of 25 bp for all terms
- § Volatilities used to calibrate the economic scenario generator are based on market implied volatilities as at December 31, 2009
- § All results shown after minorities and tax
- § GEV allows for all consolidation effects

Group Embedded Value 2009

New Business Values (€mn)

	L&H		
	2009	2008(*)	
Austria / Germany			
NBV	51.0	62.8	-18.8%
APE	203.8	259.1	
<i>APE-Ratio</i>	25.0%	24.2%	3.2%
PVNBP	1,991.1	2,529.8	
<i>PVNBP-Ratio</i>	2.6%	2.5%	3.1%
CEE			
NBV	77.1	84.4	-8.7%
APE	184.9	211.1	
<i>APE-Ratio</i>	41.7%	40.0%	4.2%
PVNBP	1,186.8	1,250.7	
<i>PVNBP-Ratio</i>	6.5%	6.8%	-3.8%
NBV-Total	128.1	147.3	-13.0%
APE-Total	388.7	470.2	
<i>APE-Ratio Total</i>	32.9%	31.3%	5.2%
PVNBP-Total	3,177.9	3,780.5	
<i>PVNBP-Ratio Total</i>	4.0%	3.9%	3.5%

(*) The results shown above for 2008 are after restatement

Comments

- § The NBV represents the value generated by new business sold during the reporting period.
- § The NBV has decreased due to slowing down life insurance sales.
- § Despite decreased NBV, the key indicators for profitability show a slight increase (APE-Ratio and PVNBP-Ratio).

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
Market share: 31.5%	Market share: 31.5%	Market share: 29.3%	Market share: 18.0%
Croatia	Serbia	Poland	Hungary
Pop.: 4.6 mn	Pop.: 7.4 mn	Pop.: 38.0 mn	Pop.: 10.0 mn
GDP/Cap.: \$ 13 k	GDP/Cap.: \$ 7 k	GDP/Cap.: \$ 14 k	GDP/Cap.: \$ 17 k
Density NL: \$ 318	Density NL: \$ 111	Density NL: \$ 262	Density NL: \$ 236
Density L: \$ 113	Density L: \$ 15	Density L: \$ 381	Density L: \$ 266
Market share: 8.7%	Market share: 8.4%	Market share: 5.1%	Market share: 4.6%

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

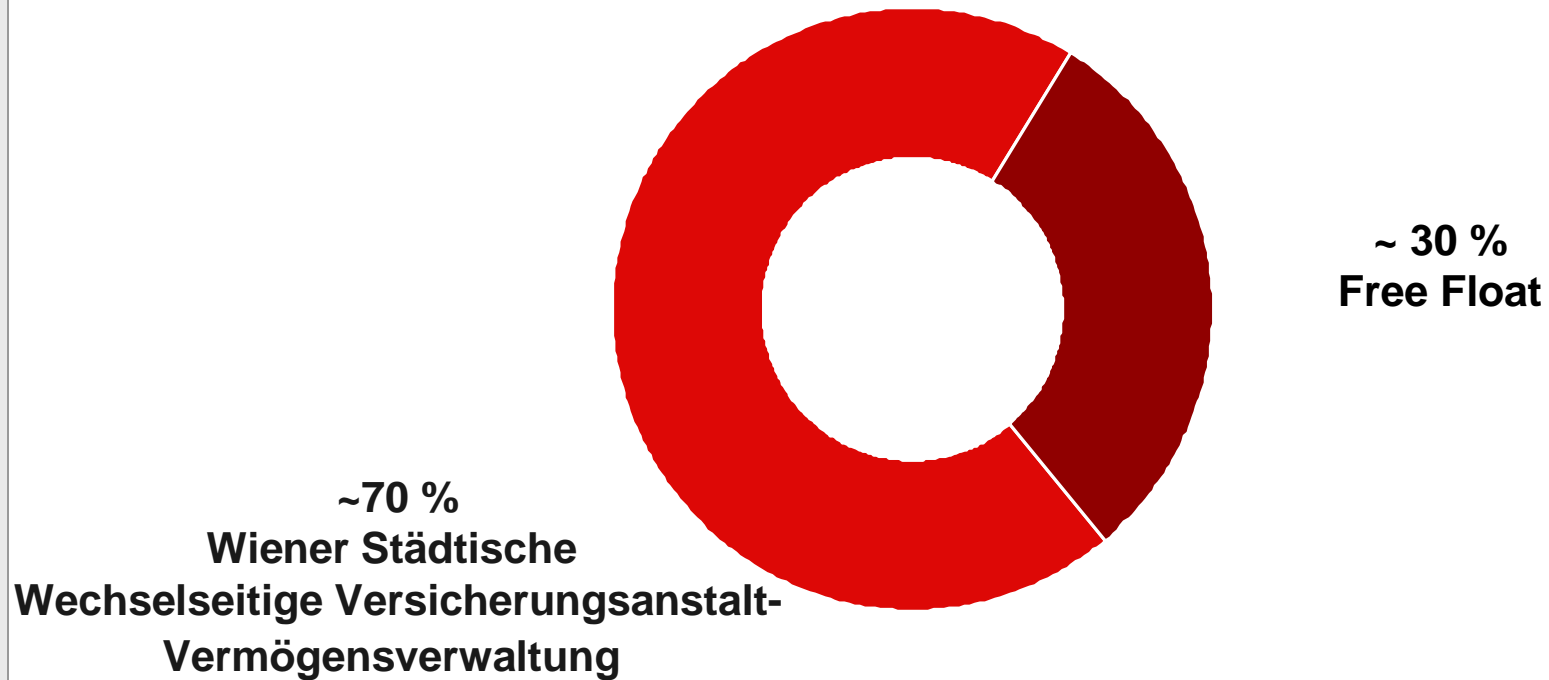
Source: Swiss RE 03/2009,

Market shares: data as of YE 2009 except for Bulgaria as of 9M 2009

Shareholder Structure (I)

Total number of shares 128,000,000

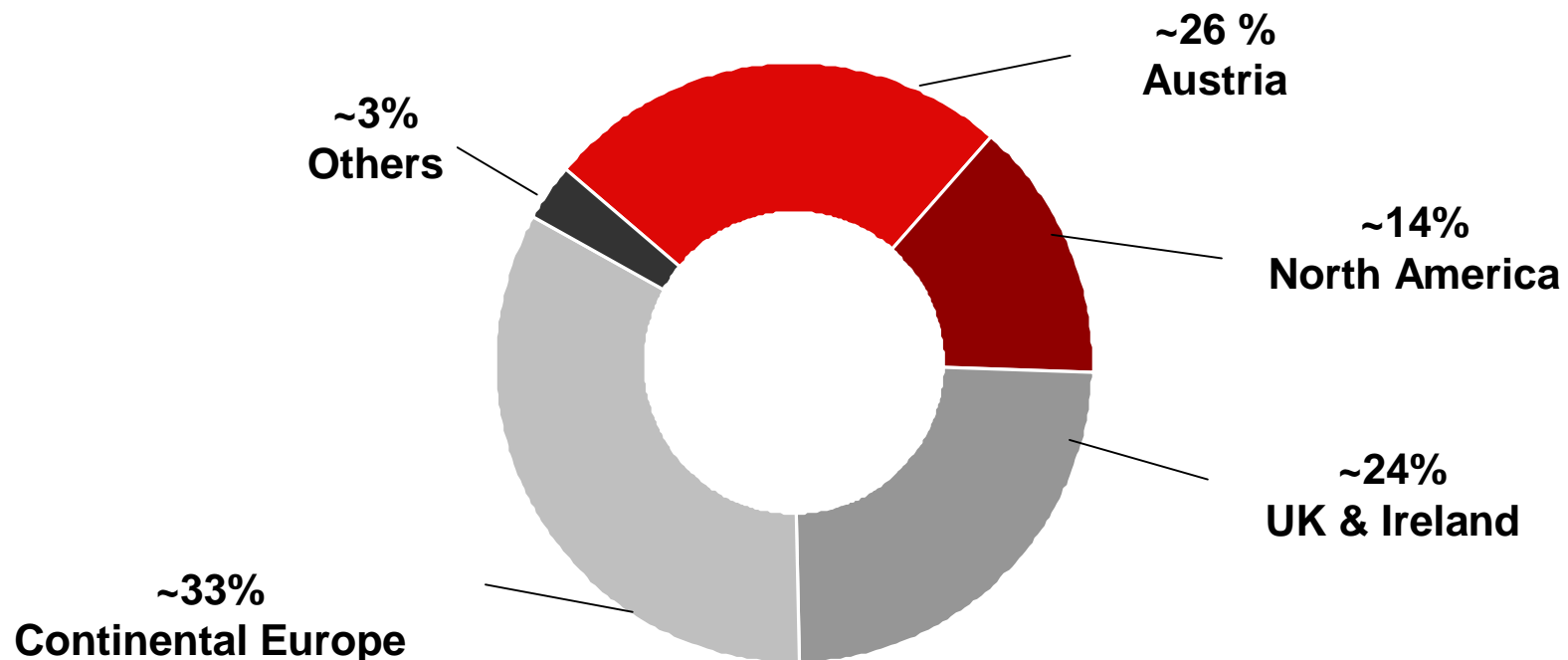
Shareholder Structure



Shareholder Structure (II)

Total number of shares 128,000,000

Free Float Geographical Split



V.I.G. Share & Contact Details

V.I.G. Share

§ **Number of common shares**

128mn

§ **ISIN**

AT0000908504

§ **Listing**

Vienna – since 17 Oct. 1994

Prague – since 5 Feb. 2008

§ **Ticker symbol**

VIG

§ **Bloomberg**

VIG AV / VIG CP

§ **Reuters**

VIGR.VI / VIGR.PR

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