

Vienna Insurance Group 2014 Full Year Results Presentation

Vienna, 14 April 2015

2014 Results conference call overview

Presenting team and topics



Presenting team:

- Peter Hagen, CEO
- Martin Simhandl, CFO
- Peter Höfing, Member of the Managing Board
- Roland Gröll, Head of Group Finance and Accounting
- Werner Matula, Group Chief Actuary
- Nina Higatzberger, Head of Investor Relations



Topics:

- | | | | |
|------------------------------|-------|----------------|-------|
| ● Highlights | p. 3 | ● Main regions | p. 26 |
| ● Financials and investments | p. 9 | ● Appendix | p. 33 |
| ● Embedded value | p. 20 | | |
| ● 2015 and onwards | p. 24 | | |

Please note: The figures for 2013 have been restated due to changes in the scope of consolidation.

Consistent focus on profitability

5 consecutive years of dividend growth

+46.0%

Strong increase of profit before taxes to €518.4mn (+46.0%)

- Profit in CEE of €331.3mn contributing 64% to Group PBT
- Czech Republic contributing more than Austria for the first time
- Record results in Slovakia, Poland and Remaining markets
- EPS¹ increased by remarkable 75.5% to €2.75

€9.1bn

Premiums excluding FX and Polish STEP up by 2.9%

- Premiums decreased -0.8% to €9.1bn due to negative FX movements
- Remaining markets continue to grow substantially by 8.9%

96.7%

Net combined ratio improved y-o-y

- Reduction of 3.9%p y-o-y out of both, an improved claims and cost ratio
- Excellent CEE net combined ratio of 93.4%

€1.40

Increase of dividend per share² to €1.40 (+ €0.10)

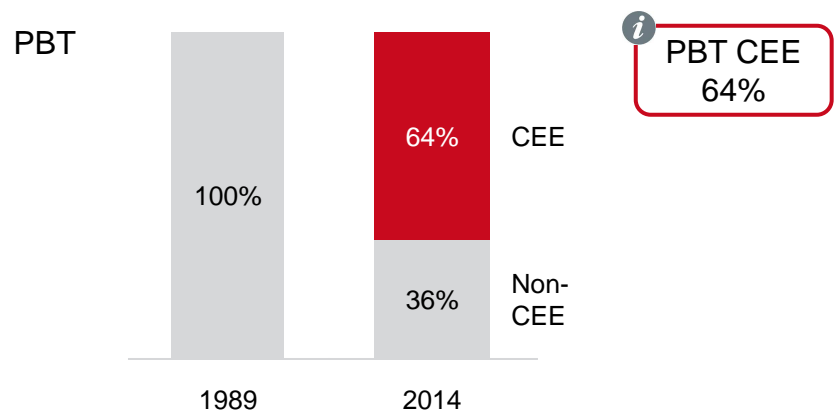
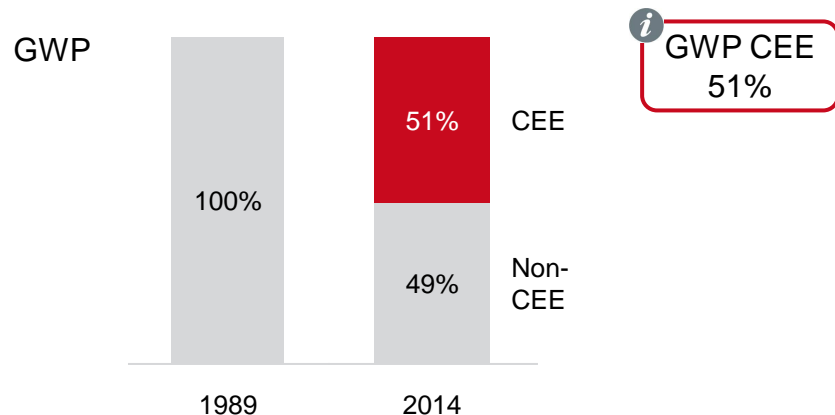
- VIG with stable dividend policy
- Dependable dividend distribution

1: EPS net of hybrid interest, annualised figures; 2: Management proposal and subject to the approval of the annual general meeting

25 years in Central and Eastern Europe (CEE)

VIG - Value Inspired Growth

Geographical distribution



VIG – established confidence for the future

- First-mover advantage in the region with subsequent outperformance of the market
- From <5 to ~50 insurance companies
- Footprint completed with market entrance in Moldova in 2014
- Gathered local knowledge and experience
- Number 1 market player in the CEE region

VIG – quo vadis?

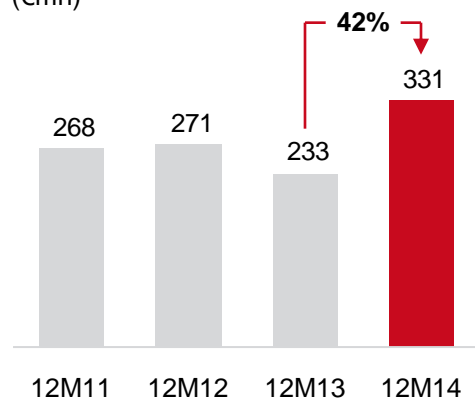
- Selective growth in a currently subdued market environment to elevate potential for accelerated growth in the future
- Gradual increase of non-motor portfolio in CEE
- Grow further in life (unit- and index-linked; risk) and health business in CEE
- Consolidate market leader position

Continued growth in CEE

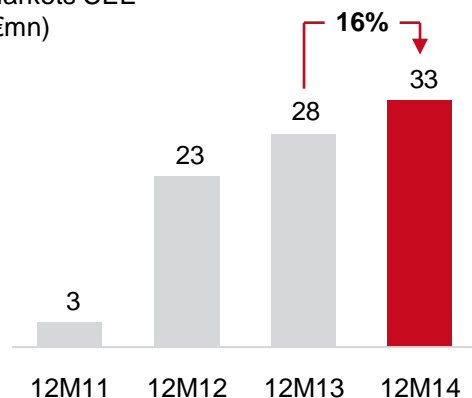
Home-field advantage for VIG

Development in CEE markets impacted by negative FX effects

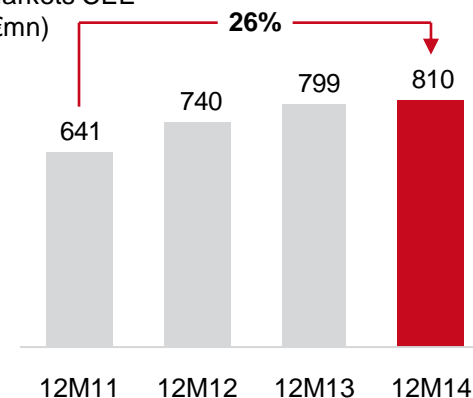
PBT CEE (€mn)



PBT Remaining markets CEE (€mn)



GWP Remaining markets CEE (€mn)



Successful development in CEE

- VIG increased profits in CEE by 42% y-o-y with record results in Slovakia and Poland and a €6mn profit in Romania
- PBT in the CEE Remaining markets increased by 16% y-o-y to €33mn, continuing the positive development of prior years to a new record result
- Premiums in CEE Remaining markets developing sustainably with a CAGR11-14 of 8%

Romania – back in profits

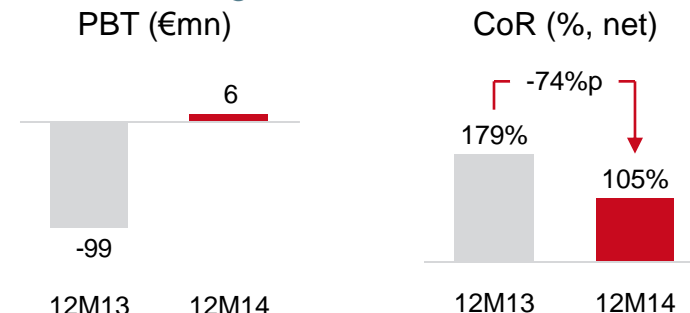
Improved market environment supports restructuring efforts

2013: Kitchen sinking in Romania

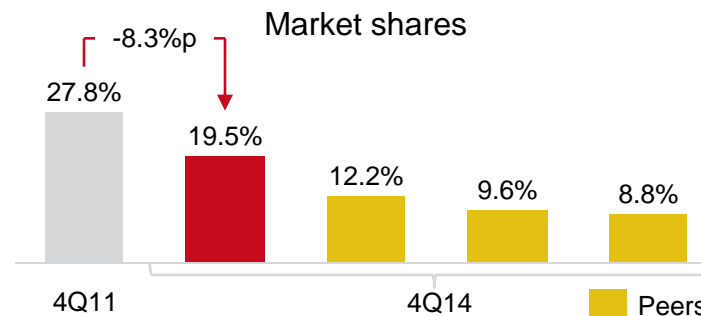
Implementation of a set of measures

- RO Non-Life:
 - Further increase of motor tariffs
 - Introduction of deductibles in Casco
 - Improvement of dunning process
 - Fraud prevention measures
 - New CFOs in all companies
 - Strict cost and improving claims management
- BCR Life:
 - Stop of sales of Employee benefit product
 - New CEO
 - Task force with Group experts supporting BCR Life
 - Restructuring of distribution – focus on bank sales
 - Product focus on regular premium life and health business
- Impairments and restructuring measures with an impact of € 179mn

2014: Wind of change



- Profitability first: € 6mn profits before taxes achieved and strongly decreased CoR

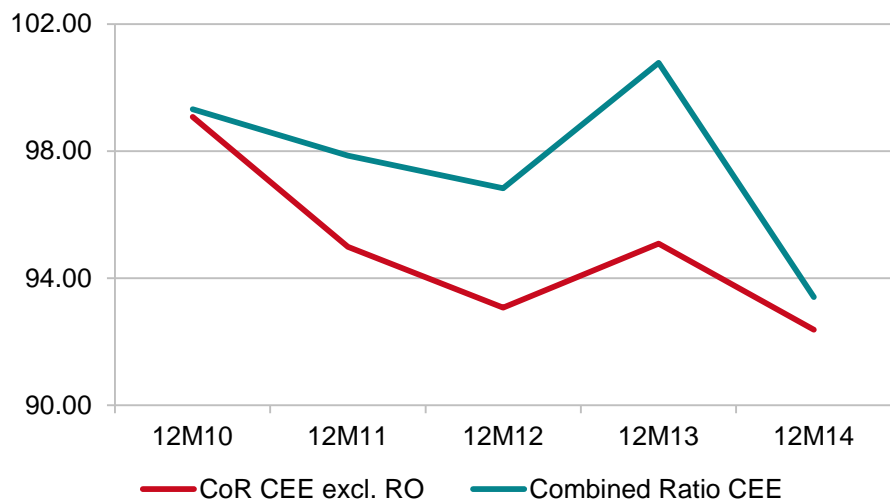


- Decreased deliberately market shares but VIG still clear overall market leader

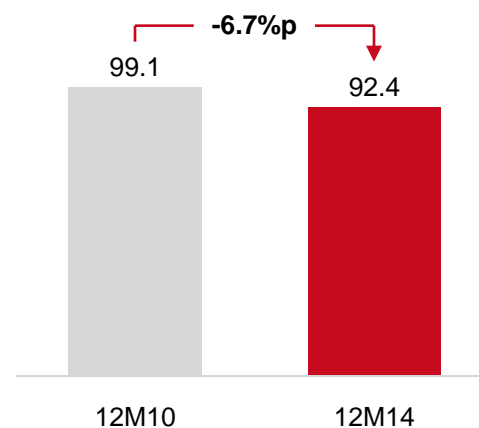
Net combined ratio in CEE of 93.4%

CoR in CEE reaches new low

Combined ratio development in CEE (net, %)



Combined ratio in CEE excl. Romania (net, %)



Combined ratio in CEE

- Average combined ratio in CEE excl. Romania for last 5yrs at 94.9% underpins VIGs policy to be profitable out of the technical result in insurance
- Positive development out of Group wide underwriting discipline and reduced administrative costs

Business highlights 2014

Main markets overview of VIG



- VIG #1 in Austria with overall market share of ~24%
- Solid premium development for an established market; PBT 2014 impacted by HETA (former HAA)



- VIG #1 in the Czech Republic with ~34% market share
- Czech Republic contributing more than Austria to Group profits for the first time



- VIG #1 in Slovakia with a total market share of ~34%
- Record result with profit growth of 7.6%; slight premium decrease driven by single premium life business



- VIG #4 in Poland with overall market share of ~8%
- Acquisition of Skandia closed; merger of Compensa and Benefia Life; strong profit growth of 9.8%



- VIG #1 in Romania with ~20% total market share despite deliberate premium decrease
- Successful restructuring ongoing with COR substantially down by 74.4%p to 105.0% and profit of €6.1mn

Highlights

Financials and
investments

Embedded Value

2015 and onwards

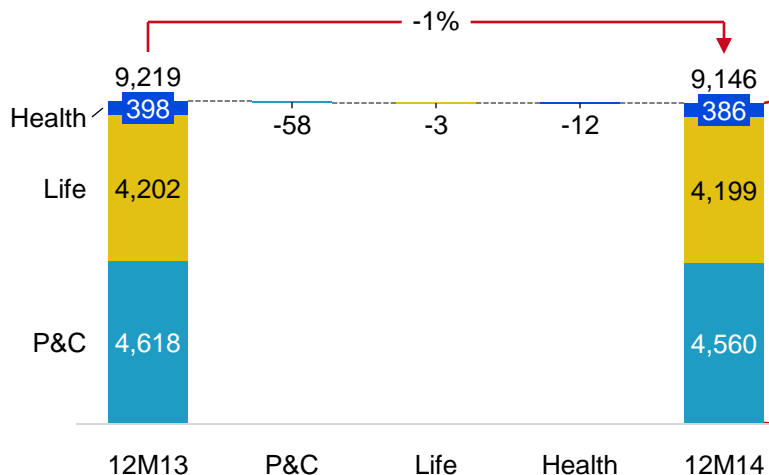
Main regions

Appendix

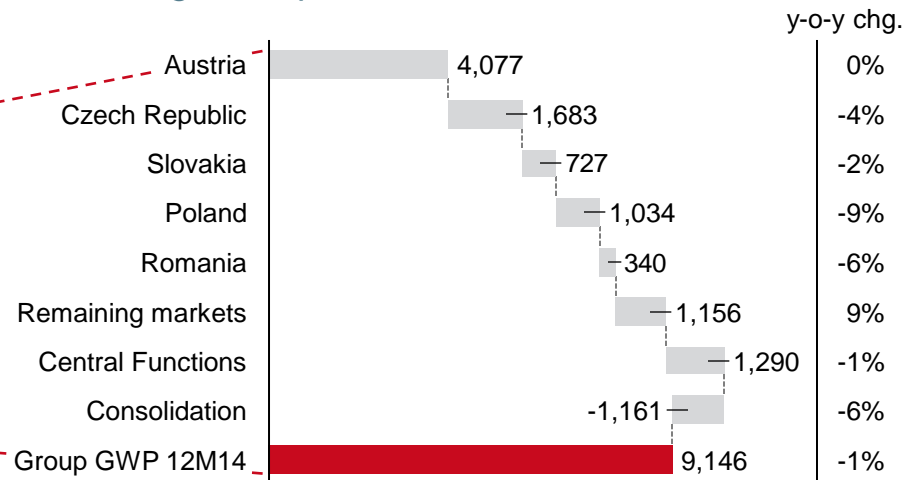
Solid premium development in challenging environment

CEE Remaining markets premiums based on local currencies up by 9.1%

Gross written premiums (€mn; y-o-y chg.)



GWP regional split



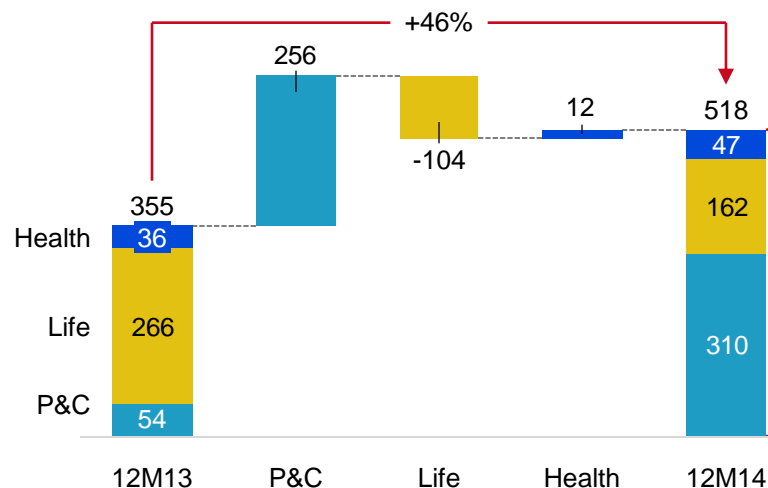
Remarks

- Gross written premiums slightly down by 0.8% y-o-y
- Excluding ~ €160mn of FX effects, premiums grew by 0.9% y-o-y
- Premium development in Poland impacted by further intentional reduction of STEP by ~€170mn
 - Excluding STEP Compensa Life, overall premium growth in Poland of 7.9%
- GWP of Donau Italian business decreased from €170mn in 2013 to €74mn in 2014 (-56.5%)
- First time consolidation of Skandia Poland (€51.6mn) and Vienna Life Biztosito Hungary (€21.8mn)

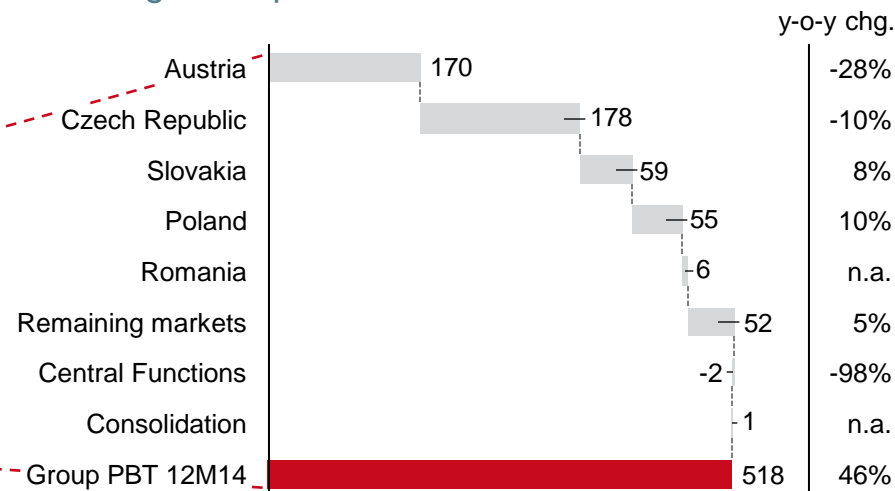
Strong PBT growth driven by improved P&C segment

Czech Republic for the first time biggest contributor to PBT

Profit before taxes (€mn; y-o-y change)



PBT regional split



Remarks

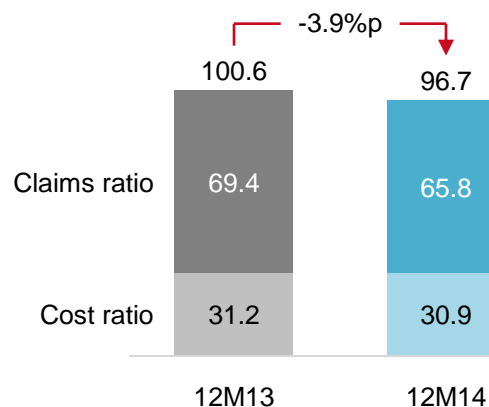
- Profit before taxes of €518.4mn includes Hypo Alpe Adria (HETA) impairments and additional interest payments for the €500mn subordinated debt issued in Oct. 2013
- 63.9% of overall profits derive from CEE
- Net profit after minorities up by 56.5%
- EPS¹ increased by remarkable 75.5% to €2.75

1: EPS net of hybrid interest, annualised figures

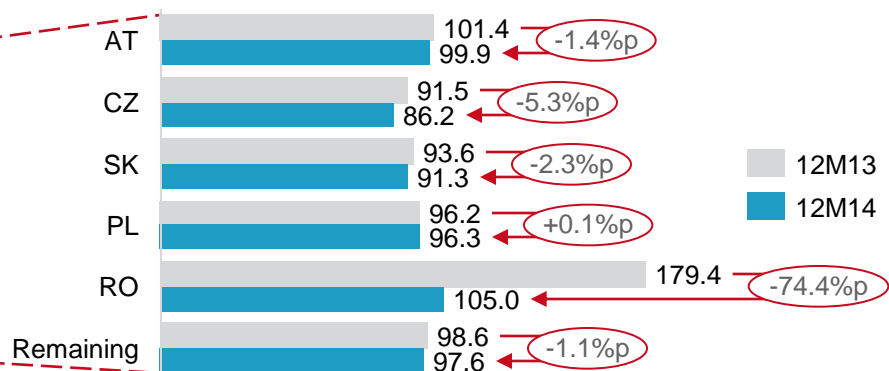
Significantly improved combined ratios

Group combined ratio decreased to solid 96.7%

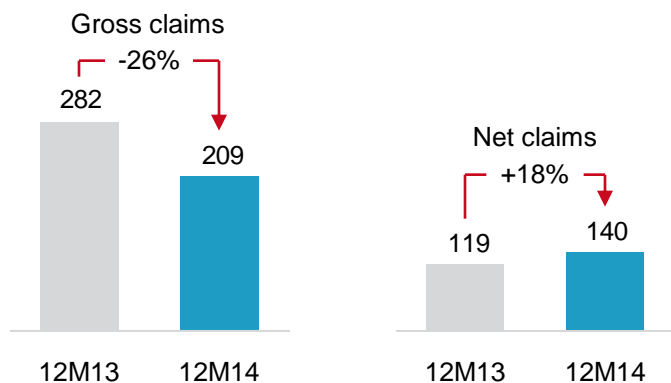
P&C Combined ratio development



P&C CoR 12M y-o-y regional development (net, %)



Weather related claims (€mn)



Remarks

- Combined ratios improved in almost all regions
- P&C admin. costs decreased continuously over last 5yrs with a CAGR09-14 of 3.6%
- Poland stable despite fierce competition in motor
- Austria still impacted by Italian business
- All regions with CoR below 100% except Romania with further needs of improvement

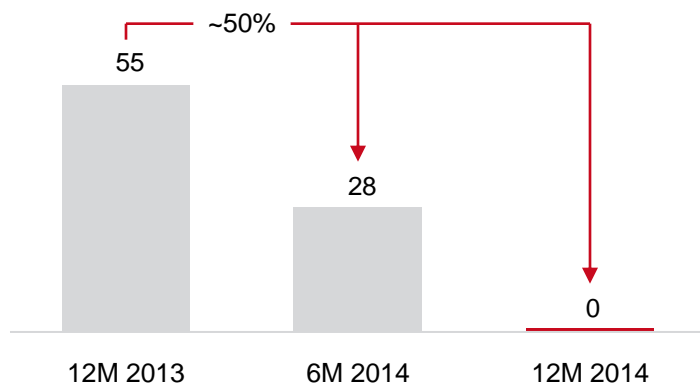
Rounding differences may occur when rounded amounts or percentages are added up.

Impacts on VIG of HETA (former Hypo Alpe Adria)

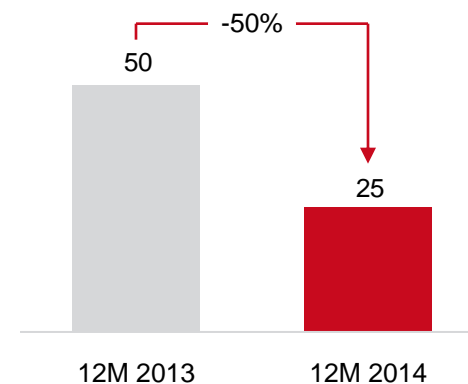
Write-downs of ~€79mn of investments

VIG bond exposure to HETA – nominal values

- Subordinated with guarantee of Carinthia



- Senior with guarantee of Carinthia



Remarks

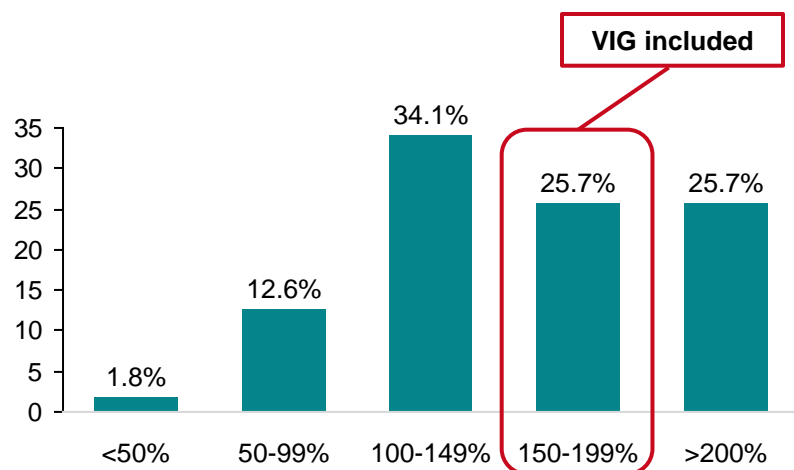
- As of 6M 2014 about 50% of the subordinated bonds with federal state guarantee of Carinthia have been written off and the remaining ~50% at year-end 2014
- Following the announcement of the administrative ruling on 1 March 2015 initiating the resolution of Heta, VIG has decided to impair 50% of the senior bonds guaranteed by Carinthia
- In addition VIG holds some subordinated bonds with an Austrian state guarantee in the amount of €15mn

Solvency 2 under way – VIG well prepared

VIG working on partial internal model for non-life and real estate

EIOPA Stress Test 2014 under standard formula

- VIG being part of the exercise
- Excluding internal model VIG is in the range of median ratio from European peers as reported in the baseline scenario of the core module at the EIOPA Stress Test



Stress Test: Core: (Unweighted) Distribution of pre-stress SCR ratios

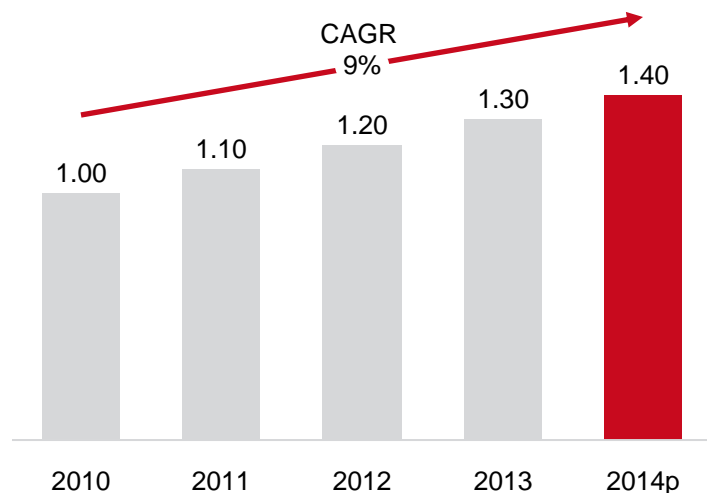
Status quo of preparation for Solvency 2

- VIG steering process out of Austria
- Common guidelines, calculation and reporting implemented
- Work on a partial internal model for non-life business and real estate investments
 - No approval from market authority so far
 - Regular consultations in „Colleges“ with market authorities
- Out of an efficient risk steering and strong capitalisation VIG is well prepared for S2
- Median Solvency II ratio of 159% for baseline scenario of the core module is a representative value for VIG excluding internal model
- Including internal model the SCR ratio would improve substantially

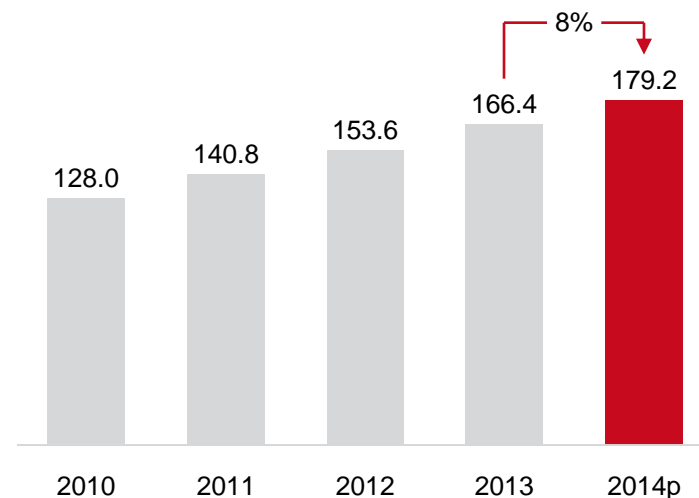
Maintaining steady dividends – DPS¹ of €1.40

Dividend yield amounting to 3.8%² for 2014

Dividend per share¹ (€)



Dividend pay-out (€mn)



Dividend policy

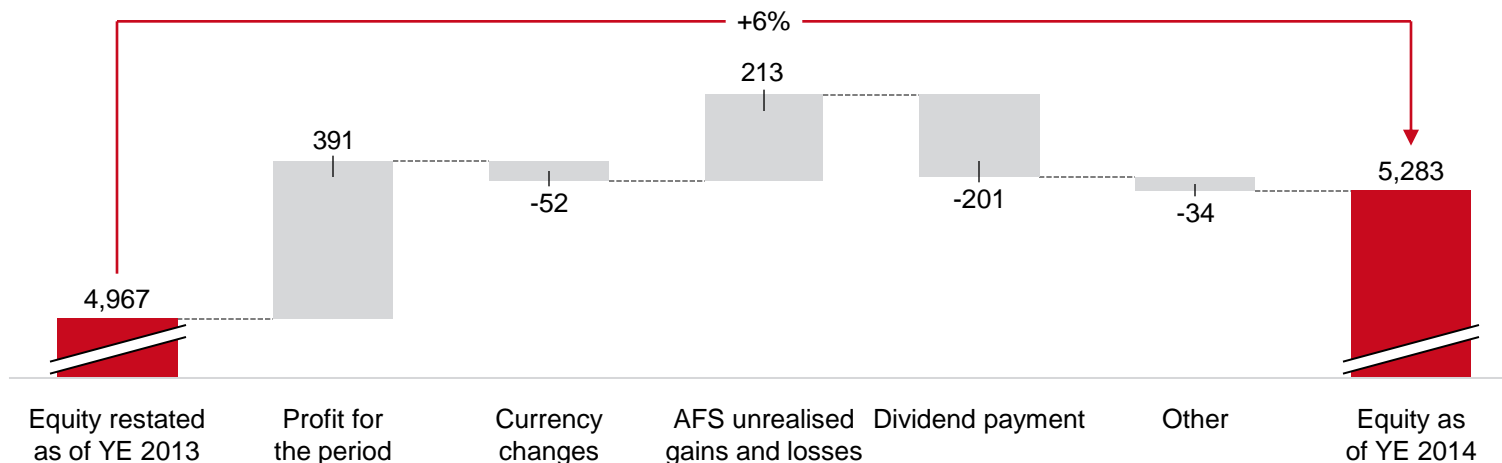
- Unchanged dividend policy with a pay-out ratio of minimum 30% of Group net profit
- Based on strong operating performance and sound capitalisation the management of VIG proposes an increase of the DPS¹ to € 1.40 (+ € 0.10) corresponding to a dividend yield of 3.8%²
- Consistent growth of dividend pay-outs to shareholders with a CAGR10-14 of 9%

1: Management proposal and subject to the approval of the annual general meeting; 2: based on YE14 share price

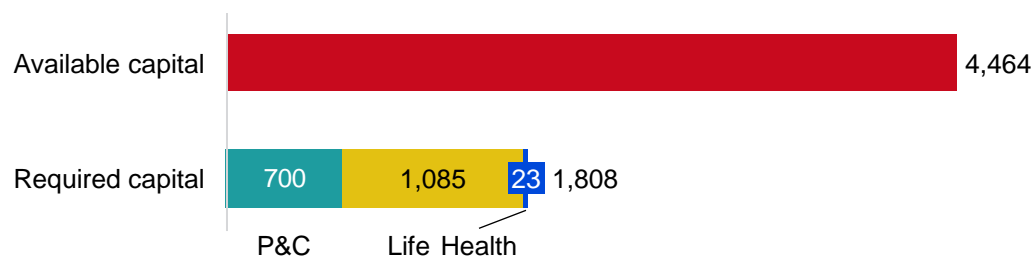
12M 2014 – Strong equity and solvency position

Shareholders' equity

Change in Group Shareholders' Equity (€mn)



Strong Solvency 1 ratio of 247%

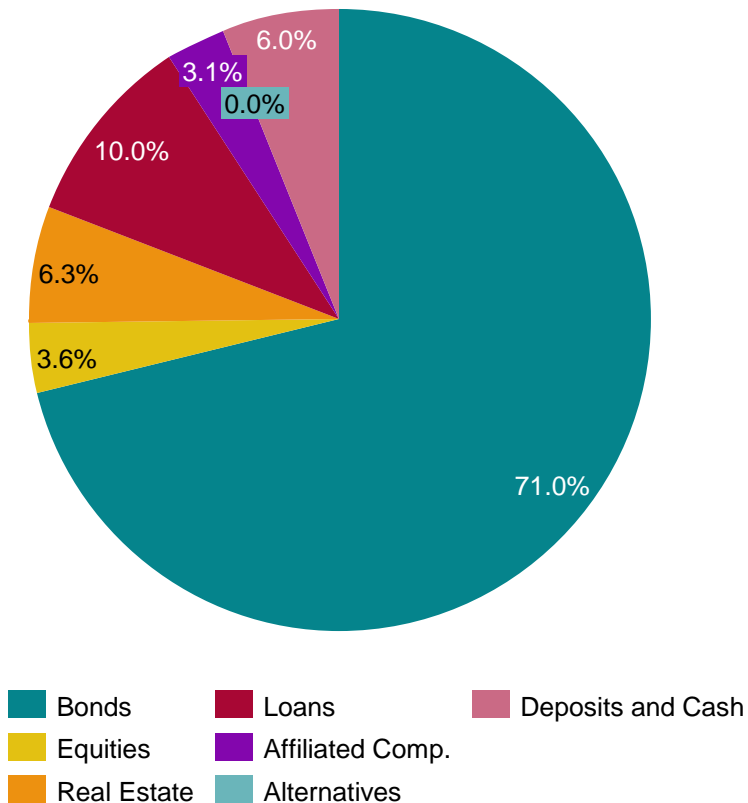


Solvency 1 Ratio:
247%

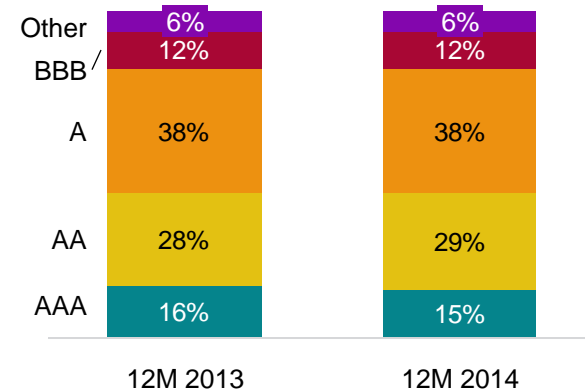
Conservative investments with a well diversified bond portfolio

Biggest part invested in fixed income assets

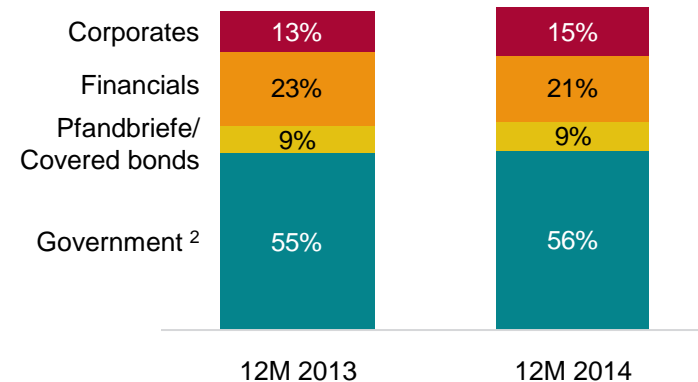
12M 2014: Total €31.1bn



Bond portfolio by rating¹



Bond portfolio by issuer

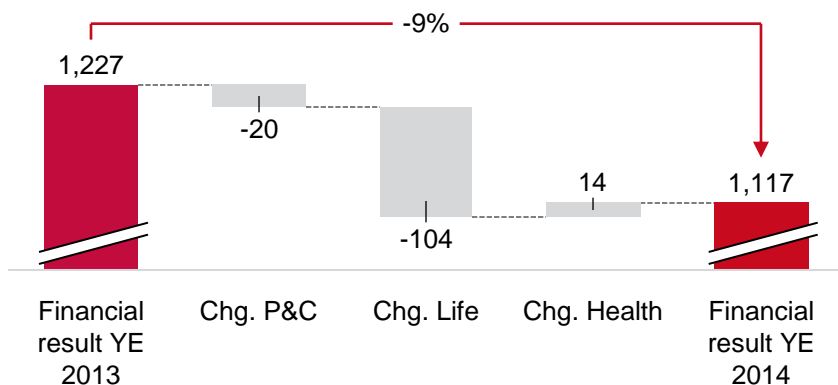


Note: Rounding differences may occur 1: Based on second best rating 2: Government, government guaranteed and gov.agencies

Financial result 2014

Impacted by low yield environment and HETA impairments

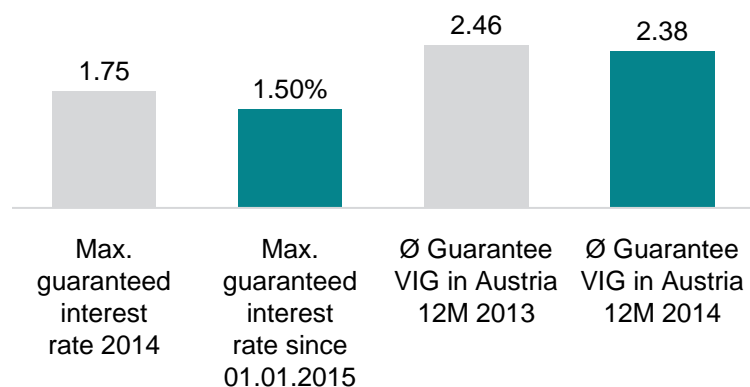
Financial result (€mn)



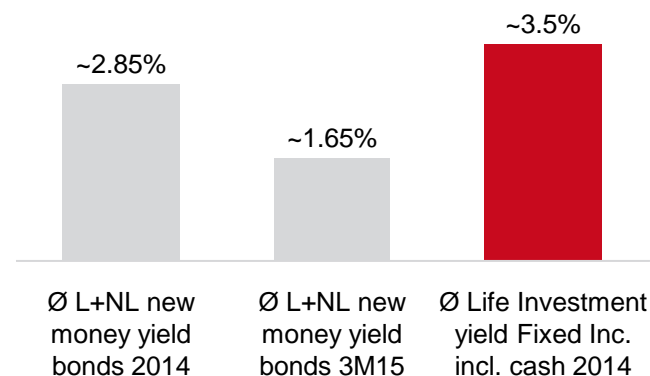
Remarks

- An enduring low yield environment will impact the financial result in 2015 and going forward which will highly likely not be fully compensated by improved technical insurance results

Guarantees for life business in Austria



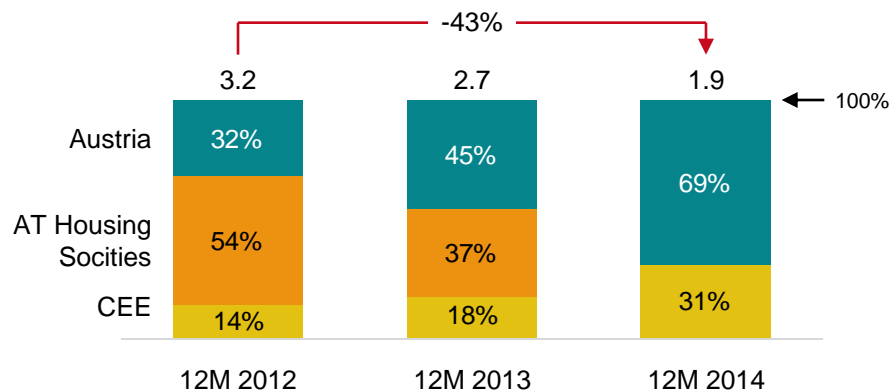
Investment yields for Austria



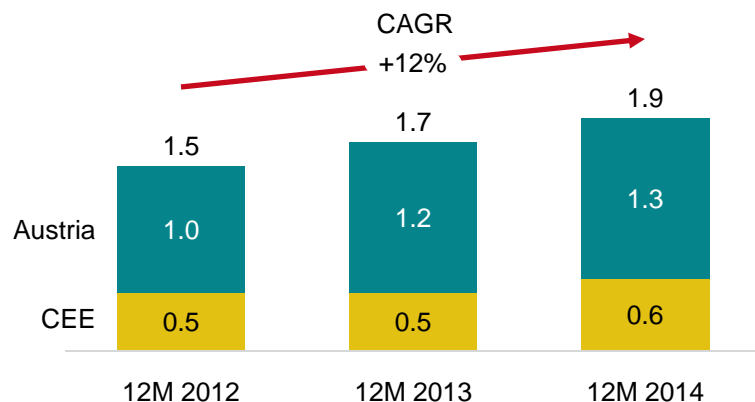
Further investment diversification towards real estates

Increased investments in real estates to mitigate low yield environment

Real estates portfolio development (€bn)



Excluding Housing Societies



Housing Societies effect on real estates

- Gradual change of consolidation method from full to at equity leading to real estate decline
- Excluding Austrian housing societies in fact the real estate investment portfolio increased

VIG interested in real estates particularly in

- Austria (Vienna); Czech Republic (Prague); Poland (Warsaw)

Selective growth of investments

- Direct investments via VIG property fund
 - In CZ and PL mainly office buildings
 - Yields of 6-7% feasible
- (Co-)Financing of e.g. public investments, housing and elderly homes
 - Durations of 20-25 years
 - Good matching for life insurance business
 - Low-risk investments

Highlights

Financials and
investments

Embedded Value

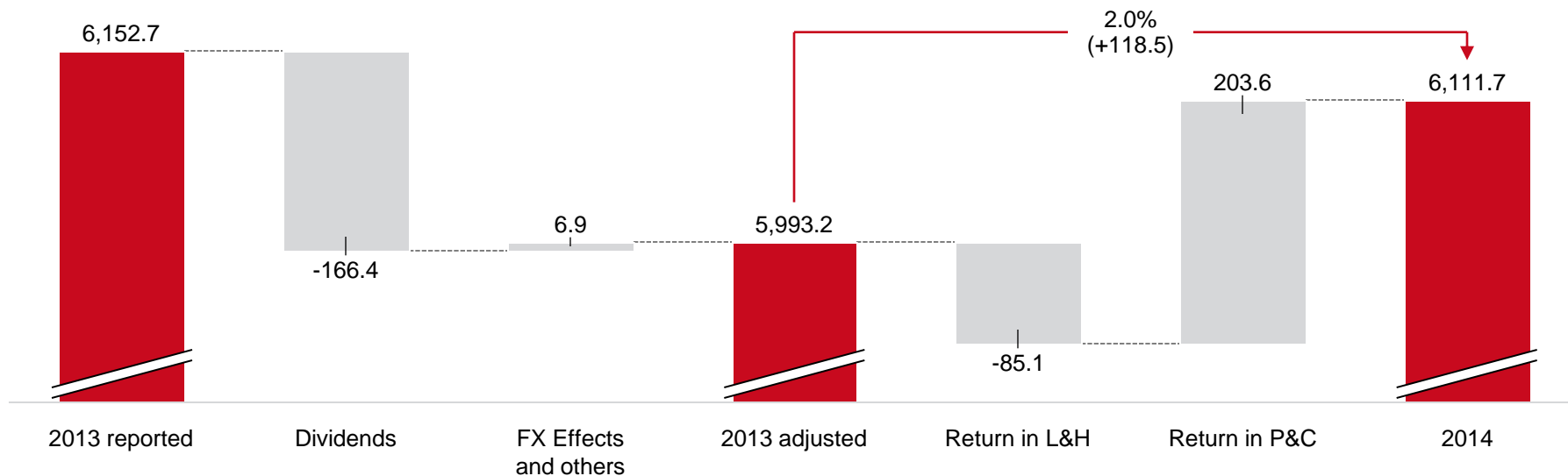
2015 and onwards

Main regions

Appendix

Group Embedded Value 2014 development

Return on GEV (€mn)

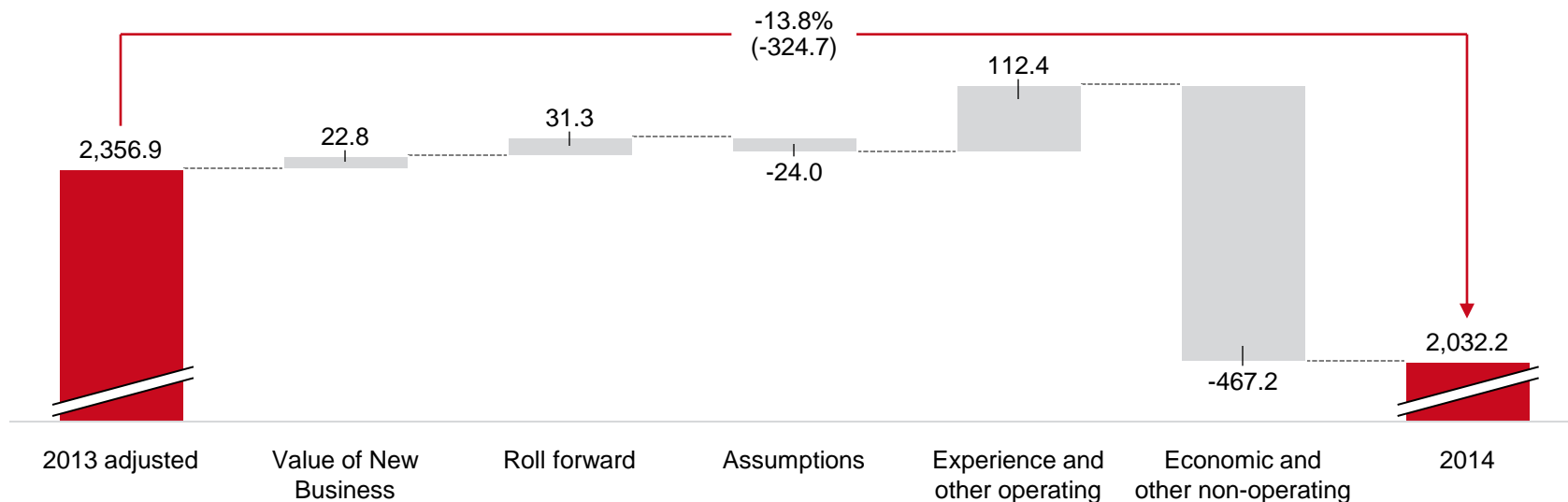


Remarks

- High P&C growth with return of 10.1%
- Positive Return on GEV of 2.0% amounting to €118.5mn
- Stable redundancies in Claims and Unearned Premium Reserves of €534.6mn net

EV 2014 – Analysis of Change

Life & Health MCEV – Austria / Germany (€mn)

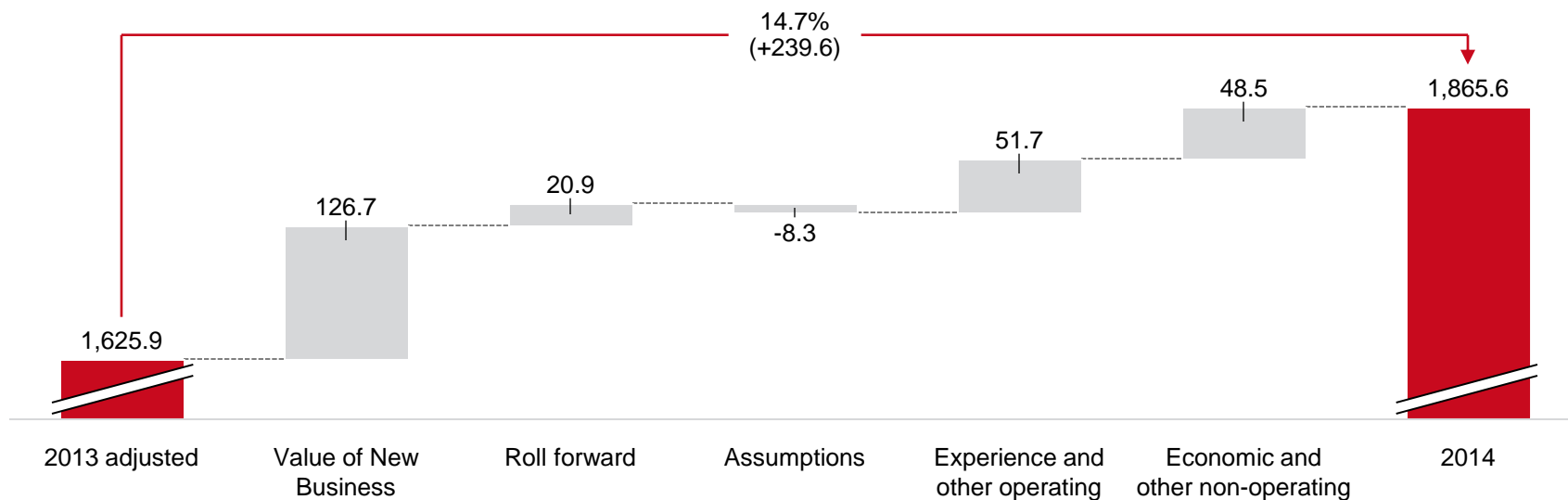


Remarks

- Operating return of 6.0%
- Negative impact of lower projected investment returns and higher swaption volatilities on
 - Economic variance and
 - New business profitability of 1.0%

EV 2014 – Analysis of Change

Life & Health MCEV – CEE (€mn)



Remarks

- High growth with return of 15%
- Profitability in CEE increased to an excellent level of 6.5%
- New business value of € 126.7 mn
- Almost 85% of Value of New Business is generated in CEE

Highlights

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2015 and onwards

Main regions

Appendix

2015 and onwards – Management assessment

VIG sticks to its conservative roots



VIG is mid-term committed to:

- Growth above market and to consolidate market leader position with unique strategy
- In non-life insurance further optimisation and increased profitability -> CoR below 96%
- Return on equity (RoE, net) 100-150bps higher than the cost of capital (2014: ~7.5%)
- Maintaining sound capital ratios – also under Solvency II regulations



Low yield environment:

- The current low interest rate environment is expected to cause a decline in the ordinary financial result in 2015 that is not likely, based on what Management knows today, to be overcompensated by another increase in the underwriting result.

Highlights

Financials and
investments

Embedded Value

2015 and onwards

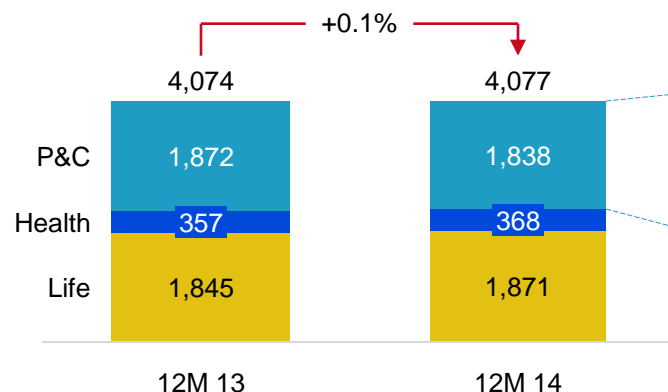
Main regions

Appendix

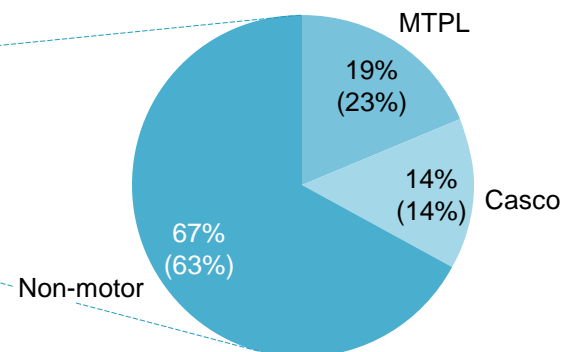
Austria - burdened by Italy and HETA impairments

Premiums in P&C up 3.6% excl. Italian business of Donau

GWP development (€mn)



P&C GWP direct business split¹



P&L: P&C business (€mn)

	12M14	Y-o-Y
Underwriting and financial result	97.3	-14.8%
Other non-technical result	-14.3	-68.4%
Result (pre tax)	83.0	20.1%
Claims ratio	71.9%	-1.2%p
Cost ratio	28.1%	-0.3%p
Combined ratio	99.9%	-1.4%p

P&L: Life business (€mn)

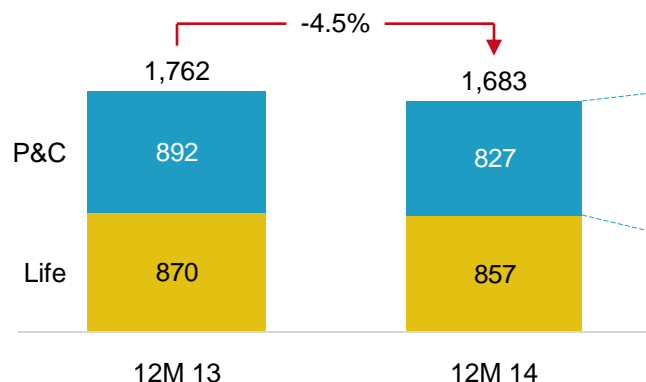
	12M14	Y-o-Y
Underwriting and financial result	49.3	-66.9%
Other non-technical result	1.0	n.a.
Result (pre tax)	50.4	-64.3%

1: Figures in brackets referring to previous year; rounding differences may occur

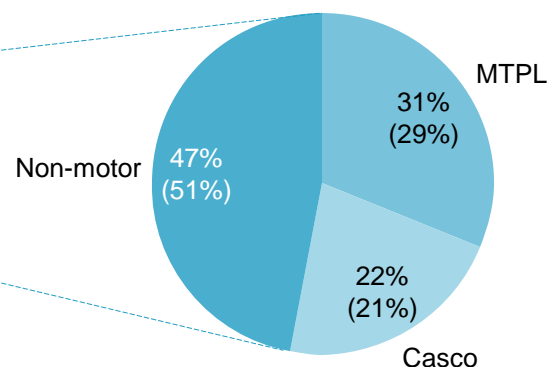
Czech Republic – excellent combined ratio of 86.2%

GWPs adjusted for negative FX effects increased by 1.3%

GWP development (€mn)



P&C GWP direct business split¹



P&L: P&C business (€mn)

	12M14	Y-o-Y
Underwriting and financial result	116.2	35.9%
Other non-technical result	-2.5	n.a.
Result (pre tax)	113.6	31.8%
Claims ratio	55.3%	-7.6%p
Cost ratio	30.9%	2.3%p
Combined ratio	86.2%	-5.3%p

P&L: Life business (€mn)

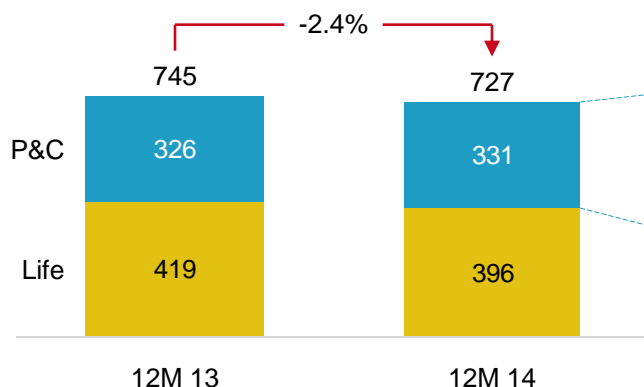
	12M14	Y-o-Y
Underwriting and financial result	61.9	-43.6%
Other non-technical result	2.4	21.0%
Result (pre tax)	64.2	-42.5%

1: Figures in brackets referring to previous year; rounding differences may occur

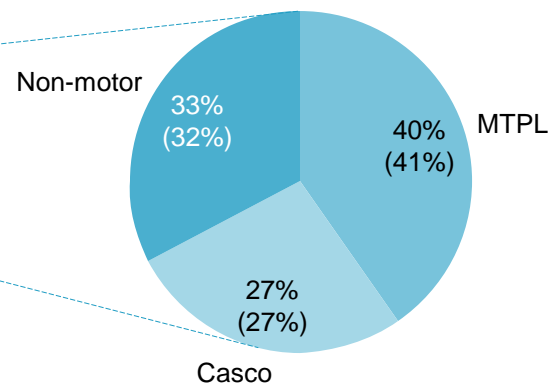
Slovakia – Profit growth of overall 7.6% to record result of €59.5mn

Development in life impacted by less single premium business

GWP development (€mn)



P&C GWP direct business split¹



P&L: P&C business (€mn)

	12M14	Y-o-Y
Underwriting and financial result	28.9	40.0%
Other non-technical result	5.4	>100%
Result (pre tax)	34.4	57.9%
Claims ratio	50.3%	-4.6%p
Cost ratio	41.0%	2.3%p
Combined ratio	91.3%	-2.3%p

P&L: Life business (€mn)

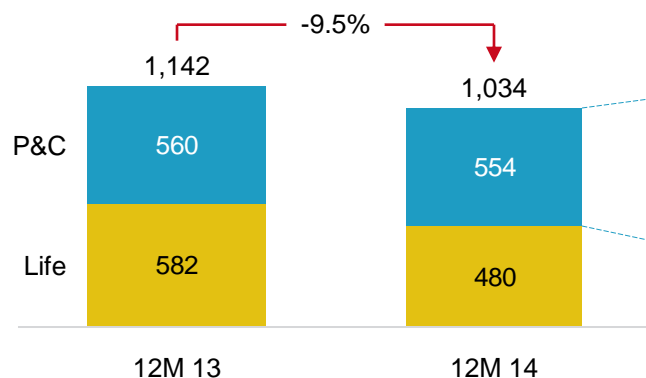
	12M14	Y-o-Y
Underwriting and financial result	24.0	-26.0%
Other non-technical result	1.1	4.8%
Result (pre tax)	25.1	-25.1%

1: Figures in brackets referring to previous year; rounding differences may occur

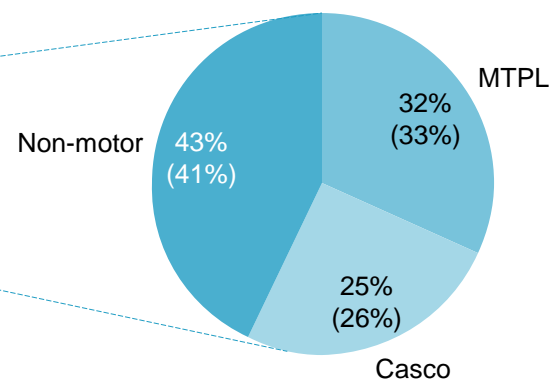
Poland – Overall record result of €55.2mn despite fierce competition in motor

Reduction of STEP in life ongoing

GWP development (€mn)



P&C GWP direct business split¹



P&L: P&C business (€mn)

	12M14	Y-o-Y
Underwriting and financial result	48.3	-15.6%
Other non-technical result	-1.7	>100%
Result (pre tax)	46.6	-18.1%
Claims ratio	58.5%	-1.9%p
Cost ratio	37.8%	2.0%p
Combined ratio	96.3%	0.1%p

P&L: Life business (€mn)

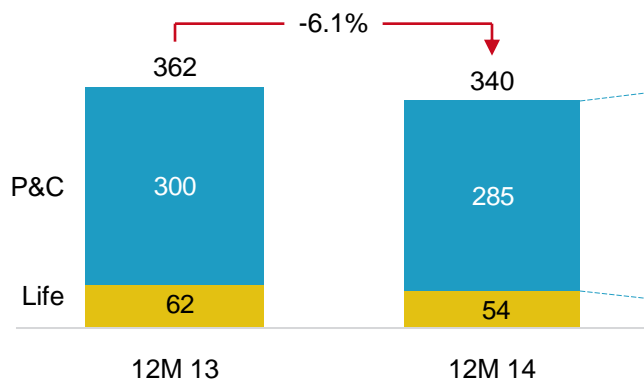
	12M14	Y-o-Y
Underwriting and financial result	8.8	n.a.
Other non-technical result	-0.2	>100%
Result (pre tax)	8.6	n.a.

1: Figures in brackets referring to previous year; rounding differences may occur

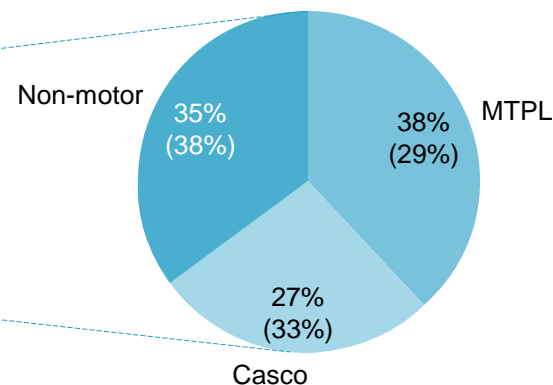
Romania – going according to script for improvement, currently supported by better market environment

Restructuring efforts will be maintained

GWP development (€mn)



P&C GWP direct business split¹



P&L: P&C business (€mn)

	12M14	Y-o-Y
Underwriting and financial result	1.3	n.a.
Other non-technical result	-2.2	-6.7%
Result (pre tax)	-0.9	-99.0%
Claims ratio	65.7%	-46.4%p
Cost ratio	39.4%	-28.0%p
Combined ratio	105.0%	-74.4%p

P&L: Life business (€mn)

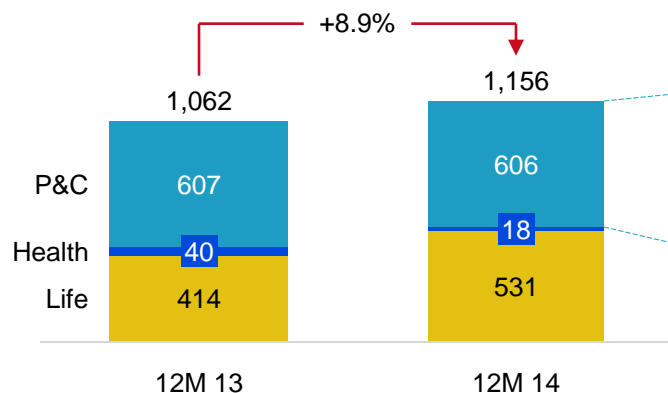
	12M14	Y-o-Y
Underwriting and financial result	6.7	n.a.
Other non-technical result	0.2	n.a.
Result (pre tax)	6.9	n.a.

1: Figures in brackets referring to previous year; rounding differences may occur

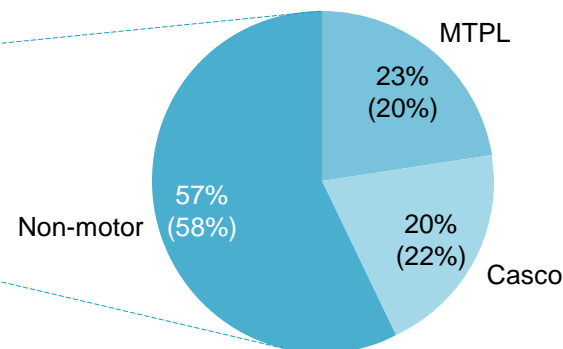
Remaining markets – premiums excl. FX up 14.5%

Increased profit contribution; overall PBT up 5.4%

GWP development (€mn)



P&C GWP direct business split¹



P&L: P&C business (€mn)

	12M14	Y-o-Y
Underwriting and financial result	46.1	18.4%
Other non-technical result	-7.1	>100%
Result (pre tax)	39.0	2.1%
Claims ratio	57.9%	3.9%p
Cost ratio	39.6%	-4.9%p
Combined ratio	97.6%	-1.1%p

P&L: Life business (€mn)

	12M14	Y-o-Y
Underwriting and financial result	20.4	56.5%
Other non-technical result	-6.9	>100%
Result (pre tax)	13.5	19.0%

1: Figures in brackets referring to previous year; rounding differences may occur

Highlights

Financials and
investments

Embedded Value

2015 and onwards

Main regions

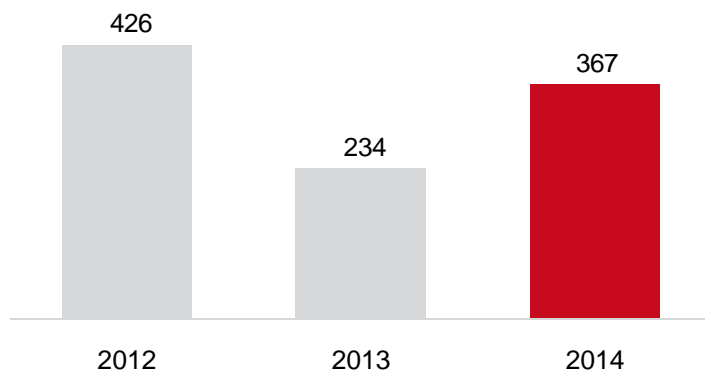
Appendix

Please note: The figures for 2013 have been restated due to changes in the scope of consolidation.

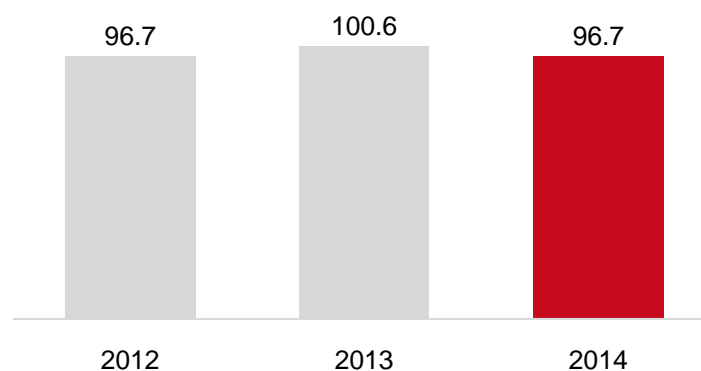
12M 2014 Key financials

Overview of KPIs

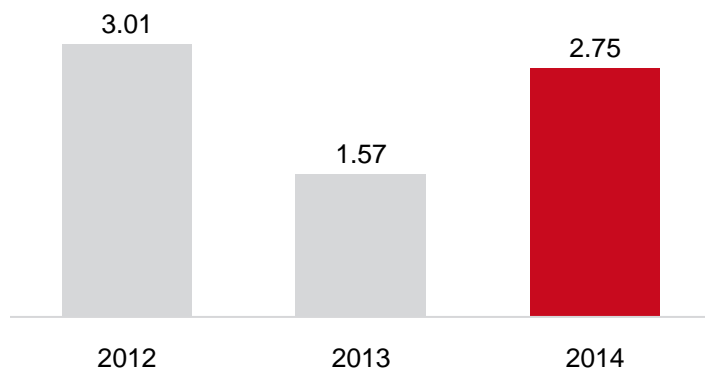
Net Profit after tax and minorities (€mn)



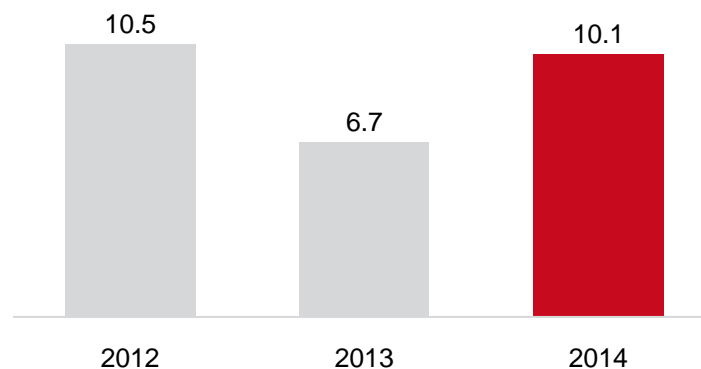
Combined Ratio (net, %)



EPS¹ (€)



ROE before Taxes (%)



1: EPS net of hybrid interest, annualised figures

12M 2014 – Income statement

IFRS (€mn)

€mn	12M 2014	12M 2013	+/-%
Gross premiums written	9,145.7	9,218.6	-0.8
Net earned premiums	8,353.7	8,479.1	-1.5
Financial result ¹	1,116.9	1,226.9	-9.0
Other income	125.5	143.9	-12.8
Total income	9,596.1	9,849.8	-2.6
Expenses for claims and insurance benefits	-6,919.9	-7,210.6	-4.0
Acquisition and administrative expenses	-1,874.8	-1,866.3	0.5
Other expenses	-283.0	-417.8	-32.3
Total expenses	-9,077.7	-9,494.7	-4.4
Profit before taxes	518.4	355.1	46.0
Taxes	-127.0	-98.8	28.5
Net profit (Profit for the period)	391.4	256.3	52.7
Non-controlling interests	-24.6	-22.0	11.7
Net profit after non-controlling interests	366.8	234.3	56.5

1: Incl. result from shares in at equity consolidated companies

12M 2014 – Balance sheet

IFRS (€mn)

€mn	31.12.2014	31.12.2013	+/-%
Intangible assets	2,370	2,318	2.3
Investments	30,360	29,094	4.4
Unit- and index-linked investments	7,742	6,707	15.4
Reinsurers' share in underwriting provisions	1,106	1,028	7.5
Receivables	1,502	1,562	-3.8
Tax receivables and advance payments out of income tax	119	82	44.9
Deferred tax assets	113	92	23.2
Other assets	331	336	-1.3
Cash and cash equivalents	782	720	8.6
Total assets	44,425	41,939	5.9
Shareholders' equity	5,283	4,967	6.4
<i>thereof minorities</i>	173	171	1.3
Subordinated liabilities	920	1,030	-10.7
Underwriting provisions	27,890	25,980	7.3
Unit- and index-linked technical provisions	7,392	6,489	13.9
Non-underwriting provisions	709	612	15.8
Liabilities	1,679	2,433	-31.0
Tax liabilities out of income tax	84	63	33.3
Deferred tax liabilities	287	170	69.1
Other liabilities	181	195	-7.2
Total liabilities and equity	44,425	41,939	5.9

12M 2014 – Financial result

Net realised gains of less than €50mn

Income	P&C		Life		Health		Total	
in € '000	12M 2014	12M 2013	12M 2014	12M 2013	12M 2014	12M 2013	12M 2014	12M 2013
Current income	271,935	368,767	858,710	893,016	50,831	42,484	1,181,477	1,304,267
Income from appreciations	62,595	22,004	17,759	36,792	808	1,591	81,162	60,387
Income from the disposal of investments	86,720	120,892	129,269	150,007	990	2,049	216,980	272,948
Other income	45,783	6,274	59,525	43,429	440	465	105,749	50,168
Total Income	467,033	517,937	1,065,264	1,123,244	53,070	46,589	1,585,367	1,687,770
Expenses	P&C		Life		Health		Total	
in € '000	12M 2014	12M 2013	12M 2014	12M 2013	12M 2014	12M 2013	12M 2014	12M 2013
Depreciation of investments	32,005	56,587	33,375	47,072	2,576	2,801	67,956	106,460
Impairment of investments	12,901	8,382	94,629	31,043	10,589	12,184	118,120	51,609
Exchange rate changes	-2,877	13,256	-18,829	-9,209	-779	-11	-22,484	4,036
Losses from the disposal of investments	19,184	23,229	26,729	28,288	461	4,726	46,374	56,243
Interest expenses	58,497	41,154	19,466	20,068	905	2,562	78,868	63,784
Other expenses	99,794	107,815	74,062	65,894	5,818	5,076	179,674	178,785
Total Expenses	219,505	250,423	229,432	183,156	19,570	27,338	468,508	460,917
Total Financial Result	247,528	267,514	835,832	940,088	33,500	19,251	1,116,860	1,226,853

Note: Financial result incl. result from shares in at equity consolidated companies

12M 2014 P&L – Property & Casualty

IFRS (€mn)

€mn	12M 2014	12M 2013	+/-%
Gross premiums written	4,560.4	4,618.4	-1.3
Net earned premiums	3,791.3	3,910.0	-3.0
Financial result	247.5	267.5	-7.5
Other income	79.4	85.2	-6.9
Total income	4,118.2	4,262.8	-3.4
Expenses for claims and insurance benefits	-2,495.3	-2,714.1	-8.1
Acquisition and administrative expenses	-1,120.5	-1,169.7	-4.2
Other expenses	-192.8	-325.4	-40.7
Total expenses	-3,808.6	-4,209.2	-9.5
Profit before taxes	309.6	53.6	>100

12M 2014 P&L – Life

IFRS (€mn)

€mn	12M 2014	12M 2013	+/-%
Gross premiums written	4,199.0	4,202.4	-0.1
Net earned premiums	4,166.2	4,168.6	-0.1
Financial result	835.8	940.1	-11.1
Other income	46.0	58.5	-21.4
Total income	5,048.0	5,167.2	-2.3
Expenses for claims and insurance benefits	-4,094.4	-4,162.9	-1.6
Acquisition and administrative expenses	-703.2	-649.7	8.2
Other expenses	-88.8	-88.6	0.2
Total expenses	-4,886.4	-4,901.2	-0.3
Profit before taxes	161.6	266.0	-39.3

12M 2014 P&L – Health

IFRS (€mn)

€mn	12M 2014	12M 2013	+/-%
Gross premiums written	386.3	397.8	-2.9
Net earned premiums	396.2	400.4	-1.0
Financial result	33.5	19.3	74.0
Other income	0.1	0.2	-26.7
Total income	429.9	419.8	2.4
Expenses for claims and insurance benefits	-330.3	-333.6	-1.0
Acquisition and administrative expenses	-51.1	-46.9	9.1
Other expenses	-1.3	-3.8	-65.6
Total expenses	-382.7	-384.3	-0.4
Profit before taxes	47.2	35.6	32.6

12M 2014 P&L – Split by regions (I)

IFRS (€mn)

€mn	Austria			Czech Republic			Slovakia		
	12M 2014	12M 2013	+/-%	12M 2014	12M 2013	+/-%	12M 2014	12M 2013	+/-%
Gross premiums written	4,077.0	4,073.9	0.1	1,683.4	1,762.1	-4.5	727.0	744.7	-2.4
Net earned premiums	3,370.8	3,348.5	0.7	1,366.0	1,429.6	-4.4	597.0	615.2	-2.9
Financial result	761.8	897.2	-15.1	107.5	116.4	-7.7	54.4	52.8	3.0
Other income	20.7	17.3	19.7	35.7	50.9	-30.0	12.5	10.9	14.5
Total income	4,153.3	4,263.0	-2.6	1,509.2	1,596.9	-5.5	664.0	678.9	-2.2
Expenses for claims/benefits	-3,320.2	-3,338.3	-0.5	-957.5	-1,008.5	-5.1	-481.3	-511.4	-5.9
Acquisition and administrative expenses	-627.2	-607.0	3.3	-332.5	-345.8	-3.9	-91.4	-88.1	3.8
Other expenses	-36.2	-82.6	-56.2	-41.3	-44.7	-7.6	-31.8	-24.1	31.8
Total expenses	-3,983.6	-4,027.9	-1.1	-1,331.3	-1,399.1	-4.8	-604.5	-623.6	-3.1
Profit before taxes	169.7	235.1	-27.8	177.9	197.8	-10.1	59.5	55.3	7.6
Combined Ratio	99.9%	101.4%		86.2%	91.5%		91.3%	93.6%	

12M 2014 P&L – Split by regions (II)

IFRS (€mn)

€mn	Poland			Romania			Remaining		
	12M 2014	12M 2013	+/-%	12M 2014	12M 2013	+/-%	12M 2014	12M 2013	+/-%
Gross premiums written	1,034.1	1,142.3	-9.5	339.7	361.8	-6.1	1,155.6	1,061.6	8.9
Net earned premiums	852.9	939.7	-9.2	184.5	171.0	7.9	880.1	809.3	8.8
Financial result	52.9	48.8	8.4	15.0	9.0	66.0	94.6	82.8	14.3
Other income	7.2	6.0	20.4	23.1	11.8	96.4	15.6	28.3	-44.8
Total income	913.0	994.5	-8.2	222.6	191.8	16.1	990.4	920.4	7.6
Expenses for claims/benefits	-582.7	-709.9	-17.9	-123.7	-175.4	-29.5	-653.1	-580.3	12.5
Acquisition and administrative expenses	-260.3	-222.5	17.0	-74.3	-87.4	-15.0	-209.3	-230.7	-9.3
Other expenses	-14.8	-11.8	25.1	-18.6	-27.7	-32.8	-76.3	-60.4	26.3
Total expenses	-857.8	-944.3	-9.2	-216.6	-290.5	-25.5	-938.7	-871.4	7.7
Profit before taxes	55.2	50.2	9.8	6.1	-98.7	n.a.	51.7	49.0	5.4
Combined Ratio	96.3%	96.2%		105.0%	179.4%		97.6%	98.6%	

12M 2014 P&L – Split by regions (III)

IFRS (€mn)

€mn	Central Functions			Consolidation			TOTAL		
	12M 2014	12M 2013	+/-%	12M 2014	12M 2013	+/-%	12M 2014	12M 2013	+/-%
Gross premiums written	1,289.8	1,303.9	-1.1	-1,160.9	-1,231.6	n.a.	9,145.7	9,218.6	-0.8
Net earned premiums	1,105.5	1,160.1	-4.7	-3.2	5.8	n.a.	8,353.7	8,479.1	-1.5
Financial result	30.9	19.6	57.3	-0.3	0.1	n.a.	1,116.9	1,226.9	-9.0
Other income	11.6	19.5	-40.8	-1.0	-0.9	n.a.	125.5	143.9	-12.8
Total income	1,148.0	1,199.3	-4.3	-4.5	5.1	n.a.	9,596.1	9,849.8	-2.6
Expenses for claims/benefits	-799.6	-879.5	-9.1	-1.8	-7.2	n.a.	-6,919.9	-7,210.6	-4.0
Acquisition and administrative expenses	-283.0	-282.2	0.3	3.2	-2.6	n.a.	-1,874.8	-1,866.3	0.5
Other expenses	-67.7	-170.9	-60.4	3.7	4.5	n.a.	-283.0	-417.8	-32.3
Total expenses	-1,150.3	-1,332.6	-13.7	5.1	-5.3	n.a.	-9,077.7	-9,494.7	-4.4
Profit before taxes	-2.2	-133.3	-98.3	0.7	-0.2	n.a.	518.4	355.1	46.0
Combined Ratio							96.7%	100.6%	

12M 2014 – Results by country (I)

IFRS (€mn)

	GWP P&C			GWP Life			GWP Health			GWP Total		
	12M 2014	12M 2013	+/-%	12M 2014	12M 2013	+/-%	12M 2014	12M 2013	+/-%	12M 2014	12M 2013	+/-%
Austria	1,838.1	1,871.9	-1.8%	1,870.7	1,844.5	1.4%	368.2	357.4	3.0%	4,077.0	4,073.9	0.1%
Czech Rep.	826.7	892.0	-7.3%	856.8	870.1	-1.5%	-	-	-	1,683.4	1,762.1	-4.5%
Slovakia	331.1	326.1	1.5%	395.9	418.6	-5.4%	-	-	-	727.0	744.7	-2.4%
Poland	553.9	560.1	-1.1%	480.2	582.2	-17.5%	-	-	-	1,034.1	1,142.3	-9.5%
Romania	285.3	300.0	-4.9%	54.4	61.8	-12.1%	-	-	-	339.7	361.8	-6.1%
Remaining	606.1	607.1	-0.2%	531.4	414.2	28.3%	18.1	40.4	-55.1%	1,155.6	1,061.6	8.9%
<i>Hungary</i>	<i>69.2</i>	<i>80.1</i>	<i>-13.5%</i>	<i>110.7</i>	<i>81.8</i>	<i>35.3%</i>	-	-	-	<i>180.0</i>	<i>161.9</i>	<i>11.2%</i>
<i>Croatia</i>	<i>34.3</i>	<i>34.5</i>	<i>-0.8%</i>	<i>56.6</i>	<i>54.0</i>	<i>4.8%</i>	-	-	-	<i>90.9</i>	<i>88.6</i>	<i>2.6%</i>
<i>Serbia</i>	<i>43.5</i>	<i>37.2</i>	<i>17.0%</i>	<i>28.2</i>	<i>31.8</i>	<i>-11.4%</i>	-	-	-	<i>71.7</i>	<i>69.0</i>	<i>3.9%</i>
<i>Bulgaria</i>	<i>86.5</i>	<i>87.3</i>	<i>-0.9%</i>	<i>27.8</i>	<i>23.6</i>	<i>17.7%</i>	-	-	-	<i>114.3</i>	<i>110.9</i>	<i>3.1%</i>
<i>Bosnia&Herz.</i>	<i>10.8</i>	<i>10.4</i>	<i>3.4%</i>	<i>0.8</i>	<i>0.5</i>	<i>49.8%</i>	-	-	-	<i>11.5</i>	<i>10.9</i>	<i>5.6%</i>
<i>Ukraine</i>	<i>59.4</i>	<i>75.5</i>	<i>-21.3%</i>	<i>3.1</i>	<i>3.9</i>	<i>-21.1%</i>	-	-	-	<i>62.4</i>	<i>79.4</i>	<i>-21.3%</i>
<i>Turkey</i>	<i>127.4</i>	<i>135.4</i>	<i>-5.9%</i>	-	-	-	-	-	-	<i>127.4</i>	<i>135.4</i>	<i>-5.9%</i>
<i>Georgia</i>	<i>24.9</i>	<i>17.6</i>	<i>41.8%</i>	-	-	-	<i>18.1</i>	<i>40.4</i>	<i>-55.1%</i>	<i>43.0</i>	<i>58.0</i>	<i>-25.7%</i>
<i>Baltics</i>	-	-	-	<i>51.6</i>	<i>42.0</i>	<i>22.8%</i>	-	-	-	<i>51.6</i>	<i>42.0</i>	<i>22.8%</i>
<i>Albania</i>	<i>33.5</i>	<i>23.8</i>	<i>40.6%</i>	-	-	-	-	-	-	<i>33.5</i>	<i>23.8</i>	<i>40.6%</i>
<i>Macedonia</i>	<i>23.5</i>	<i>18.9</i>	<i>24.6%</i>	<i>0.0</i>	<i>0.1</i>	<i>-35.5%</i>	-	-	-	<i>23.6</i>	<i>18.9</i>	<i>24.4%</i>
<i>Liechtenstein</i>	-	-	-	<i>170.8</i>	<i>98.2</i>	<i>74.0%</i>	-	-	-	<i>170.8</i>	<i>98.2</i>	<i>74.0%</i>
<i>Germany</i>	<i>93.1</i>	<i>86.5</i>	<i>7.7%</i>	<i>81.9</i>	<i>78.3</i>	<i>4.6%</i>	-	-	-	<i>175.0</i>	<i>164.8</i>	<i>6.2%</i>

12M 2014 – Results by country (II)

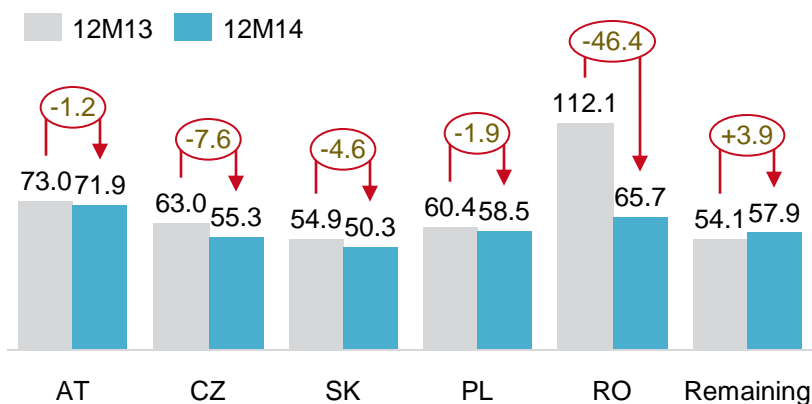
IFRS (€mn)

	Profit before Taxes			Net Combined Ratio		
	12M 2014	12M 2013	+/-%	12M 2014	12M 2013	+/-%p
Austria	169.7	235.1	-27.8%	99.9%	101.4%	-1.4
Czech Rep.	177.9	197.8	-10.1%	86.2%	91.5%	-5.3
Slovakia	59.5	55.3	7.6%	91.3%	93.6%	-2.3
Poland	55.2	50.2	9.8%	96.3%	96.2%	0.1
Romania	6.1	-98.7	n.a.	105.0%	179.4%	-74.4
Remaining	51.7	49.0	5.4%	97.6%	98.6%	-1.1
<i>Hungary</i>	3.2	3.2	1.0%	106.4%	105.7%	0.7
<i>Croatia</i>	6.0	5.3	14.8%	99.4%	95.7%	3.6
<i>Serbia</i>	2.4	2.3	6.2%	87.3%	99.7%	-12.4
<i>Bulgaria</i>	8.5	10.4	-18.3%	102.5%	99.6%	2.8
<i>Bosnia & Herzegovina</i>	-0.5	-5.6	-90.9%	148.8%	150.2%	-1.3
<i>Ukraine</i>	2.8	3.6	-21.4%	102.7%	103.4%	-0.7
<i>Turkey</i>	2.8	5.0	-43.2%	102.6%	100.1%	2.4
<i>Georgia</i>	2.9	2.9	-0.3%	72.2%	71.1%	1.1
<i>Baltics</i>	0.5	1.0	-47.2%	-	-	-
<i>Albania</i>	1.8	-1.4	n.a.	91.4%	114.4%	-23.0
<i>Macedonia</i>	2.2	1.6	40.1%	90.2%	89.4%	0.8
<i>Liechtenstein</i>	0.1	0.0	>100%	-	-	-
<i>Germany</i>	18.8	20.8	-9.8%	85.0%	82.0%	3.0

12M 2014 – P&C Claims and cost ratio details

Overall claims ratio decreased by 3.6%p and cost ratio down by 0.3%p

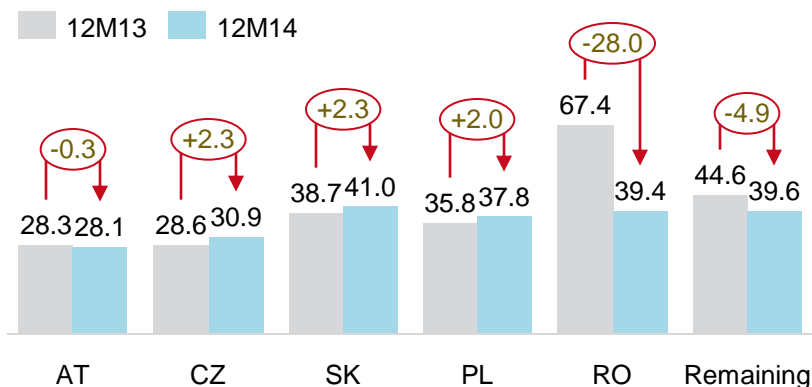
Claims ratio 12M y-o-y regional development (net, %)



Remarks for claims incurred

- Austria: claims ratio down 1.2%p driven by development of Donau Versicherung (less business volume in Italy)
- Czech Republic: less weather related claims
- Slovakia: claims ratio decreased to 50.3%
- Poland: decrease in claims due to shift to non-motor and disciplined motor underwriting
- Romania: claims ratio significantly down to 65.7% as a result of taken restructuring measures last year
- Remaining markets: claims ratio up by 3.9%p driven by Hungary and Croatia

Cost ratio 12M y-o-y regional development (net, %)



Remarks for acquisition and admin. expenses

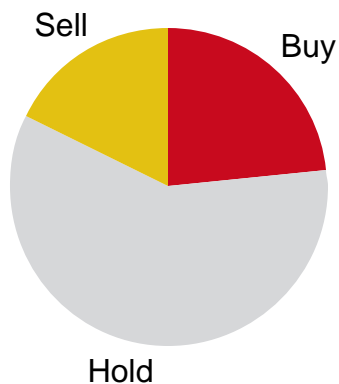
- Austria: rather stable cost ratio still impacted by higher costs in Donau Versicherung for Italy
- Czech Republic: change in accounting for reinsurance commission
- Slovakia: cost ratio up by 2.3%p due to increased business volume via brokers and agents
- Poland: cost ratio of 37.8% up 2.0%p due to higher commissions
- Romania: cost ratio down to 39.4% supported by increased net earned premiums in P&C as well as further reduced acquisition and admin. expenses
- Remaining markets: cost ratio decreased by 4.9%p, improving the COR for the remaining markets to 97.6%

12M 2014 – Exchange rates

Country	Currency	12M 2014		12M 2013	
		Balance Sheet EUR	P & L EUR	Balance Sheet EUR	P & L EUR
Albania	EUR/ALL	140.1400	139.9692	140.2000	140.2723
Belarus	EUR/BYR	14,380.0000	13,578.3288	13,080.0000	11,799.1233
Bosnia	EUR/BAM	1.9558	1.9558	1.9558	1.9558
Bulgaria	EUR/BGN	1.9558	1.9558	1.9558	1.9558
Croatia	EUR/HRK	7.6580	7.6344	7.6265	7.5786
Czech Republic	EUR/CZK	27.7350	27.5359	27.4270	25.9797
Georgia	EUR/GEL	2.2656	2.3482	2.3891	2.2071
Hungary	EUR/HUF	315.5400	308.7061	297.0400	296.8730
Latvia	EUR/LVL	-	-	0.7028	0.7015
Liechtenstein	EUR/CHF	1.2024	1.2146	1.2276	1.2311
Lithuania	EUR/LTL	3.4528	3.4528	3.4528	3.4528
Macedonia	EUR/MKD	61.4814	61.6228	61.5113	61.5904
Moldova	EUR/MDL	0.0000	0.0000	17.9697	16.7241
Poland	EUR/PLN	4.2732	4.1843	4.1543	4.1975
Romania	EUR/RON	4.4828	4.4437	4.4710	4.4190
Serbia	EUR/RSD	120.9583	117.2522	114.6421	113.0924
Turkey	EUR/TRY	2.8320	2.9065	2.9605	2.5335
Ukraine	EUR/UAH	19.2329	15.6878	11.0415	10.6157

VIG share (I)

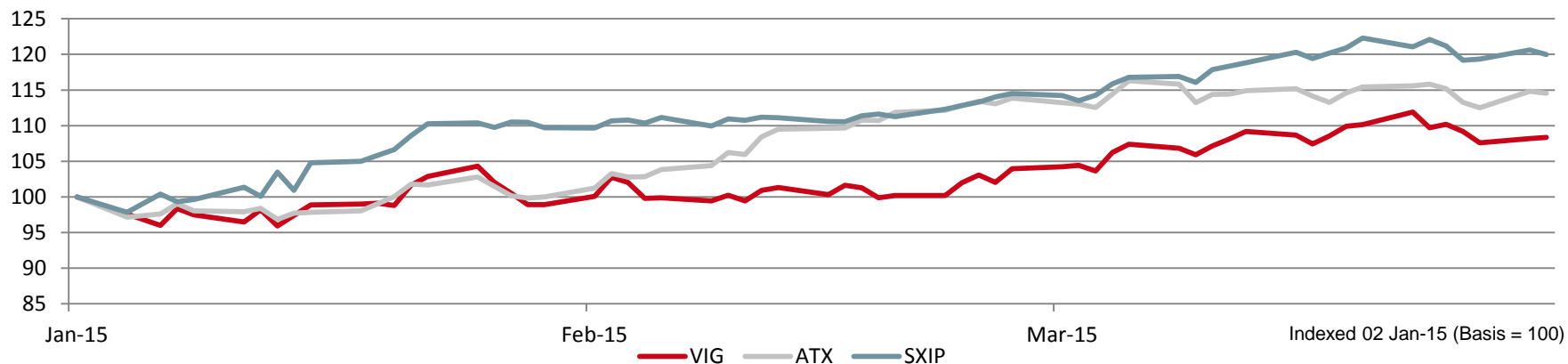
Current analyst recommendation split



Share price development 3M 2015

High	EUR	42.550
Low	EUR	35.825
Price as of 31 Mar.	EUR	41.200
Average daily volume	EUR	4.1 mn
Market cap.	EUR	5.3 bn
Development YTD	%	11.1

VIG compared to ATX and Stoxx Europe 600 Ins.



VIG share (II)

General information

Number of common shares: 128mn

ISIN: AT0000908504

Listings:

- Vienna – since 17 Oct. 1994
- Prague – since 5 Feb. 2008

Ticker:

- Vienna Stock Exchange: VIG
- Bloomberg: VIG AV / VIG CP
- Reuters: VIGR.VI / VIGR.PR

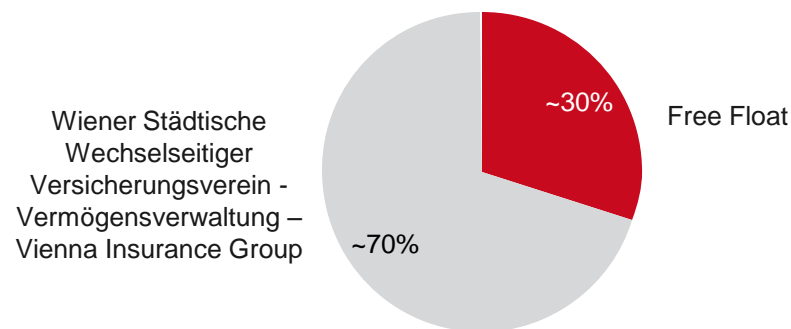
Rating:

- Standard & Poor’s: A+, stable outlook

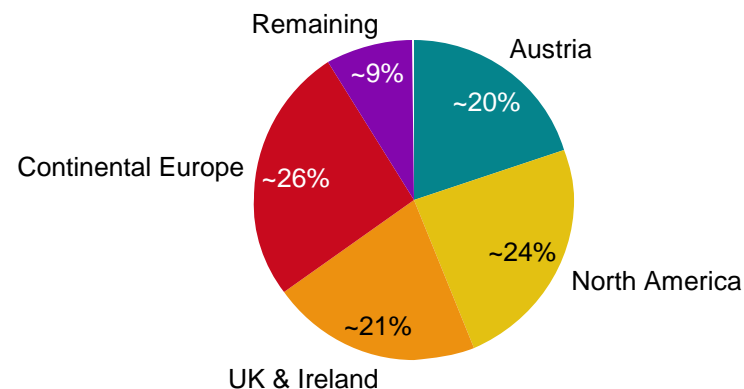
Major Indices:

- ATX, ATX Prime, PX, EURO STOXX Insurance, STOXX Europe 600 Insurance, MSCI Insurance Europe

Shareholder structure



Free float split by region¹



1) Split of identified shares as of June 2014

Contact details

Investor Relations



Financial calendar 2015

Date	Event
27 Jan. 2015	Publication: Preliminary unconsolidated premiums 2014
14 April 2015	Results and Embedded Value 2014
20 May 2015	Results for the first quarter 2015
29 May 2015	Annual General Meeting
03 June 2015	Ex-dividend-day
08 June 2015	Dividend payment day
25 Aug. 2015	Results for the first half-year 2015
24 Nov. 2015	Results for the first three quarters 2015



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