

Vienna Insurance Group - Extending the CEE insurance play

3M 2007 results - 14 May 2007

Presenting Team

- § Martin Simhandl, CFO, Member of the Managing Board
- § Peter Hagen, Member of the Managing Board
- § Kurt Ebner, Group Actuary-in-Chief
- § Roland Gröll, Head of Group Accounting
- § Thomas Schmee, Head of Investor Relations

Topics

- § Highlights p. 03
- § P&L and Balance Sheet p. 06
- § Appendix p. 15

3M 2007 Major Developments

Strong increase in profits

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§ € 2bn premium mark passed already after 3 months

§ CEE business stepping up 37% yoy

§ First time full consolidation of Austrian life subsidiary Union

§ Profit before tax increased by 38% to € 101mn

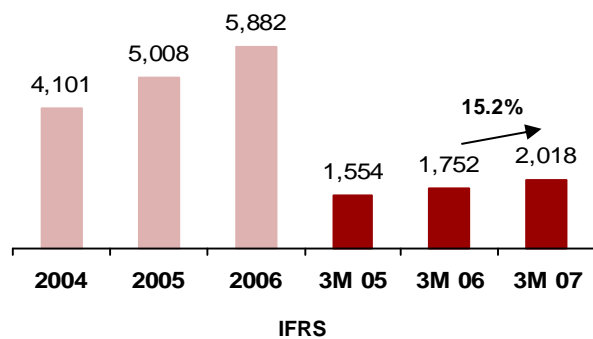
§ Share of CEE in profits raised to 35%

Marked increase in PBT targets for the period 2007 to 2009

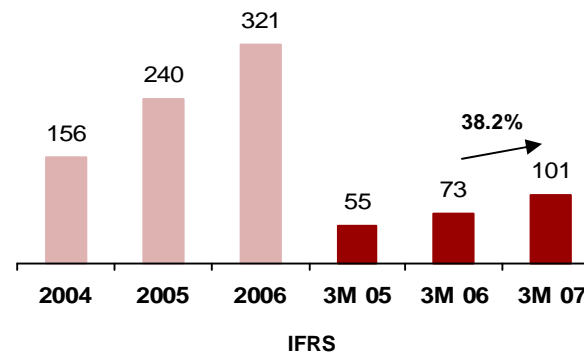
3M 2007 Highlights (I)

GWP up by 15.2%; Combined ratio improved significantly vs. 3M 2006

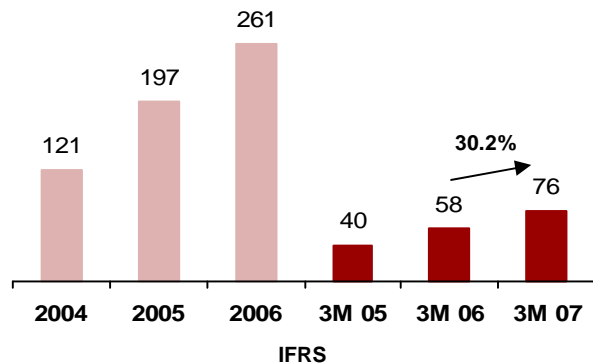
GWP



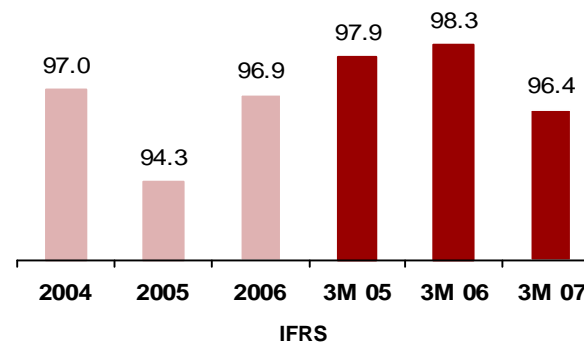
Profit before Tax



Net Profit after Tax and Minorities



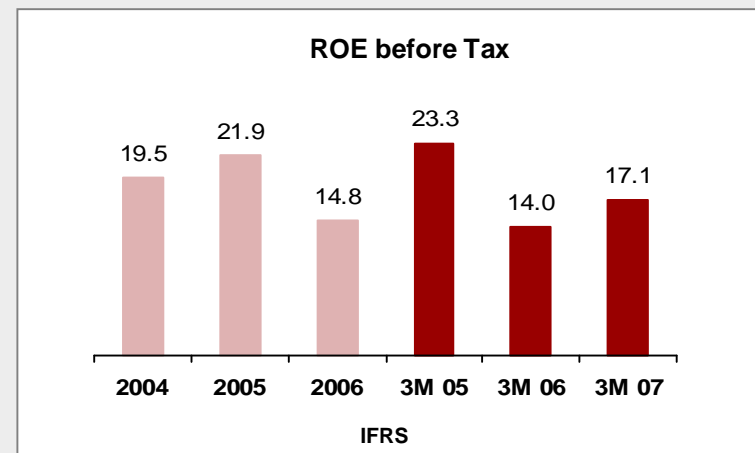
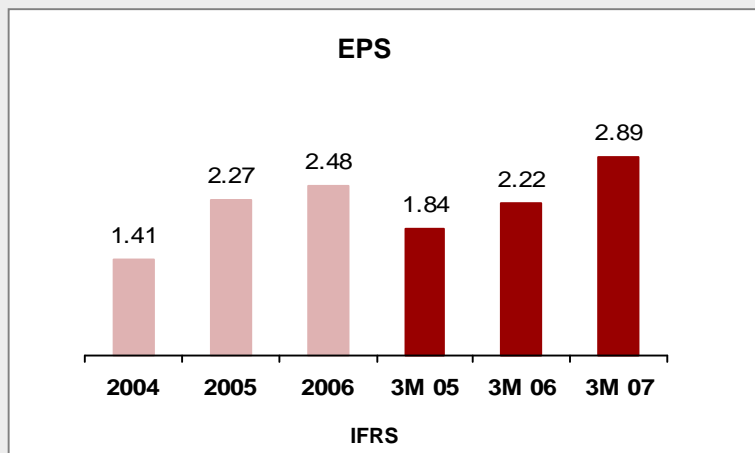
Combined Ratio



3M 2007 Highlights (II)

EPS stepping up swiftly

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Vienna Insurance Group- 3M 2007 results

P&L and Balance Sheet

3M 2007 Income Statement

IFRS (€mn)

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	3M 2007	3M 2006	+/-%
1. Gross written premiums	2,018.4	1,752.2	15.2
2. Net earned premiums	1,464.3	1,247.4	17.4
3. Net investment income ¹	205.3	162.0	26.7
4. Other income	8.9	15.8	-43.9
Total income	1,678.5	1,425.2	17.8
6. Expenses for claims incurred	-1,184.7	-1,049.0	12.9
7. Operating expenses	-347.7	-263.4	32.0
8. Other expenses	-45.4	-39.9	13.8
Total expenses	-1,577.8	-1,352.3	16.7
Profit before tax	100.7	72.9	38.2
Taxes	-18.6	-12.5	48.9
Net profit before minorities	82.2	60.4	35.9
Minorities	-6.2	-2.1	198.3
Net profit after minorites	76.0	58.4	30.2

¹ incl. income from associated and affiliated companies

3M 2007 Balance Sheet

IFRS (€mn)

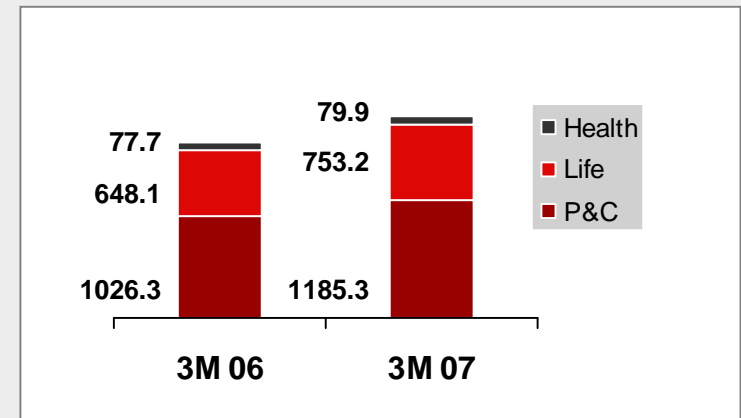
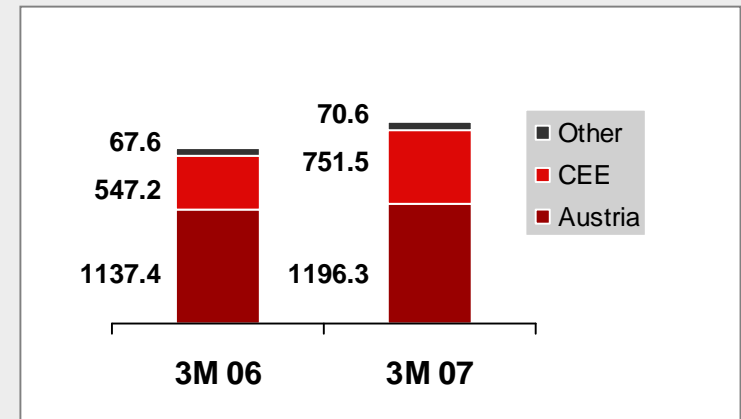
8

	3M 2007	2006	+/- %
Intangible assets	455	461	-1.5
Total investments	18,939	17,260	9.7
Unit- and index-linked investments	2,657	2,341	13.5
Reinsurers' share in technical provisions	1,212	963	25.8
Receivables	1,292	984	31.3
Deferred tax assets	24	24	1.5
Other assets	249	224	11.3
Cash and cash equivalents	191	226	-15.7
Total assets	25,018	22,483	11.3
Shareholders' equity	2,427	2,283	6.3
<i>thereof minorities</i>	125	71	76.9
Subordinated liabilities	433	413	4.9
Underwriting provisions	16,564	14,628	13.2
Unit- and index-linked technical provisions	2,538	2,239	13.4
Non-technical provisions	786	836	-5.9
Liabilities	2,052	1,856	10.6
Deferred tax liabilities	135	122	11.0
Other liabilities	81	106	-23.4
Total liabilities and equity	25,018	22,483	11.3

3M 2007 P&L Major Items – Gross Written Premiums

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

- § Group GWP increased by 15.2% to €2,018mn
- § Austria: total GWP up 5.2% to reach €1,196mn. Life up 8.3% at €520.7mn with sound growth in current premiums vs. weaker demand in single premiums in line with market; includes €50mn premium effect from full consolidation of Austrian subsidiary Union; Non-life up 2.9% at €595.7mn influenced by weaker pricing in motor market (VIG again growing above market)
- § The Czech Republic saw GWP growing by 11.2% to €312.6mn with Life gaining 22.7% to reach €67.6mn and Non-life picking up 8.4% at €245.0mn.
- § In Slovakia business grew by 21.0% to reach €141.3mn, with Life up 34.2% at €39.4mn and P&C up 16.6% at €102.0mn.
- § Sharp increase in Other CEE markets of 99.3% amounting to €297.6mn, with strong contribution both from organic growth and new acquisitions
- § Other Markets show regular growth with 4.4%



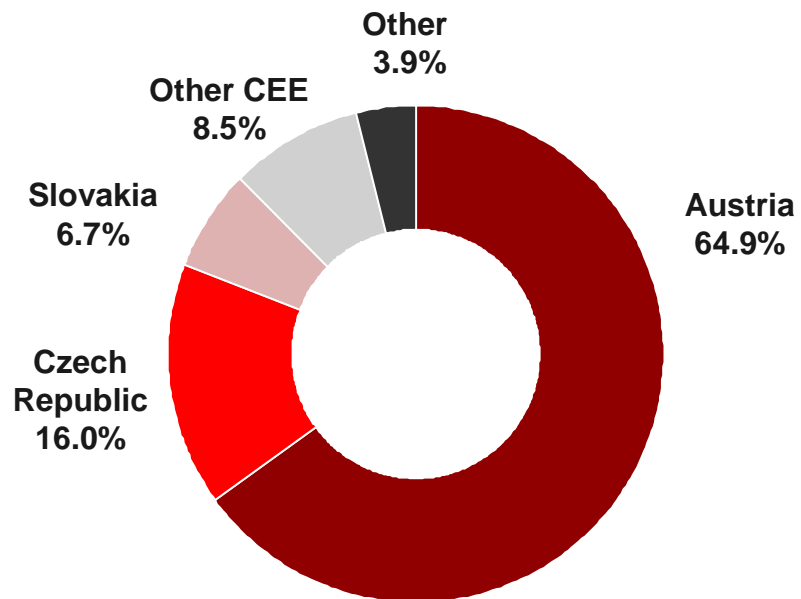
Note: in the Q1 06 Group figures the following companies were not yet included: Cigna (Poland) and the TBIH insurance companies (Bulstrad, Helios)

GWP Split by Region

Other CEE share increasing at fast pace

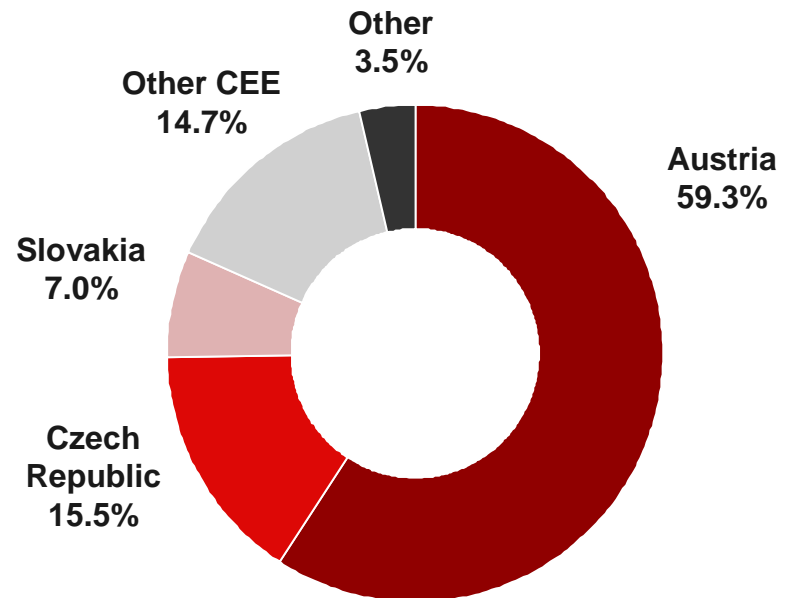
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GWP by Geography 3M 06



3M 2006 Total: €1.8bn

GWP by Geography 3M 07



3M 2007 Total: €2.0bn

3M 2007 P&L Major Items – Expenses for Claims Incurred

Loss ratio reduced substantially

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- § Group loss ratio (net) with marked improvement to 63.3% despite € 10mn net effect from Kyrill storm
- § Austrian loss ratio lower by 1.8% pts at 66.1% thus reaching regular level
- § Czech Republic which was severely affected by snow pressure and floodings last year saw loss ratio improving by 8.2% pts
- § In Slovakia loss ratio was reduced by 5.3% pts in Q1 07 after snow pressure effects in Q1 06
- § Other CEE recorded loss ratio (59.4%) at normal level influenced by new acquisitions
- § Life influenced by rising CEE share of business with lower benefits paid in early phase

EUR mn	P&C		Life		Health	
	3M 2007	3M 2006	3M 2007	3M 2006	3M 2007	3M 2006
Net Earned Premiums:	667.3	548.6	720.6	624.5	76.4	74.2
Expenses for Claims Incurred:	422.6	368.6	699.0	620.7	63.1	59.7
Ratio	63.3%	67.2%	97.0%	99.4%	82.5%	80.4%

3M 2007 P&L Major Items – Operating Expenses

Cost ratio impacted by strong business growth

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- § Group cost ratio (net) up at 33.0%, driven by acquisition costs: VIG does not account for DACs which affects cost ratio roughly by 2% pts (premium income is high at start of the year and leads to higher deferrals while acquisition costs are not deferred); benign Group-wide development of administrative costs
- § Austrian cost ratio stable with balancing effects from IT development costs (Group wide standardisation) and ongoing cost cutting exercises
- § Acquisition costs are main factor for rise of cost ratio by 2.2% in the Czech Republic
- § Cost ratio in Slovakia remained stable
- § 4% pts decrease of cost ratio in Other CEE influenced by economies of scale and effects from new acquisitions

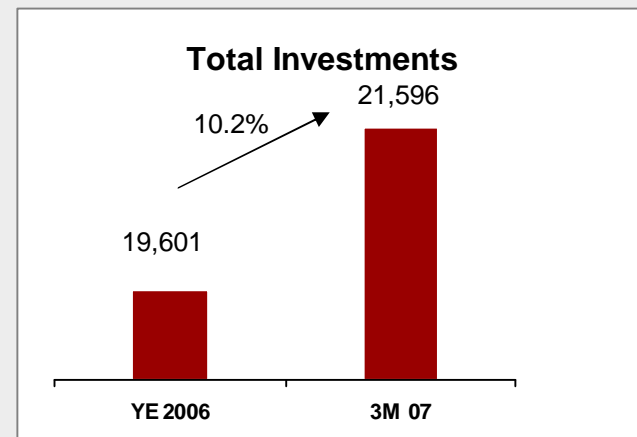
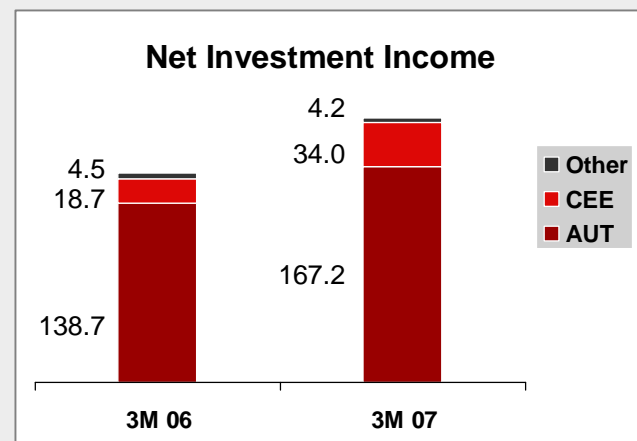
EUR mn	P&C		Life		Health	
	3M 2007	3M 2006	3M 2007	3M 2006	3M 2007	3M 2006
Net Earned Premiums:	667.3	548.6	720.6	624.5	76.4	74.2
Operating Expenses: 1	220.4	170.6	151.7	110.6	11.0	10.8
Ratio	33.0%	31.1%	21.1%	17.7%	14.4%	14.5%

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

3M 2007 P&L Major Items – Net Investment Income

Sound growth in line with business expansion (€mn)

- § Increase in Group Net Investment Income by 26.7% to €205.3mn
- § Austria grew by 20.5% influenced by trading gains, inclusion of Housing Societies (€5.3mn) and full consolidation of Austrian life subsidiary Union (€19.0mn)
- § Increases of net investment income in the Czech Republic (up 48.4%), Slovakia (up 39.4%) and Other CEE in line with business expansion
- § Larger CEE subsidiaries also show continuous improvement in asset allocation



	3M 2007	3M 2006
Investment Income	268.2	212.4
<i>thereof: Current Income</i>	197.7	146.7
<i>thereof: Investment income from disposal</i>	54.0	57.3
Expenses for investments and interest	-63.8	-51.6
<i>thereof: realised investment losses</i>	-3.8	-6.3
<i>thereof: depreciation of investments</i>	-24.9	-27.1
Total 1	204.4	160.8

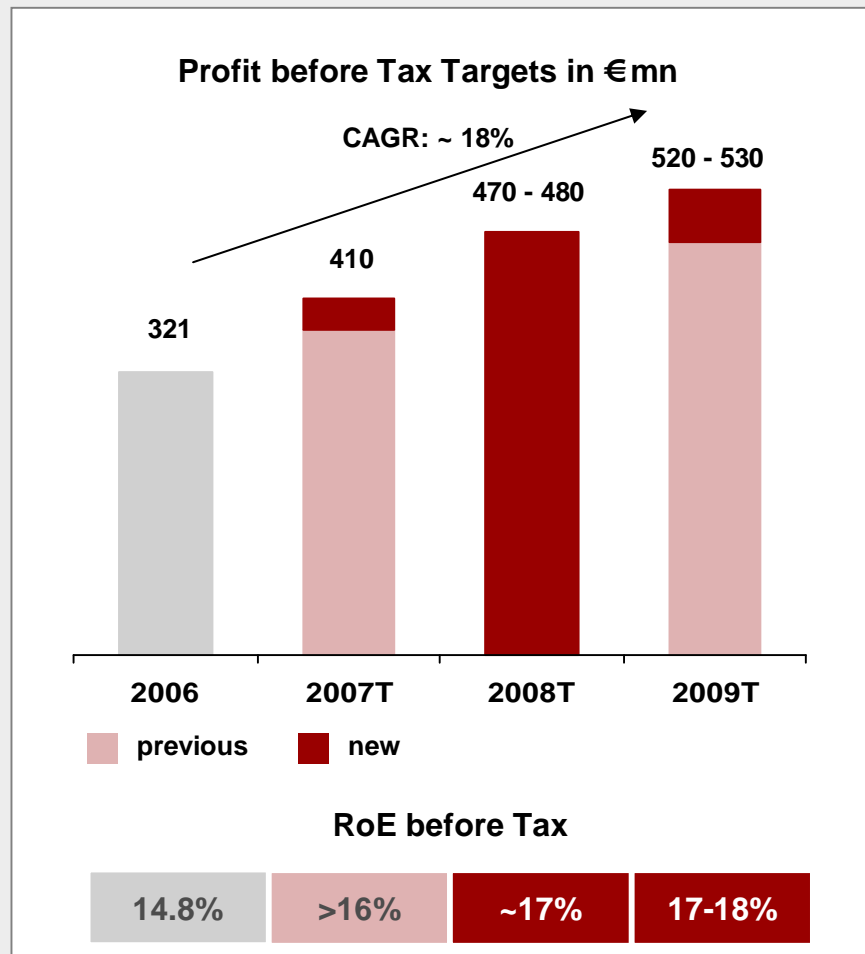
¹ excl. income from associated and affiliated companies

Financial Targets

New targets set for 2007 - 2009

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- § Rising contribution from CEE companies and full consolidation of Union life subsidiary provides the basis for management to set new financial targets
- § New PBT target for 2007 results in 28% increase vs. PBT for 2006
- § Previous PBT of 470mn for 2009 now set already for one year earlier
- § It is company policy to keep the Combined Ratio well below 100% throughout the business cycles
- § VIG dividend policy is defined as payout ratio of min. 30% of Group net profit



Vienna Insurance Group- 3M 2007 results

Appendix

3M 2007 P&L – Business Segments

Property & Casualty, IFRS (€mn)

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	3M 2007	3M 2006	+/-%
1. Gross written premiums	1,185.3	1,026.4	15.5
2. Net earned premiums	667.3	548.6	21.7
3. Net investment income	33.1	23.7	39.8
4. Other income	4.5	6.3	-29.0
Total income	704.9	578.5	21.8
6. Expenses for claims incurred	-422.6	-368.6	14.7
7. Operating expenses	-195.1	-149.2	30.8
8. Other expenses	-30.6	-27.3	12.1
Total expenses	-648.4	-545.1	18.9
Profit before tax	56.5	33.4	69.2

3M 2007 P&L – Business Segments

Life, IFRS (€mn)

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	3M 2007	3M 2006	+/-%
1. Gross written premiums	753.2	648.1	16.2
2. Net earned premiums	720.6	624.5	15.4
3. Net investment income	168.1	133.9	25.5
4. Other income	4.4	9.5	-53.7
Total income	893.1	768.0	16.3
6. Expenses for claims incurred	-699.0	-620.7	12.6
7. Operating expenses	-141.7	-103.7	36.7
8. Other expenses	-14.5	-12.3	18.1
Total expenses	-855.3	-736.7	16.1
Profit before tax	37.8	31.3	20.6

3M 2007 P&L – Business Segments

Health, IFRS (€mn)

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	3M 2007	3M 2006	+/-%
1. Gross written premiums	79.9	77.7	2.9
2. Net earned premiums	76.4	74.2	2.9
3. Net investment income	4.2	4.5	-6.6
4. Other income	0.0	0.0	0.0
Total income	80.6	78.7	2.4
6. Expenses for claims incurred	-63.1	-59.7	5.6
7. Operating expenses	-10.8	-10.5	2.5
8. Other expenses	-0.2	-0.3	-9.6
Total expenses	-74.1	-70.5	5.1
Profit before tax	6.5	8.2	-20.9

3M 2007 P&L - Split by Regions (I)

Regional segments, IFRS (€mn)

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	Austria			Czech Republic			Slovakia		
	3M 2007	3M 2006	+/-%	3M 2007	3M 2006	+/-%	3M 2007	3M 2006	+/-%
1. Gross written premiums	1,196.3	1,137.4	5.2	312.6	281.0	11.2	141.4	116.8	21.0
2. Net earned premiums	869.7	827.6	5.1	219.7	189.6	15.9	93.9	67.8	38.4
3. Net investment income	167.2	138.7	20.5	12.6	8.5	48.4	5.8	4.2	39.4
4. Other income	1.5	7.5	-80.5	3.0	2.5	19.1	0.5	2.1	-74.4
Total income	1,038.3	973.8	6.6	235.2	200.6	17.3	100.3	74.1	35.3
6. Expenses for claims incurred	-800.1	-747.9	7.0	-155.9	-145.0	7.5	-55.8	-43.5	28.2
7. Operating expenses	-163.3	-160.0	2.0	-50.1	-37.0	35.2	-22.6	-16.4	38.2
8. Other expenses	-12.4	-11.1	11.2	-10.9	-12.0	-8.8	-11.8	-7.9	50.4
Total expenses	-975.8	-919.0	6.2	-216.9	-194.0	11.8	-90.3	-67.8	33.2
Profit before tax	62.5	54.8	14.1	18.3	6.6	178.8	10.0	6.3	58.1
Combined Ratio	95.7%	96.8%		95.5%	101.4%		88.2%	93.4%	

3M 2007 P&L - Split by Regions (II)

Regional segments, IFRS (€mn)

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	Other CEE			Other			TOTAL		
	3M 2007	3M 2006	+/-%	3M 2007	3M 2006	+/-%	3M 2007	3M 2006	+/-%
1. Gross written premiums	297.6	149.3	99.3	70.6	67.6	4.4	2,018.4	1,752.2	15.2
2. Net earned premiums	219.1	102.9	113.1	62.0	59.5	4.2	1,464.3	1,247.4	17.4
3. Net investment income	15.6	6.1	156.8	4.2	4.5	-7.9	205.3	162.0	26.7
4. Other income	2.6	2.2	15.0	1.3	1.5	-15.5	8.9	15.8	-43.9
Total income	237.3	111.2	113.5	67.5	65.6	2.9	1,678.5	1,425.2	17.8
6. Expenses for claims incurred	-119.8	-61.2	95.6	-53.1	-51.4	3.3	-1,184.7	-1,049.0	12.9
7. Operating expenses	-105.0	-43.7	140.3	-6.7	-6.3	6.6	-347.7	-263.4	32.0
8. Other expenses	-5.8	-4.7	23.6	-4.5	-4.2	5.6	-45.4	-39.9	13.8
Total expenses	-230.7	-109.7	110.3	-64.2	-61.9	3.8	-1,577.8	-1,352.3	16.7
Profit before tax	6.7	1.5	-	3.3	3.7	-12.5	100.7	72.9	38.2
Combined Ratio	102.5%	103.8%		83.8%	79.2%		96.4%	98.3%	

3M 2007 results by country

IFRS (€mn)

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	Non-Life		Life		Total		Profit before Tax		Combined Ratio	
	3M 2007	3M 2006	3M 2007	3M 2006	3M 2007	3M 2006	3M 2007	3M 2006	3M 2007	3M 2006
Austria	675.6	656.7	520.7	480.7	1,196.3	1,137.4	62.5	54.8	95.7%	96.8%
Czech Rep.	245.0	225.9	67.6	55.1	312.6	281.0	18.3	6.6	95.5%	101.4%
Slovakia	102.0	87.5	39.4	29.3	141.3	116.8	10.0	6.3	88.2%	93.4%
Other CEE	224.5	116.9	73.1	32.4	297.6	149.3	6.7	1.5	102.5%	103.8%
Romania	102.5	57.6	3.7	3.0	106.2	60.6	1.3	0.7	101.3%	101.3%
Poland	77.0	33.7	44.4	15.0	121.4	48.7	3.6	0.1	101.5%	115.1%
Hungary	11.5	10.4	11.4	4.7	22.9	15.0	0.4	0.4	121.4%	90.5%
Croatia	12.0	8.2	9.4	7.2	21.4	15.4	0.2	0.1	110.6%	110.4%
Serbia	5.4	4.1	2.8	2.1	8.2	6.2	0.4	0.1	102.9%	96.2%
Bulgaria	16.0	2.9	1.4	0.4	17.4	3.3	0.8	0.1	98.4%	95.2%
Other	18.2	17.1	52.4	50.5	70.6	67.6	3.3	3.7	83.8%	79.2%
Liechtenstein	-	-	39.1	38.0	39.1	38.0	0.3	0.3	-	-
Germany	18.2	17.1	13.2	12.5	31.4	29.6	3.0	3.4	83.8%	79.2%
Total	1,265.2	1,104.0	753.2	648.1	2,018.4	1,752.2	100.7	72.9	96.4%	98.3%

Change in Group Shareholders' Equity / APE

IFRS

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(€000)	1.1. - 31.03.2007	1.1. - 31.03.2006
Equity as of 1 January	2,283,208	2,059,332
Currency Changes	-4,004	705
Changes to shares	37,987	96
Capital Increase	-	-
Unrealised Gains and Losses on financial instruments available for sale	28,168	-7,059
Profit for the quarter	82,174	60,445
Dividend payment	-570	-560
Equity as of 31 March	2,426,963	2,112,959

APE Life & Health (€mn)	3M 2007	3M 2006	+/-%
Austria, Germany	74.8	79.6	-6.0%
CEE (CZ, SK, H)	11.8	8.8	34.1%
	86.6	88.4	-2.0%

3M 2007 Exchange Rates

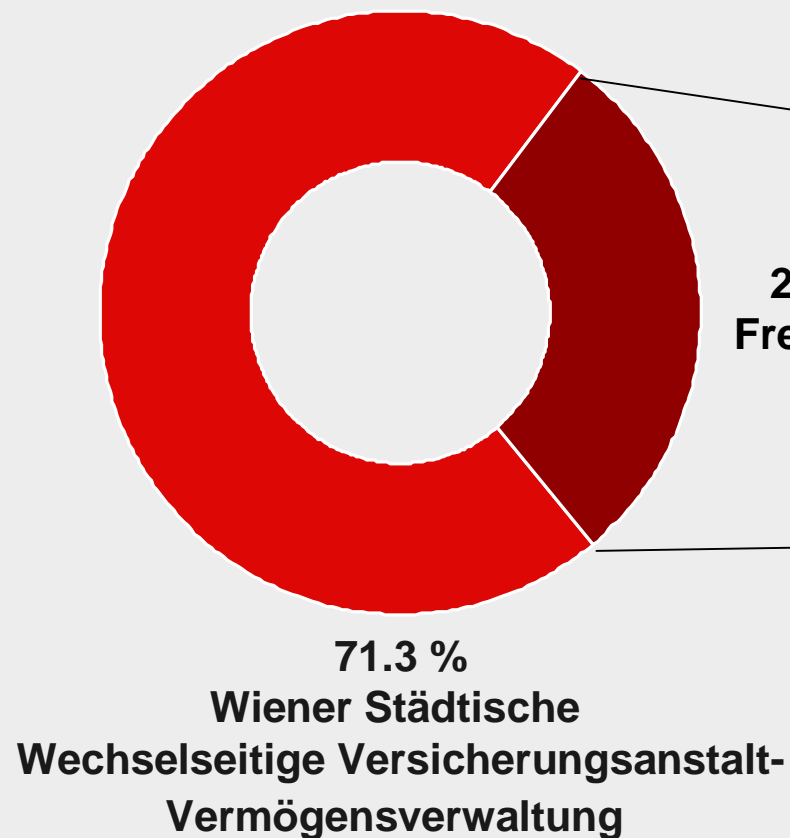
Country	Curr.	3M 2007		3M 2006	
		Balance Sheet EUR	P & L EUR	Balance Sheet EUR	P & L EUR
Bulgaria	BGN	0.511300	0.511300	0.511300	0.511300
Croatia	HRK	0.135044	0.135766	0.136203	0.136192
Liechtenstein	CHF	0.615498	0.618738	0.632871	0.641437
Poland	PLN	0.258612	0.257311	0.253646	0.260783
Romania	RON	0.298089	0.295753	0.284107	0.280599
Serbia	CSD	0.012259	0.012471	0.011438	0.011454
Slovakia	SKK	0.029994	0.029115	0.026575	0.026698
Czech Republic	CZK	0.035702	0.035667	0.034971	0.034966
Hungary	HUF	0.004036	0.003963	0.003763	0.003929

Shareholder Structure (I)

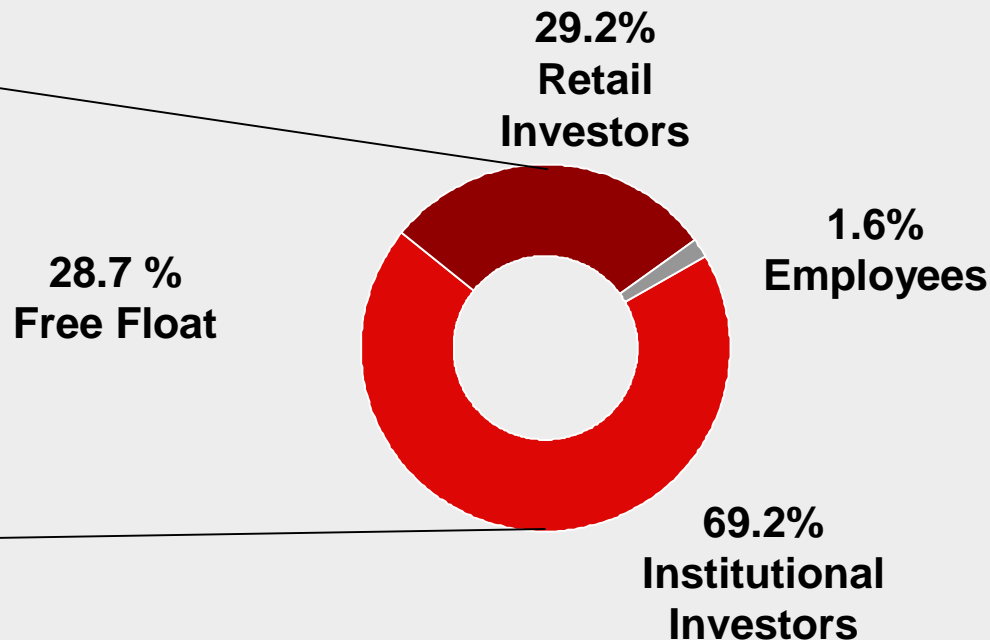
Total number of shares 105,000,000

24

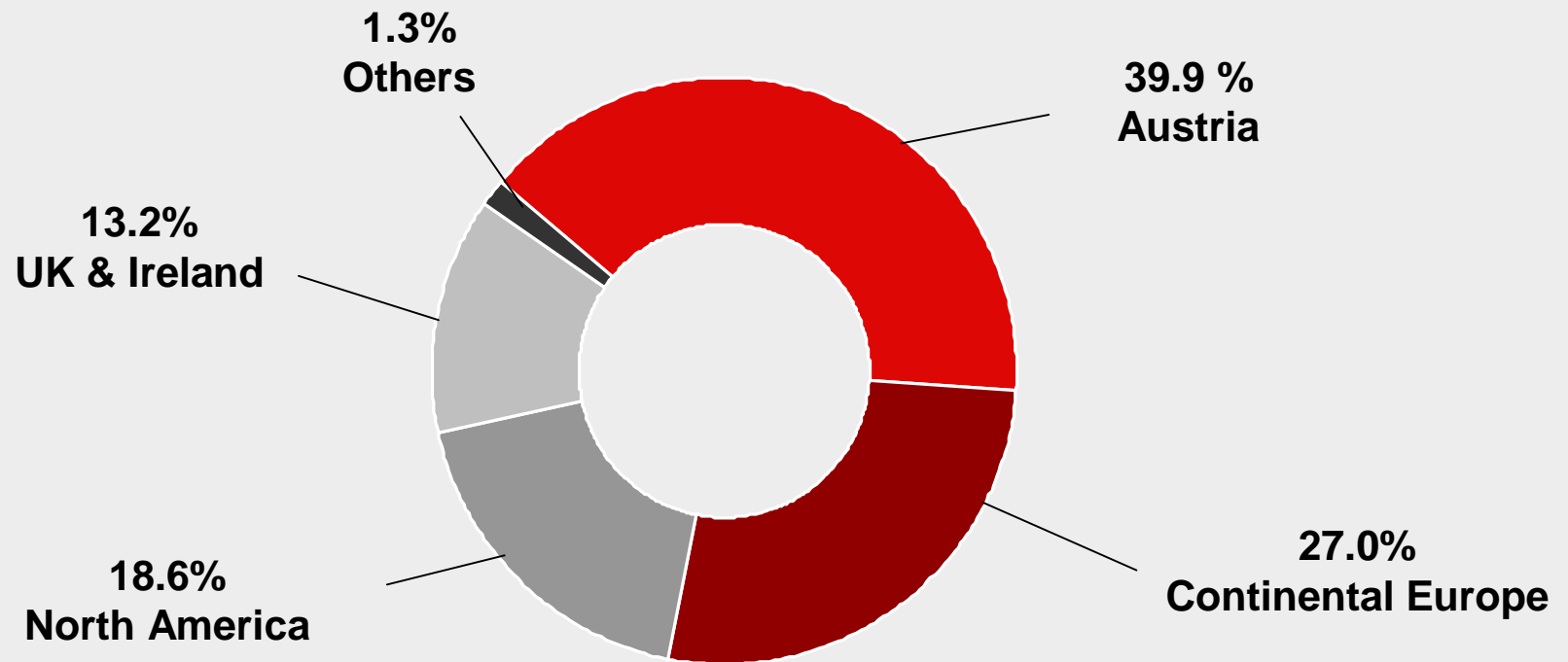
Shareholder Structure



Split Free Float



Free Float Geographical Split



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