

V.I.G. – A robust start into a challenging period

**3M 2009 results telephone conference
12 May 2009**

Presenting Team

- § **Martin Simhandl, CFO**
- § **Peter Hagen, Member of the Managing Board**
- § **Peter Höfinger, Member of the Managing Board**
- § **Roland Gröll, Head of Group Accounting**
- § **Thomas Schmee, Head of Investor Relations**

Topics

- § **Financial Highlights** p.4
- § **P&L and Balance Sheet** p.8
- § **Appendix** p.18

Capital Position

- § 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
- § Excellent capital position further improved: solvency ratio comfortably above 180% according to Austrian regulation

Health Business

- § Promising start of health business in CEE as of Q1 2009
- § New products offered in CZ, SK, PL, HU and RO
- § **3M 2009:** initial premium volume of approx. €6mn leaves management confident to reach YE 2009e premium volume of about €30mn



Vienna Insurance Group – 3M 2009 results

Financial Highlights

3M 2009 Financial Highlights (I)

V.I.G. – a solid ship in a stormy market

§ EUR 121mn PBT despite challenging environment

§ Capitalisation further strengthened

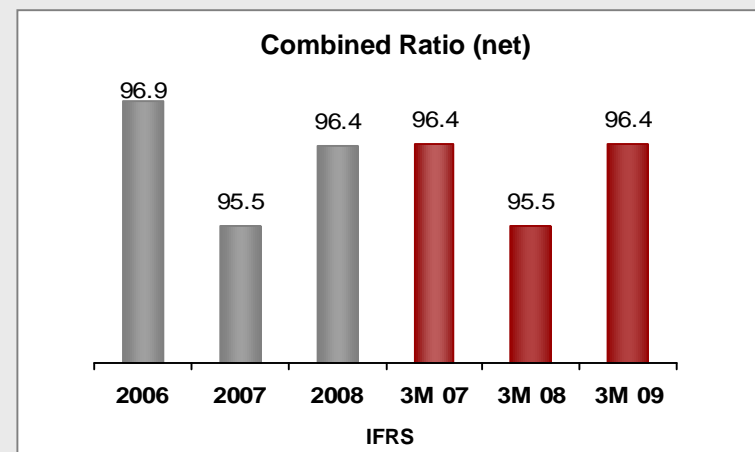
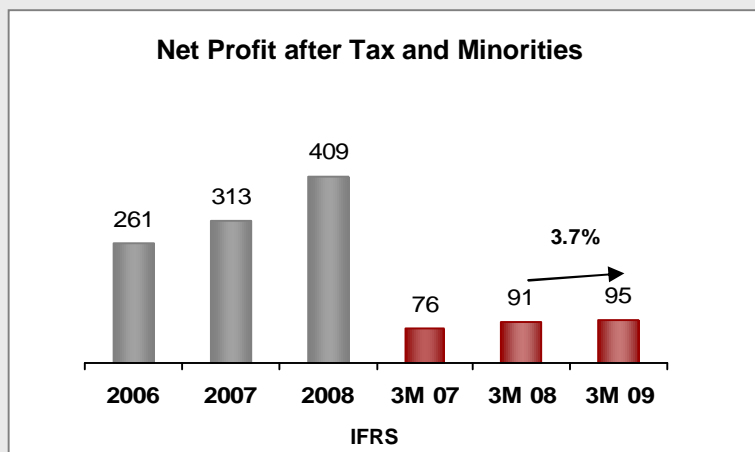
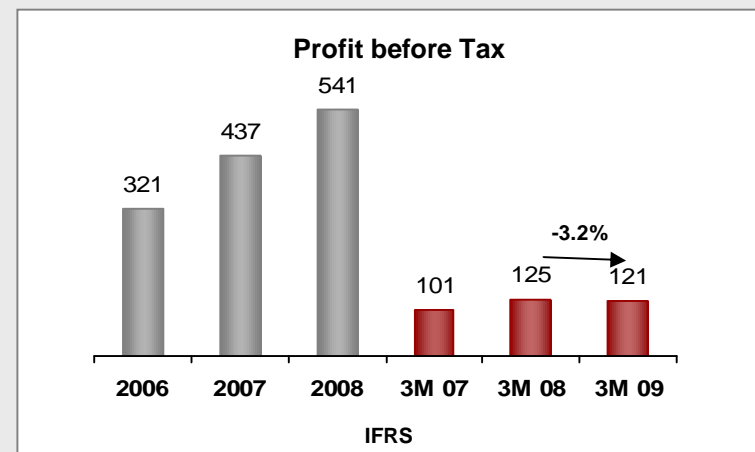
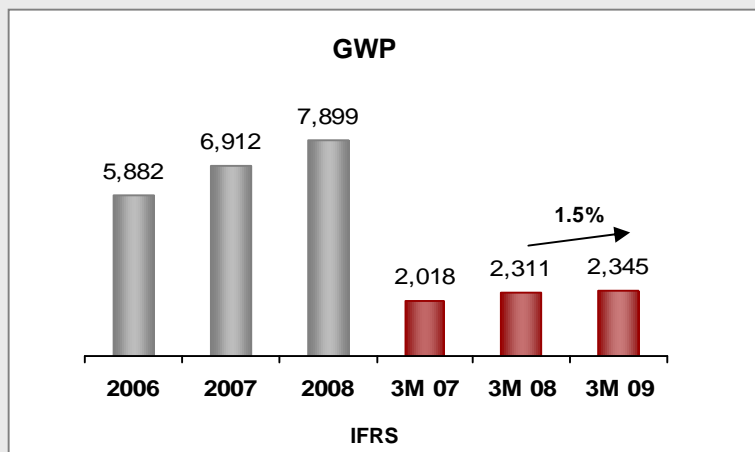
§ Combined ratio (net) on stable level at 96.4%

§ Sound financial result

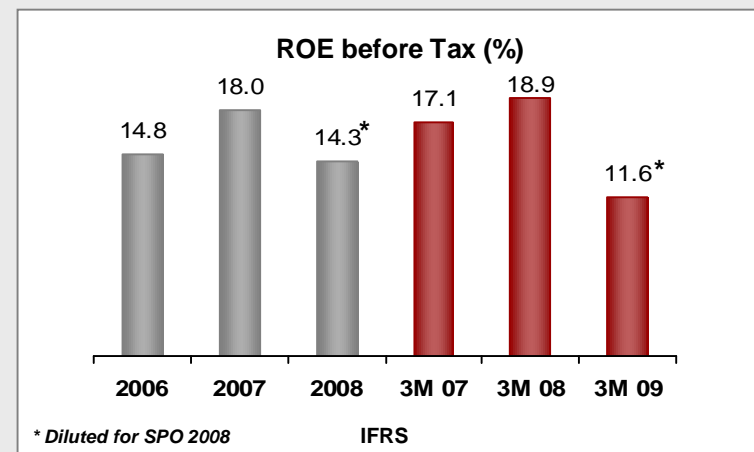
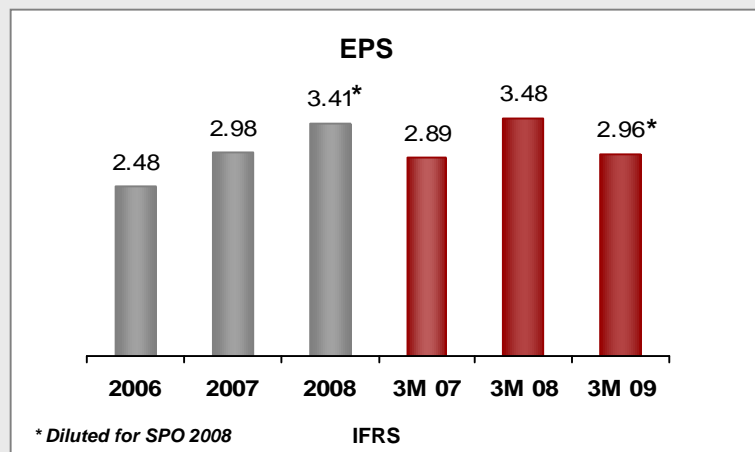
§ Stable premiums inspite of adverse currency effects

3M 2009 Financial Highlights (II)

V.I.G. producing steady results



3M 2009 Financial Highlights (III)





Vienna Insurance Group – 3M 2009 results

P&L and Balance Sheet Details

3M 2009 Income Statement

IFRS (€mn)

	3M 2009	3M 2008	+/-%
1. Gross written premiums	2,345.4	2,311.3	1.5
2. Net earned premiums	1,798.2	1,736.8	3.5
3. Net investment income	238.2	175.6	35.6
4. Other income	41.2	17.5	>100
Total income	2,077.6	1,929.8	7.7
6. Expenses for claims incurred	-1,473.1	-1,359.1	8.4
7. Operating expenses	-409.9	-391.6	4.7
8. Other expenses	-73.8	-54.3	36.0
Total expenses	-1,956.8	-1,805.0	8.4
Profit before tax	120.8	124.8	-3.2
Taxes	-21.8	-26.0	-16.1
Net profit before minorities (Profit for the period)	99.0	98.9	0.2
Minorities	-4.3	-7.5	-42.8
Net profit after minorites	94.8	91.4	3.7

3M 2009 Balance Sheet

IFRS (€mn)

10

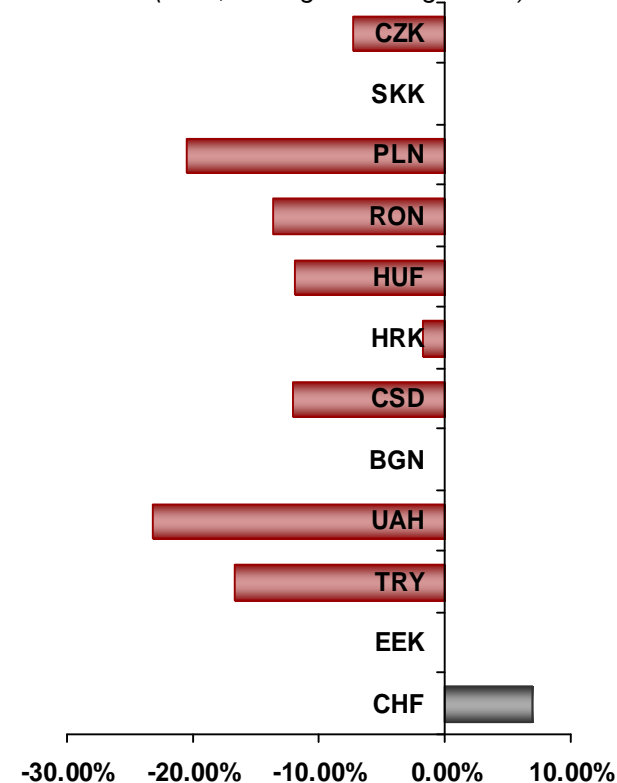
	3M 2009	YE 2008	+/- %
Intangible assets	1,982	1,649	20.2
Total investments	23,880	24,548	-2.7
Unit- and index-linked investments	3,770	3,602	4.6
Reinsurers' share in technical provisions	1,081	1,222	-11.5
Receivables	1,802	1,500	20.1
Deferred tax assets	134	131	2.5
Other assets	730	393	85.6
Cash and cash equivalents	556	619	-10.2
Total assets	33,936	33,665	0.8
Shareholders' equity	4,176	4,139	0.9
<i>thereof minorities</i>	274	267	2.7
Subordinated liabilities	505	501	0.8
Technical provisions	21,774	21,682	0.4
Unit- and index-linked technical provisions	3,507	3,347	4.8
Non-technical provisions	696	752	-7.4
Liabilities	2,886	2,843	1.5
Deferred tax liabilities	135	141	-4.9
Other liabilities	257	260	-1.0
Total liabilities and equity	33,936	33,665	0.8

3M 2009 P&L Major Items – Gross Written Premiums

Premium development affected by weak CEE currencies (€mn)

	Non-life		Life		Total	
	3M 2009	3M 2008	3M 2009	3M 2008	3M 2009	3M 2008
Austria	698.3	683.8	546.4	532.0	1,244.6	1,215.8
Czech Rep.	273.5	275.8	131.0	83.9	404.5	359.7
Slovakia	114.3	105.2	71.9	56.1	186.2	161.3
Poland	84.2	99.7	58.9	74.4	143.1	174.0
Romania	151.5	189.4	16.4	11.4	167.8	200.9
Other CEE	114.2	91.1	43.0	33.2	157.2	124.3
Other	20.2	19.3	21.8	56.0	42.0	75.3
Total	1,456.2	1,464.3	889.3	847.0	2,345.4	2,311.2

FX development 3M 09 vs 3M 08
(vs. €; average exchange rates)



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

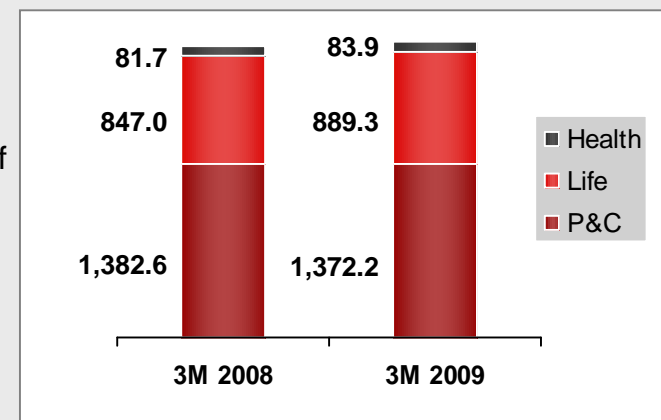
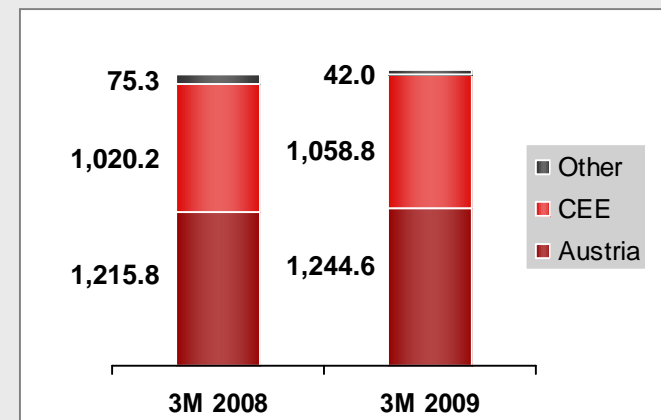
First time consolidation of s Versicherung Austria as of H2 2008, of s Versicherung CZ, SK, H, CRO as of Q4 2008; of BCR NL and L as of Q1 2009, deconsolidation of BACAV (A) and Unita (RO) as of June 2008

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

3M 2009 P&L Major Items – Gross Written Premiums

Stable premiums, supported by new consolidations (€mn)

- § Group GWP gained 1.5%, thus reaching €2,345mn
- § Austria: total GWP up 2.4% to reach €1,245mn. Life up 2.7% at €546.4mn, inclusion of s Versicherung offsets ongoing weak single premiums; P&C up 2.0% at €614.3mn influenced by weak motor market (but VIG still growing above market) and sound non-motor growth
- § The Czech Republic saw GWP growing by 12.5% to €404.5mn with Life gaining 56.2% (growth flat excl. s Versicherung) to reach €131.0mn and Non-life down 0.8% at €273.5mn
- § In Slovakia business grew by 15.5% to reach €186.2mn, with Life up 28.2% (excl. s Versicherung ~15%) at €71.9mn and P&C up 8.7% at €114.3mn
- § Poland reached €143.1mn in total, down 17.8%, Non-life down 15.5% to €84.2mn – influenced by portfolio restructuring, Life down 20.9% to €58.9mn due to hesitant customer demand
- § In Romania, VIG attained a premium volume of €167.8mn, a decrease of 16.4% - affected by restructuring and consolidation effects. Non-life was down 20.0% at €151.5mn and Life up 43.3% at €16.4mn due to consolidation of BCR
- § Other CEE markets up by 26.5% at €157.2mn, influenced by consolidation effects. Life still growing vs. weaker motor markets.
- § Other Markets attained GWP of €42.0mn, weaker by 44.2% due to weak single premium business



3M 2009 P&L Major Items – Expenses for Claims Incurred

Loss ratio up due to higher claims and reserving in CEE

- § Group loss ratio (net) at 66.0% (63.9% in 3M 2008)
- § Austrian loss ratio lower by 3.3% pts at 65.0% due to milder weather conditions
- § Czech Republic saw loss ratio improving by 6.2% pts to 58.8%, also due to more favourable weather conditions vs. Q1 08
- § In Slovakia loss ratio higher at 61.5% (3M 08: 53.8%) due to rise in motor claims
- § Poland increasing by 10.0% pts to 64.7% due to increase of reserves as a consequence of legal changes
- § Romania saw increase of claims ratio to 88.9% (3M 08: 66.1%, YE 08: 73.9%) influenced by motor claims inflation and increase of reserves
- § Other CEE recorded slight decrease by 1.3% pts to reach 59.4% with mixed picture (HR, HU and TK down, SR and UA up)

EUR mn	P&C	
	3M 2009	3M 2008
Net Earned Premiums:	848.2	841.9
Expenses for Claims Incurred:	559.7	538.4
Ratio	66.0%	63.9%

3M 2009 P&L Major Items – Operating Expenses

Cost ratio down on account of CEE efficiency programmes

- § Group cost ratio (net) decreasing by 1.1% pts to reach 30.5%
- § Cost ratio in Austria up by 1.4% pts at 28.8% due to salary increases
- § Costs in the Czech Republic increased to 31.2% due to expenses for IT roll-out and change of reinsurance programme
- § Cost ratio in Slovakia down by 0.3% pts at 40.6% due to strict cost management and lower sales commissions
- § Poland showing lower cost ratio at 34.5% (3M 08: 40.3%) thanks to lower administration costs and sales commissions as well as abolition of Religa tax (surcharge on motor premiums for health system)
- § Romania recording substantial decrease to 19.4% by reason of consolidation of BCR (low cost sales organisation) and scale effects
- § Cost ratio in Other CEE stable at 41.6%

EUR mn	P&C	
	3M 2009	3M 2008
Net Earned Premiums:	848.2	841.9
Operating Expenses: ¹	258.3	265.7
Ratio	30.5%	31.6%

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

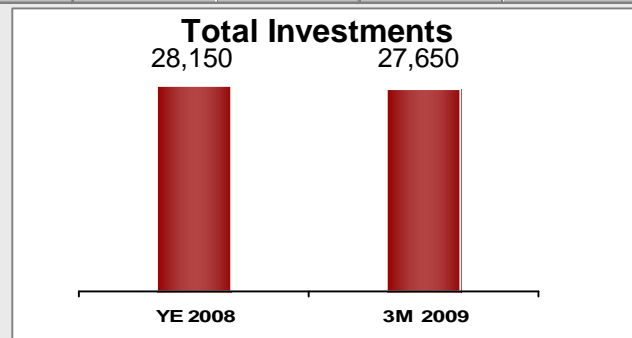
3M 2009 P&L Major Items – Net Investment Income

Sound financial result (€mn)

Detail - Income	P&C		Life		Health		Total	
in €'000	3M 2009	3M 2008	3M 2009	3M 2008	3M 2009	3M 2008	3M 2009	3M 2008
Current income	42,076	40,940	269,588	206,342	9,317	5,014	320,981	252,296
Income from write-ups	2,299	2,063	22,664	10,076	6,055	4,956	31,018	17,095
Income from the disposal of investments	31,068	4,356	110,524	87,803	6,977	503	148,569	92,662
Other income	508	381	9,243	1,127	2,003	26	11,754	1,534
Total	75,951	47,740	412,019	305,348	24,352	10,499	512,322	363,587

Detail - Expenses	P&C		Life		Health		Total	
in €'000	3M 2009	3M 2008	3M 2009	3M 2008	3M 2009	3M 2008	3M 2009	3M 2008
Depreciation of investments	9,761	8,984	61,514	41,863	867	8,142	72,142	58,989
Impairment of investments	8,592	1,543	57,862	18,243	4,058	166	70,512	19,952
Exchange rate	-5,957	-612	-7,545	-514	1	-2	-13,501	-1,128
Losses from the disposal of investments	2,750	3,844	73,460	52,874	18,265	3,419	94,475	60,137
Interest expenses	5,770	6,641	19,670	17,647	1,731	1,312	27,171	25,600
Other expenses	2,014	3,543	20,543	20,432	813	482	23,370	24,457
Total	22,930	23,943	225,504	150,545	25,735	13,519	274,169	188,007

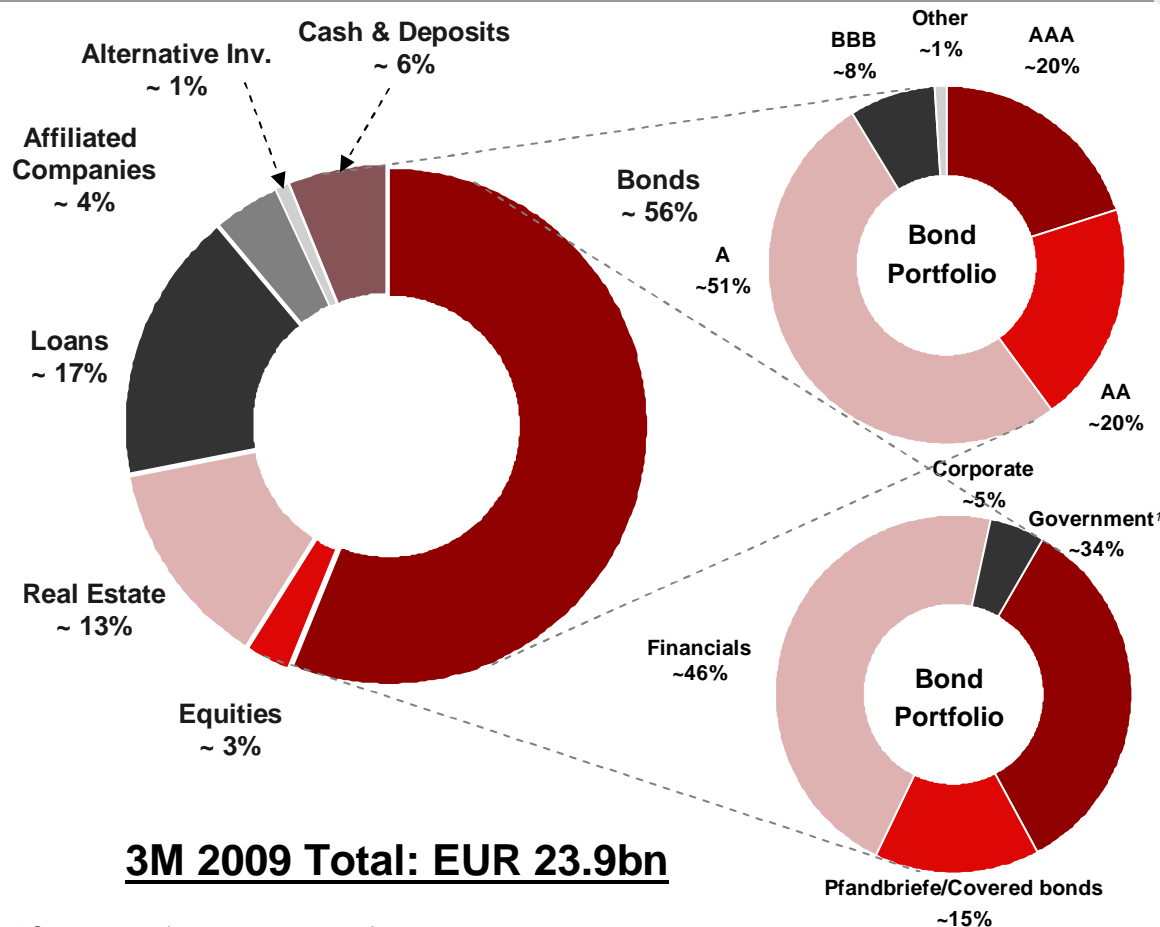
- § Increase in Group Net Investment Income by 35.6% to €238.2mn reflecting higher current income from consolidation of s Versicherung group
- § Income from write-ups and disposals largely offsets impairments, losses from disposals and depreciation



Investment policy

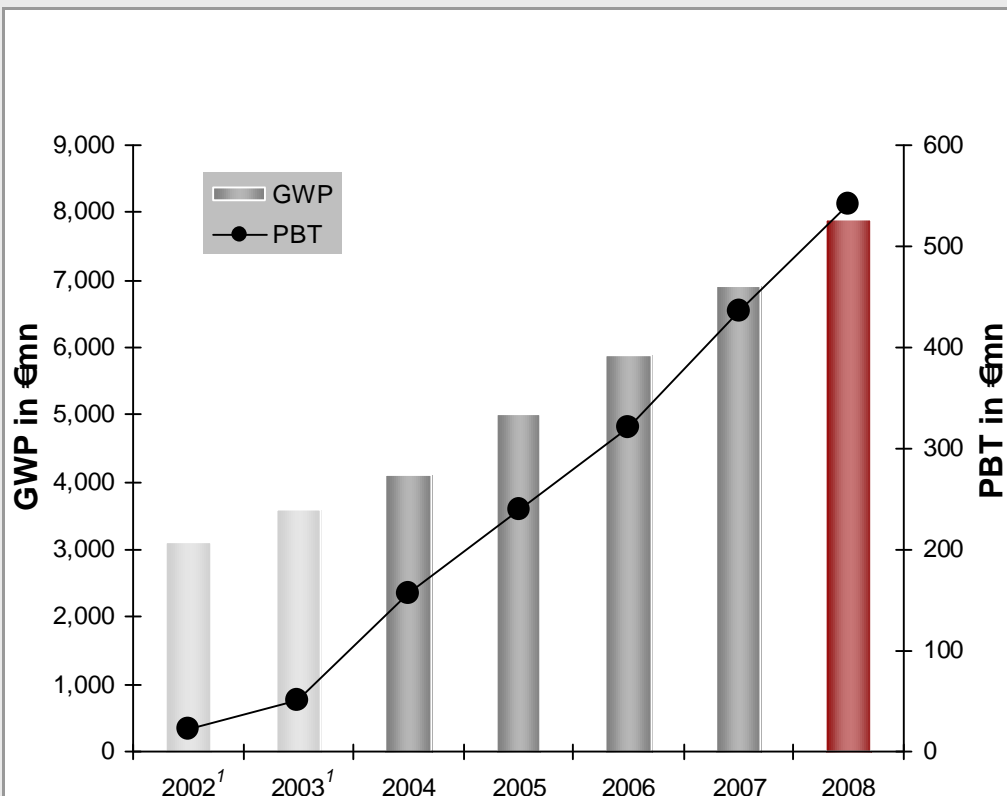
- § More than 50% of real estate with regulated Austrian housing societies; remainder also largely in Austria and property used by VIG itself
- § Investments mainly denominated in EUR; CEE premiums invested in local currencies, thus natural hedge
- § Share of CEE investments is € 4.9bn, largely in CZ and SK

Portfolio Overview



¹: Government and government guaranteed

V.I.G.'s Path of Profitability



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

Outlook

- § Persistently shaky situation of capital markets and question marks behind world economic trends do not allow for firm establishment of targets for 2009 and medium term
- § V.I.G. still expects premium growth despite adverse currency effects
- It is company philosophy to keep the combined ratio well below 100% throughout the business cycle



Vienna Insurance Group – 3M 2009 results

Appendix

3M 2009 P&L – Business Segments

Property & Casualty, IFRS (€mn)

	3M 2009	3M 2008	+/-%
1. Gross written premiums	1,372.3	1,382.6	-0.7
2. Net earned premiums	848.2	841.9	0.7
3. Net investment income	53.0	23.8	>100
4. Other income	26.0	7.7	>100
Total income	927.3	873.4	6.2
6. Expenses for claims incurred	-559.7	-538.4	4.0
7. Operating expenses	-239.7	-235.3	1.9
8. Other expenses	-46.2	-38.6	19.8
Total expenses	-845.6	-812.2	4.1
Profit before tax	81.7	61.2	33.5

3M 2009 P&L – Business Segments

Life, IFRS (€mn)

	3M 2009	3M 2008	+/-%
1. Gross written premiums	889.3	847.0	5.0
2. Net earned premiums	869.7	816.8	6.5
3. Net investment income	186.5	154.8	20.5
4. Other income	15.2	9.8	55.3
Total income	1,071.4	981.4	9.2
6. Life benefits	-847.8	-758.4	11.8
7. Operating expenses	-161.4	-145.4	11.1
8. Other expenses	-27.5	-15.4	78.1
Total expenses	-1,036.7	-919.1	12.8
Profit before tax	34.7	62.3	-44.2

3M 2009 P&L – Business Segments

Health, IFRS (€mn)

	3M 2009	3M 2008	+/-%
1. Gross written premiums	83.9	81.7	2.7
2. Net earned premiums	80.3	78.0	2.9
3. Net investment income	-1.4	-3.0	-54.2
4. Other income	0.0	0.0	0.0
Total income	78.9	75.0	5.2
6. Expenses for claims incurred	-65.6	-62.4	5.2
7. Operating expenses	-8.8	-11.0	-19.9
8. Other expenses	-0.1	-0.3	-55.3
Total expenses	-74.5	-73.6	1.2
Profit before tax	4.4	1.4	>100

3M 2009 P&L - Split by Regions (I)

Regional segments, IFRS (€mn)

22

	Austria			Czech Republic		
	3M 2009	3M 2008	+/-%	3M 2009	3M 2008	+/-%
1. Gross written premiums	1,244.6	1,215.8	2.4	404.5	359.7	12.5
2. Net earned premiums	934.1	895.7	4.3	320.6	268.3	19.5
3. Net investment income	167.5	148.1	13.1	13.9	6.4	>100
4. Other income	2.4	4.8	-49.6	6.3	3.3	90.9
Total income	1,104.0	1,048.5	5.3	340.8	278.0	22.6
6. Expenses for claims incurred	-851.7	-808.8	5.3	-212.1	-183.4	15.6
7. Operating expenses	-164.0	-152.2	7.7	-87.5	-60.3	45.0
8. Other expenses	-11.1	-11.5	-3.1	-17.0	-13.7	24.0
Total expenses	-1,026.8	-972.4	5.6	-316.6	-257.5	23.0
Profit before tax	77.3	76.1	1.6	24.2	20.6	17.8
Combined Ratio	93.8%	95.7%		89.9%	91.3%	

3M 2009 P&L - Split by Regions (II)

Regional segments, IFRS (€mn)

	Slovakia			Poland			Romania		
	3M 2009	3M 2008	+/-%	3M 2009	3M 2008	+/-%	3M 2009	3M 2008	+/-%
1. Gross written premiums	186.2	161.3	15.5	143.1	174.0	-17.8	167.8	200.9	-16.4
2. Net earned premiums	139.6	122.6	13.8	131.9	157.4	-16.2	129.1	136.4	-5.4
3. Net investment income	8.8	4.8	84.0	6.6	2.6	>100	17.5	6.2	>100
4. Other income	1.4	0.7	>100	1.2	4.1	-70.8	16.0	0.7	>100
Total income	149.8	128.1	16.9	139.7	164.1	-14.9	162.5	143.4	13.4
6. Expenses for claims incurred	-108.8	-80.8	34.6	-79.7	-82.7	-3.6	-112.5	-92.0	22.2
7. Operating expenses	-26.5	-25.7	3.1	-50.1	-69.4	-27.7	-40.0	-45.7	-12.6
8. Other expenses	-9.6	-10.8	-11.5	-3.6	-4.8	-25.3	-3.8	-2.9	30.2
Total expenses	-144.9	-117.4	23.5	-133.4	-156.8	-14.9	-156.3	-140.7	11.1
Profit before tax	4.9	10.8	-54.4	6.3	7.3	-14.4	6.3	2.7	>100
Combined Ratio	102.1%	94.7%		99.2%	95.0%		108.4%	101.6%	

3M 2009 P&L - Split by Regions (III)

Regional segments, IFRS (€mn)

	Other CEE			Other			TOTAL		
	3M 2009	3M 2008	+/-%	3M 2009	3M 2008	+/-%	3M 2009	3M 2008	+/-%
1. Gross written premiums	157.2	124.3	26.5	42.0	75.3	-44.2	2,345.4	2,311.3	1.5
2. Net earned premiums	111.0	90.5	22.6	31.9	65.8	-51.5	1,798.2	1,736.8	3.5
3. Net investment income	19.4	4.1	>100	4.6	3.5	32.0	238.2	175.6	35.6
4. Other income	3.2	3.2	0.8	10.7	0.7	>100	41.2	17.5	>100
Total income	133.6	97.8	36.6	47.2	69.9	-32.5	2,077.6	1,929.8	7.7
6. Expenses for claims incurred	-85.3	-59.4	43.6	-22.9	-51.9	-55.9	-1,473.1	-1,359.1	8.4
7. Operating expenses	-36.4	-31.6	15.3	-5.4	-6.6	-18.8	-409.9	-391.6	4.7
8. Other expenses	-14.4	-4.1	>100	-14.5	-6.6	>100	-73.8	-54.3	36.0
Total expenses	-136.1	-95.1	43.1	-42.7	-65.1	-34.4	-1,956.8	-1,805.0	8.4
Profit before tax	-2.5	2.7	-	4.4	4.8	-7.4	120.8	124.8	-3.2
Combined Ratio	100.9%	99.6%		78.5%	76.2%		96.4%	95.5%	

3M 2009 Results by Country

IFRS (€mn)

	Non-Life		Life		Total		Profit before Tax		Combined Ratio	
	3M 2009	3M 2008	3M 2009	3M 2008	3M 2009	3M 2008	3M 2009	3M 2008	3M 2009	3M 2008
Austria	698.3	683.8	546.4	532.0	1,244.6	1,215.8	77.3	76.1	93.8%	95.7%
Czech Rep.	273.5	275.8	131.0	83.9	404.5	359.7	24.2	20.6	89.9%	91.3%
Slovakia	114.3	105.2	71.9	56.1	186.2	161.3	4.9	10.8	102.1%	94.7%
Poland	84.2	99.7	58.9	74.4	143.1	174.0	6.3	7.3	99.2%	95.0%
Romania	151.5	189.4	16.4	11.4	167.8	200.9	6.3	2.7	108.4%	101.6%
Other CEE	114.2	91.1	43.0	33.2	157.2	124.3	-2.5	2.7	100.9%	99.6%
Hungary	28.2	13.2	16.1	16.6	44.3	29.8	0.7	0.9	92.0%	101.0%
Croatia	13.2	13.3	13.9	9.9	27.2	23.1	-7.3	0.3	105.7%	98.7%
Serbia	6.6	7.8	4.6	4.5	11.2	12.3	1.1	0.0	115.6%	109.2%
Bulgaria	44.4	28.8	3.4	2.0	47.8	30.8	2.0	0.8	99.0%	93.4%
Ukraine	5.1	9.3	0.2	0.3	5.3	9.6	0.2	0.2	107.7%	99.6%
Turkey	16.7	18.7	-	-	16.7	18.7	0.6	0.4	100.1%	106.0%
Baltics	-	-	4.7	-	4.7	-	0.2	-	-	-
Other	20.2	19.3	21.8	56.0	42.0	75.3	4.4	4.8	78.5%	76.2%
Liechtenstein	-	-	8.2	42.7	8.2	42.7	0.2	0.7	-	-
Germany	20.2	19.3	13.6	13.3	33.8	32.6	4.2	4.1	78.5%	76.2%
Total	1,456.2	1,464.3	889.3	847.0	2,345.4	2,311.2	120.8	124.8	96.4%	95.5%

Change in Group Shareholders' Equity

IFRS

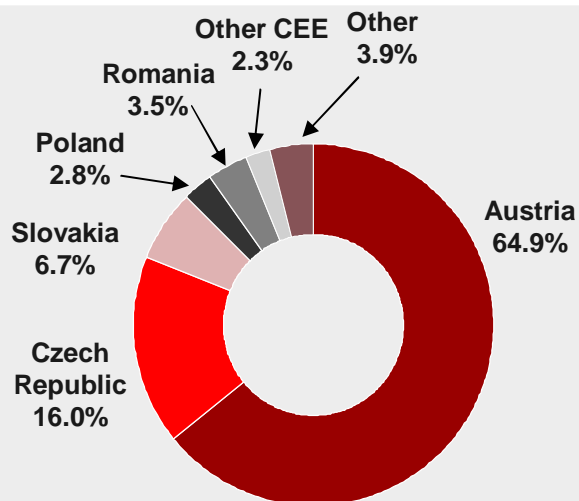
26

	1.1. - 31.03.2009	1.1. - 31.03.2008
Equity as of 1 January	4,138,790	2,615,563
Currency changes	-40,170	16,465
Changes to consolidation	7,780	6,607
Capital Increase	-	-
Unrealised gains and losses on financial instruments available for sale	-29,085	-58,179
Profit for the period	99,019	98,868
Dividend payment	-640	-580
Equity as of 31 March	4,175,694	2,678,744

Premium Portfolio

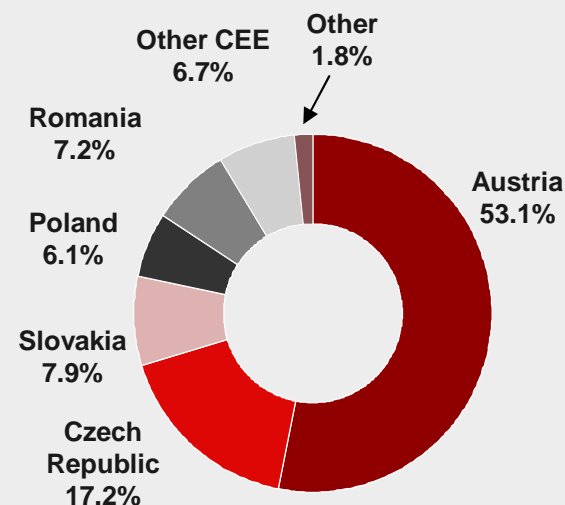
Basis of business origination substantially widened

GWP by Geography 3M 06



3M 2006 Total: €1.8bn

GWP by Geography 3M 09



3M 2009 Total: €2.3bn

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

Life Insurance Premium Split

IFRS (€mn)

Premiums written - direct business	3M 2009	3M 2008	+/- %
Regular premiums	571.3	473.9	20.5%
Single premiums	317.9	371.7	-14.5%
Total premiums written - direct business	889.2	845.6	5.2%
thereof:			
Policies with profit participation	471.9	482.5	-2.2%
Policies without profit participation	87.8	119.5	-26.6%
unit- and index-linked life insurance	329.5	243.5	35.3%
thereof:			
Individual insurance	835.1	721.1	15.8%
Group insurance	54.2	124.6	-56.5%

3M 2009 Exchange Rates

National currency unit per EUR

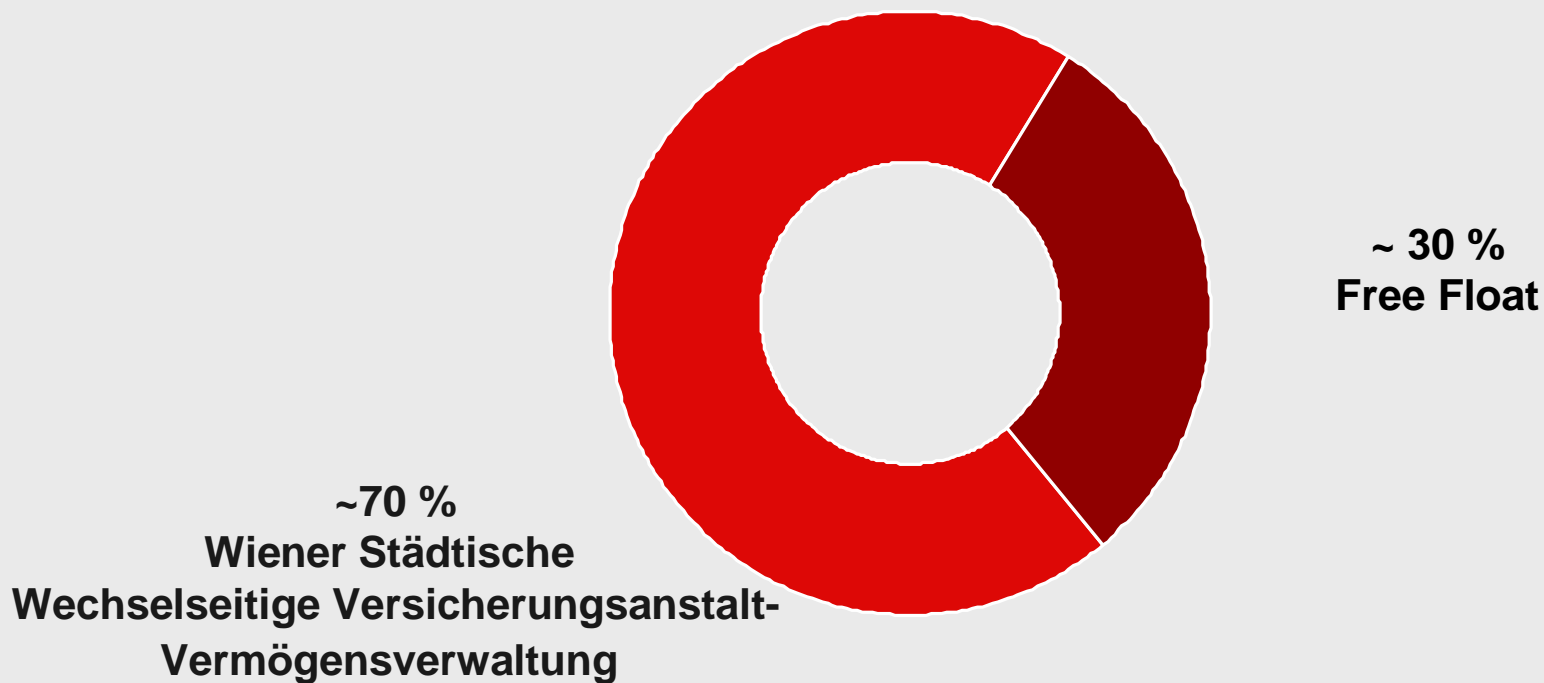
Country	Curr.	3M 2009		3M 2008	
		Balance Sheet EUR	P & L EUR	Balance Sheet EUR	P & L EUR
Bulgaria	EUR/BGN	1.9558	1.9558	1.9558	1.9558
Croatia	EUR/HRK	7.4769	7.4116	7.2690	7.2852
Estonia	EUR/EEK	15.6466	15.6466	-	-
Liechtenstein	EUR/CHF	1.5152	1.4977	1.5738	1.6014
Poland	EUR/PLN	4.6885	4.4988	3.5220	3.5759
Romania	EUR/RON	4.2385	4.2682	3.7268	3.6887
Serbia	EUR/CSD	94.7778	94.2271	82.3146	82.8499
Slovakia	EUR/SKK	-	-	32.5820	33.0690
Czech Republik	EUR/CZK	27.3880	27.6008	25.3350	25.5639
Hungary	EUR/HUF	308.1800	294.1910	259.4300	259.3016
Turkey	EUR/TRY	2.2212	2.1635	2.0675	1.8036
Ukraine	EUR/UAH	10.1586	10.0161	7.9770	7.6974

Shareholder Structure (I)

Total number of shares 128,000,000

30

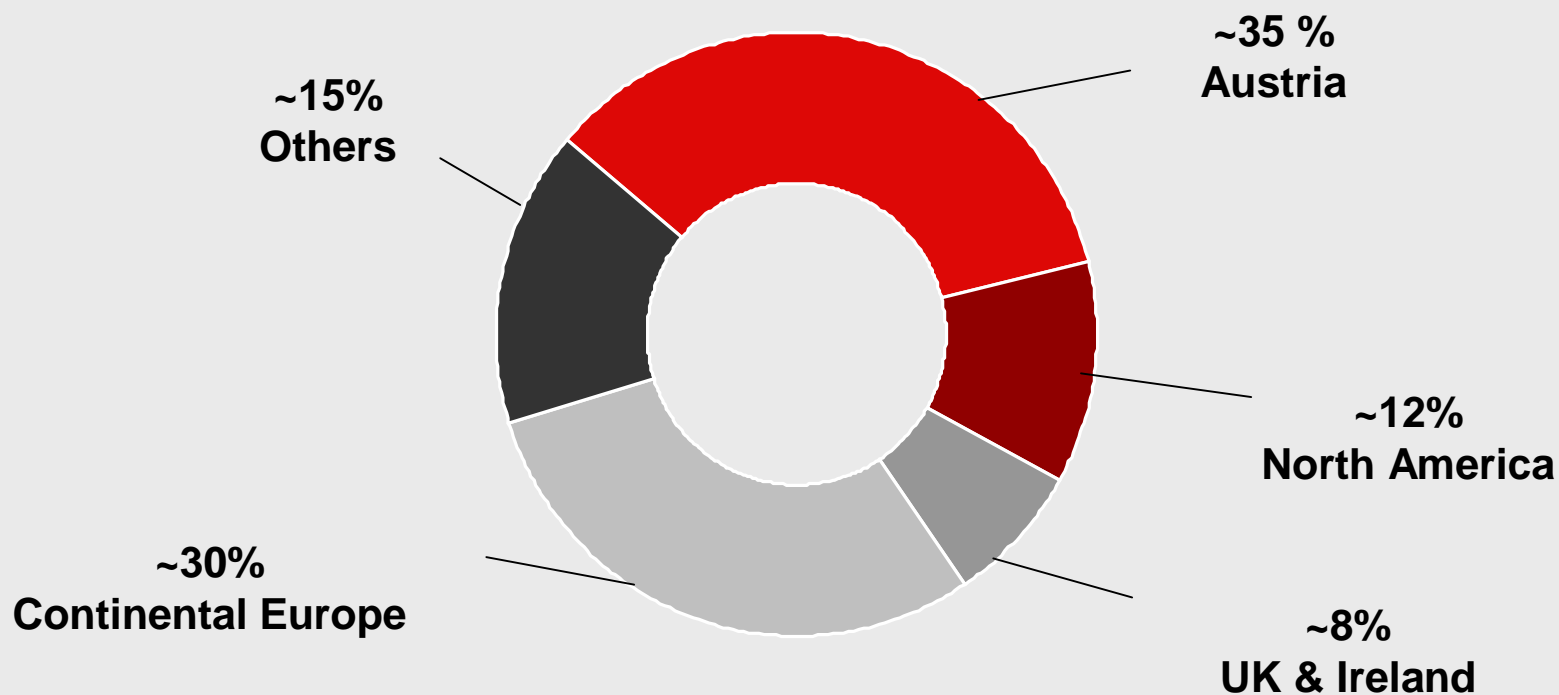
Shareholder Structure



Shareholder Structure (II)

Total number of shares 128,000,000

Free Float Geographical Split



Vienna Insurance Group

Schottenring 30, 1010 Vienna, Austria

www.viennainsurancegroup.com

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

§ **Thomas Schmee**

Tel. +43 (0)50 350 – 21900 thomas.schmee@vig.com

§ **Nina Higatzberger**

Tel. +43 (0)50 350 - 21920 nina.higatzberger@vig.com

§ **Nicolas Mucherl**

Tel. +43 (0)50 350 – 21930 nicolas.mucherl@vig.com

§ **Sabine Pulz (Assistant)**

Tel. +43 (0)50 350 – 21919 sabine.pulz@vig.com

Fax +43 (0)50 350 99 – 23303 investor.relations@vig.com

IMPORTANT NOTICE

These materials do not constitute or form part, or all, of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities in any jurisdiction in which such solicitation, offer or sale would be unlawful, nor shall part, or all, of these materials form the basis of, or be relied on in connection with, any contract or investment decision in relation to any securities.

These materials contain forward-looking statements based on the currently held beliefs and assumptions of the management of WIENER STÄDTISCHE Versicherung AG Vienna Insurance Group (“VIG”), which are expressed in good faith and, in their opinion, reasonable. These statements may be identified by words such as “expectation” or “target” and similar expressions, or by their context. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of VIG, or results of the insurance industry generally, to differ materially from the results, financial condition, performance or achievements express or implied by such forward-looking statements. Given these risks, uncertainties and other factors, recipients of this document are cautioned not to place undue reliance on these forward-looking statements. VIG disclaims any obligation to update these forward-looking statements to reflect future events or developments.