

What creates team spirit?

THE ART OF RECOGNISING THE COMMON ELEMENT IN A MULTITUDE OF PERSPECTIVES.

INTERIM REPORT 1ST QUARTER 2010
VIENNA INSURANCE GROUP

LETTER FROM THE CHAIRMAN OF THE MANAGING BOARD

Dear Shareholders,
Dear Madam/Sir,

To my knowledge, the Vienna Insurance Group was the only listed insurance company to announce specific financial targets for 2010 at the beginning of the year, and the capital market responded with great scepticism at that time. Our expectations for premium growth in the single-digit percentage range and a minimum 10% increase in profit before taxes were often described as too modest, since it was felt that the economic recovery was already in sight. However, due to recent capital market developments, in particular concerns about national finances and the associated concerns about the euro, I continue to be cautious. The impending consolidation of government budgets will reduce the leeway available in the financial planning of some of our customers.



I am therefore all the more pleased to be able to provide you with results for the 1st quarter of 2010 that fit well within our plans. Premiums increased by 7.9% to over EUR 2.5 billion and our profit before taxes rose by 10.4% to EUR 133.44 million. This places us once again on the path of growth, particularly in the area of life insurance, which offers our customers products allowing stable accumulation of capital and capital protection. A key contribution here comes from bank sales, both in Austria and the CEE region, where we have implemented a major

strategic expansion since 2008. As examples, I would like to mention the Czech Republic and Romania where increases of 70% and more than 100%, respectively, were achieved.

This balances out the competitive market situations in the non-life area that typically occur in times of economic tension.

These successes provide good reasons for us to continue in this direction. We therefore plan to establish a life insurance company in Macedonia. The Vienna Insurance Group is already represented in the non-life business in this future market. In addition, we plan to establish a life insurance company in Montenegro this year and are likewise able to continue our geographic growth.

It gives me a certain amount of pride to report to you that our success in the life insurance segment has further strengthened our position in the CEE region. In the Czech Republic, we have risen to become number 1 in both the life insurance business as well as overall. In our core markets in the CEE region, where we have been the clear overall market leader for a long time among international insurance companies active in this region, we have now also become the market leader in life insurance.

We have thus achieved a major goal earlier than we had hoped – together with our customers, employees and shareholders.

Sincerely yours,

A handwritten signature in black ink, which appears to be 'G. Geyer'. The signature is fluid and cursive.

Günther Geyer

MANAGEMENT REPORT

BUSINESS DEVELOPMENT

In the 1st quarter of 2010, Vienna Insurance Group reported a total of consolidated premiums written of EUR 2.53 billion; this is a plus of 7.9% compared to the same period of the previous year. The Group achieved an increase of 13.8% in net earned premiums.

The Group's profit before taxes (consolidated) for the first three months of 2010 amounted to EUR 133.44 million, corresponding to a total growth of 10.4%. This is the best 1st quarter result ever achieved in the corporate history.

The combined ratio of the Group after reinsurance (without taking into account investment income) stood at 97.5% in the 1st quarter of the current year.

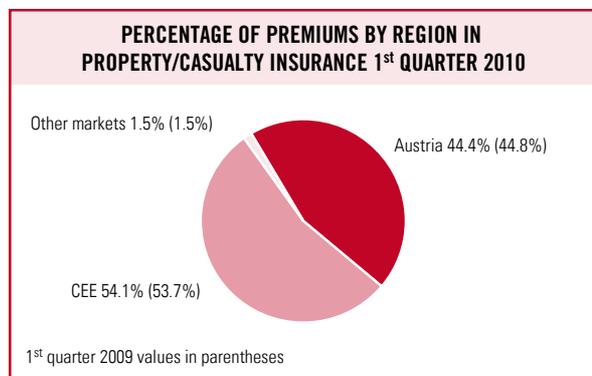
The financial result of the Group totaled EUR 310.36 million in the 1st quarter of 2010, climbing by 30.3% from the prior-year level.

The investments of the Group amounted to EUR 26.85 billion as at 31 March 2010; this is an increase by 3.7% compared to 31 December 2009.

BUSINESS DEVELOPMENT BY LINES OF BUSINESS

Property/Casualty insurance

In this segment, the Group companies of Vienna Insurance Group earned premiums written of a total of EUR 749.52 million in the CEE markets, corresponding to a plus of 1.6%. The Group succeeded in increasing the net earned premiums in this segment by 8.3%.



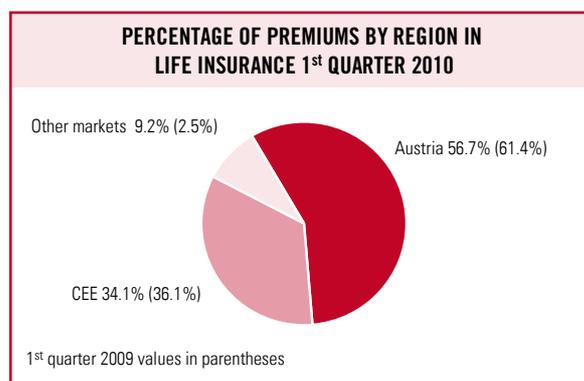
In the non-CEE countries, the premiums in this segment remained on a stable level of EUR 634.56 million. In Austria, premiums in this segment showed a similar development as in the previous year, totaling EUR 614.01 million. In Germany, premiums went up by 1.7% to EUR 20.54 million.

Life insurance

In this segment, the Group companies of Vienna Insurance Group reported premiums written totaling EUR 1.06 billion. Compared to the prior-year period, this corresponds to a growth of 19.4%.

The CEE markets reported a strong growth of 12.8% in the life insurance segment; premiums written increased to EUR 362.11 million.

In the non-CEE countries, the premiums written earned in this segment amounted to EUR 700 million, going up by 23.2% compared to the same period of the previous year.



Health insurance

With premiums written totaling EUR 84.78 million, Vienna Insurance Group reported a growth of 1.0% in health insurance.

Best 1st quarter in the corporate history

Profit before taxes increased by 10.4% to EUR 133.44 mn

Premiums grew by 7.9% to EUR 2.53 bn

BUSINESS DEVELOPEMENT BY REGIONS

Austria

In the 1st quarter of 2010, the Group companies of Vienna Insurance Group in Austria reported premiums written of a total of EUR 1.30 billion, achieving an increase by 4.5%. In the segment property/casualty insurance, premiums written of EUR 614.01 million were earned. Growing by 10.2%, premiums in the life insurance segment rose to EUR 602.32 million.

The profit before taxes totaled EUR 70.29 million in the 1st quarter of 2010.

The combined ratio amounted to 94.3%.

Czech Republic

By increasing premiums written to a total of EUR 454.46 million in the Czech Republic, the Group companies of Vienna Insurance Group achieved a plus of 12.4%.

In the non-life insurance segment, premiums written amounted to EUR 285.05 million; this corresponds to an increase by 4.2%.

Thanks to a strong growth by 29.3%, premiums written in the life insurance segment climbed to a level of EUR 169.41 million.

With a market share of 32.5% after the 1st quarter of 2010, the Group companies of Vienna Insurance Group became the new number one in the Czech insurance market. This makes Vienna Insurance Group the Czech Republic's market leader in both non-life insurance and life insurance.

Compared to the same period of the previous year, the profit before taxes surged by 30.0% to EUR 31.47 million.

The combined ratio amounted to 94.8% in the 1st quarter of 2010.

Slovakia

The Group companies reported premiums written of EUR 181.77 million in total (-2.4%) in Slovakia. The Group achieved a clear plus of 5.8% in net earned premiums.

Premiums written of EUR 101.63 million were registered in the non-life insurance segment. Growing by 11.4%, premiums written in the life insurance segment totaled EUR 80.13 million.

Thanks to a market share of 33.2%, the Group companies of Vienna Insurance Group are the number one in the Slovakian insurance market.

The profit before taxes doubled to EUR 10.09 million.

The combined ratio improved to 96.1%.

Poland

In Poland, the Group companies of Vienna Insurance Group increased premiums written by 23.5% to EUR 176.72 million in the first three months of the current year.

In the non-life insurance segment, Vienna Insurance Group achieved a 60.1% plus, with premiums written amounting to EUR 134.89 million.

With premiums of EUR 41.82 million, the life insurance segment recorded a decline by 28.9%, which is exclusively due to the downward trend in the single premium business.

The profit before taxes amounted to EUR 7.17 million in the 1st quarter of 2010, climbing by 14.0% compared to the same period of the previous year.

Due to weather-induced damages, the combined ratio rose to above 100%.

Romania

The Romanian Group companies reported premiums written totaling EUR 147.40 million (-12.2%) in the 1st quarter of 2010. Net earned premiums went up by 4.7%.

In the non-life insurance segment, premiums of EUR 121.37 million were written. In this segment, the income-oriented restructuring of the portfolio has resulted in a decline of premiums.

In the life insurance segment, premiums grew by an outstanding 59.1% to a total of EUR 26.03 million. This significant increase is mainly due to the strong selling power of BCR life insurance.

The profit before taxes rose by 18.1% to EUR 7.41 million.

As a result of this strategy, the combined ratio was decreased significantly by more than ten percentage points compared to the 1st quarter of the previous year, amounting to 98.1%.

Other CEE markets

The segment Other CEE markets comprises the Group companies of Vienna Insurance Group in the following countries: Albania, Bulgaria, Croatia, Macedonia, Serbia, Turkey, Ukraine, Hungary as well as the three Baltic states.

Premiums written totaled EUR 151.28 million in total; out of this amount, EUR 106.56 million were attributable to the non-life insurance segment. In the life insurance segment, a growth of 4.1% was registered, with premiums of EUR 44.72 million.

The profit before taxes amounted to EUR 2.80 million.

Other markets

In Germany and Liechtenstein, the Group companies reported a total of premiums written of EUR 118.22 million in the 1st quarter; this means that premiums more than doubled.

The profit before taxes amounted to EUR 4.21 million.

Segment reporting by region

	Gross premiums written		Profit before taxes	
	31.3.2010	31.3.2009	31.3.2010	31.3.2009
<i>in EUR mn</i>				
Austria	1,301.11	1,244.61	70.29	77.26
Czech Republic	454.46	404.47	31.47	24.20
Slovakia	181.77	186.23	10.09	4.91
Poland	176.72	143.09	7.17	6.29
Romania	147.40	167.83	7.41	6.28
Other CEE markets	151.28	157.19	2.80	-2.54
Other markets	118.22	42.01	4.21	4.42
Total	2,530.95	2,345.43	133.44	120.82

CURRENT TOPICS & OUTLOOK

CURRENT TOPICS

V.I.G. Czech Republic

Number 1 for the first time

As the leading insurance group in CEE*, the Vienna Insurance Group has achieved another milestone in the pursuit of its strategy for the region. Following the group's assumption of market leadership in Slovakia last year, the Vienna Insurance Group has now gained top position in another of its core markets.

In the Czech Republic, the group companies of the Vienna Insurance Group are the new number 1 in the insurance market, with a market share of 32.5% in the 1st quarter of 2010. The Vienna Insurance Group is now market leader in both the non-life and life insurance segments in the Czech Republic. The group company Pojišťovna České spořitelny (PČS), which is mainly active in banking sales, has made a strong contribution in the life segment.

V.I.G. International

CEE market leader in the life insurance segment

Following the attainment by the Vienna Insurance Group of market leadership in the Czech Republic, the Group has achieved a further milestone in the pursuit of its strategy: in its position of market leader in its core markets in CEE*, the Vienna Insurance Group is now also number 1 in the life insurance segment in this region. With a market share of 10.6%, the Vienna Insurance Group is clearly ahead of its international competitors in this segment.

This success has been achieved by virtue of the good performance in the Group's core markets despite the difficult current economic situation. In life insurance the Vienna Insurance Group is the market leader in the Czech Republic, Croatia and Slovakia. The Group is also market leader in this segment in Austria.

Montenegro and Macedonia:

Foundation of a life insurance company

Vienna Insurance Group is planning the foundation of a life insurance company in Montenegro. After filing the application in the 2nd quarter of 2010, the issue of the license by the responsible insurance authorities is expected this year. The distribution of the insurance products is planned to be made via Erste Bank AD Podgorica, which belongs to Erste Group. With just over 670,000 residents, the young country is among the smaller markets in this region. However, the insurance market in Montenegro shows high development potential.

After the announced market entry in Montenegro, Vienna Insurance Group continues strengthening its presence in Central and Eastern Europe and plans to establish a life insurance company also in Macedonia. The Group has already been represented in the non-life insurance sector of Macedonia through WINNER Vienna Insurance Group since 2007. The insurance products are to be sold through Investbanka a.d. Skopje, forming part of the Erste Group. As a result, sales cooperation with Erste Group will cover a total of ten countries. Macedonia has 2.1 million inhabitants and is also an insurance market with a strong development potential.

Lithuania: Start of property/casualty insurance business

Vienna Insurance Group has been represented in the three Baltic markets since 2008 by Compensa. Up until now, product offerings have focused on life insurance. In this segment, the company in Latvia and Estonia has already captured the fourth market position and in Lithuania the eighth market position. With the establishment of a branch of the Polish Group Compensa in Lithuania, the sales of property/casualty insurance started in the middle of April in this Baltic market.

Italy: Donau Versicherung starts with motor liability insurance

Donau Versicherung has been represented in the Italian insurance market for ten years now. In order to further strengthen its commitment, it established a branch in Milan in 2007. As a partner for brokers and multi-agencies, it concentrates on household and casualty insurance as well as tailor-made solutions for small and medium enterprises. This year, Donau is extending its product range to include motor liability insurance, thus also positioning itself in this strategically very important segment in the Italian market.

V.I.G. Group

Standard & Poor's rating

At the end of February 2010, the international rating agency Standard & Poor's confirmed its existing A+ rating with stable outlook for VIENNA INSURANCE GROUP Wiener Städtische Versicherung AG.

New website

The Vienna Insurance Group, the leading Austrian insurance group in Central and Eastern Europe, has a new website: www.vig.com. Fresh and modern in design, the new website contains a wealth of information about the Group and underlines its international importance. The Group website is built around the Vienna Insurance Group as a soon-to-be listed group holding company: it includes the history and origins of the group as well as information relating to shares and investments in the company, international career opportunities and the company's

*CEE core markets: Bulgaria, Croatia, Poland, Romania, Serbia, Slovakia, Czech Republic, Hungary

cultural responsibilities. The Vienna Insurance Group now offers a new RSS Feed feature on its Investor Relations pages and in the Public Relations area of its website. This function, available by subscription, allows specific pages to be regularly and automatically checked for new content. Subscribers receive clearly listed updates through a special reading program (RSS Reader) or directly via their web browser.

OUTLOOK

Due to the business development in the 1st quarter of 2010, the management of Vienna Insurance Group reinforces the expected growth in the profit before taxes by more than ten percent and a single-digit increase in premiums.

To further increase efficiency and optimise the activities of the Vienna Insurance Group, a Group-wide, future-oriented action programme provides for savings of around EUR 100 million by the end of 2010. These measures, some of which have already been successfully implemented, will ensure that the combined ratio remains significantly below 100% in the future.

Reorganisation of Group structure

A reorganisation of the Group's structure is also planned for 2010. The Vienna Insurance Group has developed into a major international group in past years. In order to better address this dynamic development, it was decided that the Austrian insurance company would be separated from the international activities of the Group and a listed Group holding company would be established, with shareholders continuing to hold their shares in this new holding company. Wiener Städtische, the largest single company in the Group, will manage business operations in Austria. Subject to a General Meeting resolution and to official approval, the Group holding company will be given the name Vienna Insurance Group AG Wiener Versicherung Gruppe. The General Meeting resolution on the new organisational structure is to be retroactive to the start of the year.

CAPITAL MARKETS & INVESTOR RELATIONS

CAPITAL MARKET

International overview

The promising momentum in capital markets at the end of the previous year continued at the beginning of 2010. After a brief extension of this positive trend, negative economic data starting at the end of January led to growing concerns about a “double dip” recession, an economic recovery with a second low point. This nervous macroeconomic sentiment subsequently created a challenging stock exchange environment with volatile sideways movement. It was not until the beginning of March that increasingly optimistic forecasts of future economic growth and dwindling inflationary fears led to a strong countermovement on stock exchanges, helping most markets reach highs for the year.

As previously occurred in 4th quarter 2009, the US Dow Jones Industrial Index (DJI) was especially quick to overcome the period of irritation. The index reached a level of 10,856.63 points on 31 March 2010, thereby closing 4.1% above its level at the end of 2009. Thanks to strong performance in the final weeks of the quarter, the Japanese leading index, the Nikkei 225, rose even more strongly than the DJI, adding 5.2% to reach a level of 11,089.94 points. Comparatively weak economic data and ongoing discussions about the financial position of some euro countries negatively affected the price performance of European stock exchanges: The Eurostoxx 50 Index ended the quarter at 2,931.16 points, 1.2% below its level at the end of 2009.

Due to higher growth forecasts and overall more favourable debt ratios, the CEE countries outperformed other European countries in the 1st quarter of 2010. Thanks to an especially strong upward movement in March 2010, the CECE Index, which is calculated in euros, rose 11.8% to 2,044.65 points.

Vienna Stock Exchange

The Vienna Stock Exchange performed better than most Western European stock exchanges in the 1st quarter of 2010, with the ATX leading index rising 5.5% to 2,634.00 points. Following initial setbacks due to international developments, the market rose strongly, especially in the final weeks of the 1st quarter of 2010. This was due in particular to a benign global environment and improved economic prospects for the CEE countries.

INVESTOR RELATIONS

Investor Relations has again established an extensive communications programme for 2010. Contacts with existing shareholders will be developed further and contacts with potential new investors actively pursued. The Vienna Insurance Group has already taken part in the January Vienna Stock Exchange roadshow in London, followed by a roadshow day in Dublin. The management of the Vienna Insurance Group answered questions about the results and current developments at a large number of investor meetings held in Prague, Tokyo, Zürs, Paris, Frankfurt, Milan and Zurich during the first four months of the year. These extensive IR activities were accompanied by roadshows in the Netherlands, Canada and the US. Management was pleased to note a recent increase in interest in VIG shares in the US.

The information provided on the Vienna Insurance Group's re-designed website, www.vig.com, has been considerably expanded in overall terms. The organisation of capital market information, presented as before under Investor Relations, has been clarified and improved. For the first time, interested users can now subscribe to Investor Relations news and ad hoc press releases using an RSS feed.

An up-to-date list of investment banks with analyst names and the date of the latest published report can also always be found online. Raiffeisen Centrobank began coverage of the Vienna Insurance Group at the beginning of April. This bank's price target of EUR 44.00 and its Hold recommendation for VIG shares places the average price target of all analysts at around EUR 40.00.

SHARE

VIENNA INSURANCE GROUP SHARES

Key share information for 1st quarter 2010

High	EUR	39.81
Low	EUR	32.90
Year-end price	EUR	39.10
Market capitalisation	EUR	5.00 bn
Proposed dividend 2009	EUR	0.90
Average daily stock exchange trading volume*	EUR	4.52 mn

* using single counting

Overview of VIG shares

Initial listing (Vienna)	17 October 1994
Initial listing (Prague)	5 February 2008
Number of common shares	128 million
Free float	approx. 30%
ISIN	AT0000908504
Securities symbol	VIG
Bloomberg	VIG AV /VIG CP
Reuters	VIGR.VI / VIGR.PR
Rating – Standard & Poor's	A+, stable outlook

VIG share performance

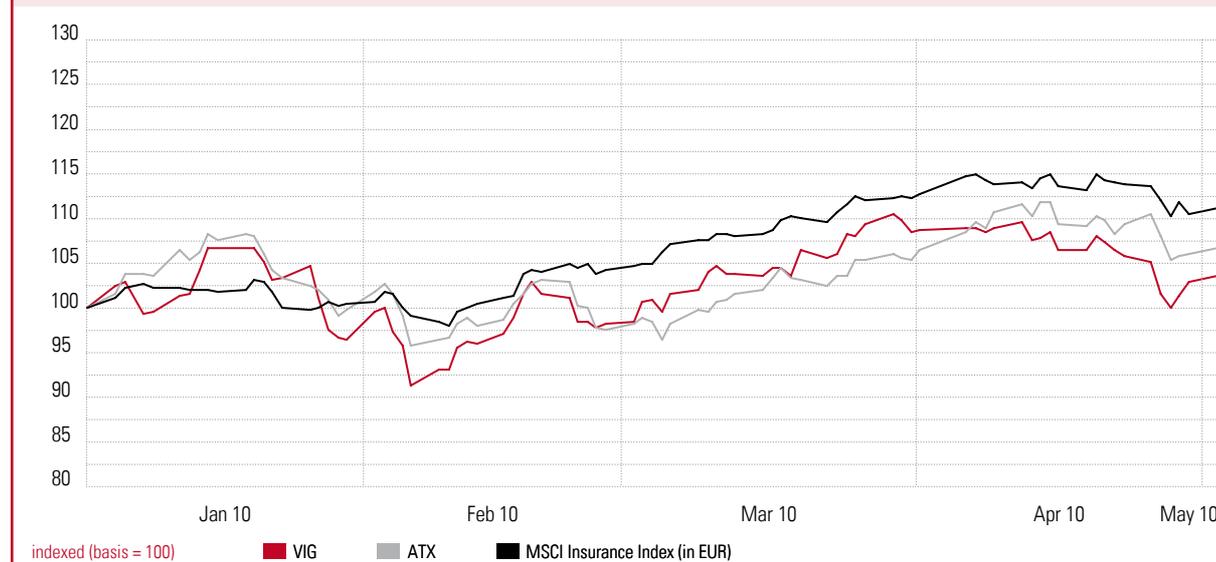
The 1st quarter of 2010 went very well for Vienna Insurance Group shareholders. In the first trading weeks of 2010, VIG shares rose strongly, in line with international developments. This was soon followed by profit taking due to a return of concerns over the sustainability of the economic upturn. The excellent profit performance that was achieved relative to international results subsequently led to a positive turnaround once again, allowing VIG shares to close at a price of EUR 39.10 on 31 March 2010, an increase of almost 9% over the value at the end of the year.

V.I.G. financial calendar*

Annual General Meeting	29 June 2010
Ex-dividend day	5 July 2010
Dividend payment date	5 July 2010
6M results for 2010	19 August 2010
9M results for 2010	9 November 2010

* preliminary schedule

VIENNA INSURANCE GROUP (VIG) COMPARED TO THE ATX AND MSCI INSURANCE INDEX (IN EUR)
1 January 2010 – 3 May 2010



CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2010

ASSETS	31.3.2010	31.12.2009
<i>in EUR '000</i>		
A. Intangible assets		
I. Goodwill	1,774,832	1,754,694
II. Purchased insurance portfolio	79,708	81,149
III. Other intangible assets	138,730	139,573
Total intangible assets	1,993,270	1,975,416
B. Investments		
I. Land and buildings	3,262,865	3,301,248
II. Shares in at equity consolidated companies	116,065	115,859
III. Financial instruments	23,471,253	22,476,944
a) Loans and other investments	4,920,027	4,713,204
b) Other securities	18,551,226	17,763,740
Financial instruments held to maturity	3,013,520	2,890,314
Financial investments available for sale	14,221,023	13,514,370
Financial instruments recognised at fair value through profit and loss*	1,316,683	1,359,056
Total investments	26,850,183	25,894,051
C. Investments of unit- and index-linked life insurance	5,017,020	4,628,446
D. Reinsurers' share in underwriting provisions	1,205,482	1,117,237
E. Receivables	1,759,964	1,563,449
F. Tax receivables and advance payments out of income tax	106,560	110,806
G. Deferred tax assets	107,600	122,329
H. Other assets	368,773	376,008
I. Cash and cash equivalents	376,393	484,523
Total ASSETS	37,785,245	36,272,265

*including trading assets

CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2010

LIABILITIES AND SHAREHOLDERS' EQUITY	31.3.2010	31.12.2009
<i>in EUR '000</i>		
A. Shareholders' equity		
I. Share capital	132,887	132,887
II. Other capital reserves	2,109,003	2,109,003
III. Capital reserves from additional payments on hybrid capital	495,602	495,602
IV. Retained earnings	1,574,867	1,478,447
V. Other reserves	241,343	123,341
VI. Minority interests	298,648	289,293
Total shareholders' equity	4,852,350	4,628,573
B. Subordinated liabilities	545,597	545,349
C. Underwriting provisions		
I. Provision for unearned premiums	1,478,538	1,120,066
II. Mathematical reserve	17,557,451	17,347,996
III. Provision for outstanding claims	3,614,211	3,471,984
IV. Provision for premium refunds not dependent on profit	54,160	54,150
V. Provision for profit dependent premium refunds	824,807	559,140
VI. Other underwriting provisions	32,332	24,921
Total underwriting provisions	23,561,499	22,578,257
D. Underwriting provisions of unit- and index-linked life insurance	4,800,388	4,376,160
E. Non-underwriting provisions		
I. Provisions for pensions and similar obligations	297,859	298,402
II. Other provisions	248,952	286,499
Total non-underwriting provisions	546,811	584,901
F. Liabilities	2,965,096	3,052,245
G. Tax liabilities out of income tax	116,142	112,351
H. Deferred tax liabilities	166,496	160,035
I. Other liabilities	230,866	234,394
Total LIABILITIES AND SHAREHOLDERS' EQUITY	37,785,245	36,272,265

CONSOLIDATED SHAREHOLDERS' EQUITY

Change in consolidated shareholders' equity in financial years 2010 and 2009

	Share capital	Other capital reserves	Capital reserves from additional payments on hybrid capital	Retained earnings	Other reserves	Sub-total	Minority interests	Shareholders' equity
<i>in EUR '000</i>								
As of 1 January 2009	132,887	2,109,003	245,602	1,423,144	-38,763	3,871,873	266,917	4,138,790
Changes in scope of consolidation/ ownership interests	0	0	0	2,564	0	2,564	5,216	7,780
Capital increase				0	0	0	0	0
Total profit of the period incl. other comprehensive income after taxes	0	0	0	94,752	-67,719	27,033	2,731	29,764
Dividend payment	0	0	0	0	0	0	-640	-640
As of 31 March 2009	132,887	2,109,003	245,602	1,520,460	-174,201	3,901,470	274,224	4,175,694
As of 1 January 2010	132,887	2,109,003	495,602	1,478,447	123,341	4,339,280	289,293	4,628,573
Changes in scope of consolidation/ ownership interests	0	0	0	-4,798	0	-4,798	-1,081	-5,879
Capital increase	0	0	0	0	0	0	0	0
Total profit of the period incl. other comprehensive income after taxes	0	0	0	101,218	118,002	219,220	11,096	230,316
Dividend payment	0	0	0	0	0	0	-660	-660
As of 31 March 2010	132,887	2,109,003	495,602	1,574,867	359,345	4,553,702	298,648	4,852,350

The above subtotal equals the equity attributable to shareholders and other capital providers of the parent company.

CONSOLIDATED INCOME STATEMENT

	1.1.-31.3.2010	1.1.-31.3.2009
for the period from 1 January 2010 to 31 March 2010 (including comparative period)		
in EUR '000		
Premiums		
Premiums written - gross	2,530,951	2,345,431
Premiums written - reinsurers' share	-264,272	-300,604
Premiums written - retention	2,266,679	2,044,827
Change in unearned premium - Gross	-303,092	-352,236
Change in unearned premium - Reinsurers' share	83,578	105,658
Net earned premiums	2,047,165	1,798,249
Financial result excluding at equity consolidated companies		
Income from investments	413,373	511,293
Expenses for investments and interest expenses	-103,214	-273,242
Total financial result excluding at equity consolidated companies	310,159	238,051
Result from shares in at equity consolidated companies	205	102
Other income	32,418	41,207
Expenses for claims and insurance benefits		
Expenses for claims and insurance benefits - gross	-1,841,568	-1,571,712
Expenses for claims and insurance benefits - reinsurers' share	113,724	98,650
Total expenses for claims and insurance benefits	-1,727,844	-1,473,062
Operating expenses	-447,574	-409,905
Other expenses	-81,094	-73,822
Profit before taxes	133,435	120,820
Tax expense	-24,172	-21,801
Profit of the period	109,263	99,019
<i>thereof attributable to shareholders of VIENNA INSURANCE GROUP</i>	<i>101,218</i>	<i>94,752</i>
<i>thereof minority interests in net profit of the period</i>	<i>8,045</i>	<i>4,267</i>
Earnings per share (annualised)		
Undiluted = diluted earnings per share (in EUR)	3.16	2.96

OTHER COMPREHENSIVE INCOME

	31.3.2010	31.3.2009
in EUR '000		
Profit of the period	109,263	99,019
+/- Exchange rate changes through equity	36,714	-40,170
+/- Unrealised gains and losses from financial instruments available for sale	71,404	-24,639
Taxes on other comprehensive income*	12,935	-4,446
Other comprehensive income after taxes	230,316	29,764
thereof attributable to shareholders of VIENNA INSURANCE GROUP	219,220	27,033
thereof minority interests	11,096	2,731

*The taxes result exclusively from Unrealised gains and losses on financial instruments available for sale.

CONSOLIDATED CASH FLOW STATEMENT

for the period from 1 January 2010 to 31 March 2010
(including comparative period)

1.1.-31.3.2010

1.1.-31.3.2009

in EUR '000

	1.1.-31.3.2010	1.1.-31.3.2009
Profit of the period	109,263	99,019
Change in underwriting provisions net	947,336	225,154
Change in underwriting receivables and liabilities	-363,243	-302,003
Change in deposit receivables and liabilities, as well as in reinsurance receivables and liabilities	26,108	137,810
Change in other receivables and liabilities	54,608	48,626
Changes in securities held for trading	56,172	99,999
Gains/losses from disposal of investments	-60,285	-50,465
Depreciation/appreciation of all other investments	31,243	93,250
Change in pension, severance and other personnel provisions	-582	-45,253
Change in deferred tax assets/liabilities	-3,936	30,033
Change in other balance sheet items	-32,789	-251,650
Change in intangible assets	-4,071	4,482
Other cash neutral income and expenses, and adjustments to the result for the period	-151,748	491,404
Cash flow from operating activities	608,076	580,406
Cash inflow from the sale of fully and at equity consolidated companies	13,786	955
Payments for the acquisition of fully and at equity consolidated companies	-25,027	-409,666
Cash inflow from the sale of financial instruments available for sale	701,963	906,672
Payments for the acquisition of financial instruments available for sale	-1,048,901	-1,183,829
Cash inflow from the sale of financial instruments held to maturity	90,801	126,810
Payments for the acquisition of financial instruments held to maturity	-114,380	-154,717
Cash inflow from the sale of land and buildings	82,959	2,451
Payments for the acquisition of land and buildings	-31,985	-40,859
Change in unit- and index-linked life insurance items	-211,579	-231,662
Change in other investments	-169,509	298,296
Cash flow from investing activities	-711,872	-685,549
Capital increase incl. hybrid capital	0	0
Minority interest in capital increase	0	0
Decrease/increase subordinated liabilities	248	174
Dividend payments	-660	-640
Cash in- and outflow from other financing activities	1,222	27,077
Cash flow from financing activities	810	26,611
Change in cash and cash equivalents	-102,986	-78,532
Cash and cash equivalents at the beginning of the period	484,523	619,327
Change in cash and cash equivalents	-102,986	-78,532
Change in scope of consolidation	61	10,637
Foreign currency exchange differences in cash and cash equivalents	-5,205	4,596
Cash and cash equivalents at the end of the period	376,393	556,028
<i>thereof non-profit housing societies</i>	<i>61,722</i>	<i>63,782</i>
Additional information		
Received interest	199,777	196,935
Received dividends	27,672	79,290
Interest paid	20,559	22,623
Income taxes paid	7,491	4,596

SEGMENT REPORTING

CONSOLIDATED BALANCE SHEET BY LINES OF BUSINESS

ASSETS	Property/Casualty		Life		Health		Total	
	31.3.2010	31.12.2009	31.3.2010	31.12.2009	31.3.2010	31.12.2009	31.3.2010	31.12.2009
in EUR '000								
A. Intangible assets	1,049,485	1,035,067	942,563	939,146	1,222	1,203	1,993,270	1,975,416
B. Investments	4,423,171	4,133,395	21,468,919	20,883,643	958,093	877,013	26,850,183	25,894,051
C. Investments of unit- and index-linked life insurance	0	0	5,017,020	4,628,446	0	0	5,017,020	4,628,446
D. Reinsurers' share in underwriting provisions	1,077,304	990,317	126,838	125,586	1,340	1,334	1,205,482	1,117,237
E. Receivables	1,203,440	1,028,377	531,227	510,987	25,297	24,085	1,759,964	1,563,449
F. Tax receivables and advance payments out of income tax	89,830	95,581	16,677	15,185	53	40	106,560	110,806
H. Other assets	191,244	195,825	172,172	174,757	5,357	5,426	368,773	376,008
I. Cash and cash equivalents	112,072	114,068	259,793	366,470	4,528	3,985	376,393	484,523
Subtotal	8,146,546	7,592,630	28,535,209	27,644,220	995,890	913,086	37,677,645	36,149,936
Deferred tax assets							107,600	122,329
Total ASSETS							37,785,245	36,272,265

LIABILITIES AND SHAREHOLDERS' EQUITY	Property/Casualty		Life		Health		Total	
	31.3.2010	31.12.2009	31.3.2010	31.12.2009	31.3.2010	31.12.2009	31.3.2010	31.12.2009
in EUR '000								
B. Subordinated liabilities	164,381	263,987	381,216	281,362	0	0	545,597	545,349
C. Underwriting provisions	4,752,811	4,271,345	17,935,568	17,454,165	873,120	852,747	23,561,499	22,578,257
D. Underwriting provisions of unit- and index-linked life insurance	0	0	4,800,388	4,376,160	0	0	4,800,388	4,376,160
E. Non-underwriting provisions	274,010	311,281	236,146	237,239	36,655	36,381	546,811	584,901
F. Liabilities	746,061	693,196	2,097,282	2,237,093	121,753	121,956	2,965,096	3,052,245
G. Tax liabilities out of income tax	80,049	77,734	29,669	28,193	6,424	6,424	116,142	112,351
I. Other liabilities	52,347	51,028	178,419	183,080	100	286	230,866	234,394
Subtotal	6,069,659	5,668,571	25,658,688	24,797,292	1,038,052	1,017,794	32,766,399	31,483,657
Deferred tax liabilities							166,496	160,035
Shareholders' equity							4,852,350	4,628,573
Total LIABILITIES AND SHAREHOLDERS' EQUITY							37,785,245	36,272,265

The amounts indicated for each business segment have been adjusted for internal segment transactions. As a result, the asset and liability balances cannot be used to infer the shareholders' equity allocated to each area of operations.

SEGMENT REPORTING

CONSOLIDATED INCOME STATEMENT BY LINES OF BUSINESS AND REGIONS

BUSINESS LINES	Property/Casualty		Life		Health		Total	
	1.1.-31.3.10	1.1.-31.3.09	1.1.-31.3.10	1.1.-31.3.09	1.1.-31.3.10	1.1.-31.3.09	1.1.-31.3.10	1.1.-31.3.09
in EUR '000								
Premiums written - gross	1,384,074	1,372,263	1,062,099	889,262	84,778	83,906	2,530,951	2,345,431
Net earned premiums	918,411	848,236	1,047,437	869,725	81,317	80,288	2,047,165	1,798,249
Financial result excluding at equity consolidated companies	66,927	52,344	238,502	186,163	4,730	-456	310,159	238,051
Result from shares in at equity consolidated companies	643	677	-438	352	0	-927	205	102
Other income	8,599	26,016	23,817	15,190	2	1	32,418	41,207
Expenses for claims and insurance benefits	-599,825	-559,654	-1,060,877	-847,795	-67,142	-65,613	-1,727,844	-1,473,062
Operating expenses	-265,067	-239,690	-173,265	-161,443	-9,242	-8,772	-447,574	-409,905
Other expenses	-43,343	-46,220	-37,607	-27,472	-144	-130	-81,094	-73,822
Profit before taxes	86,345	81,709	37,569	34,720	9,521	4,391	133,435	120,820

REGIONS	Austria		Czech Republic		Slovakia		Poland	
	1.1.-31.3.10	1.1.-31.3.09	1.1.-31.3.10	1.1.-31.3.09	1.1.-31.3.10	1.1.-31.3.09	1.1.-31.3.10	1.1.-31.3.09
in EUR '000								
Premiums written - gross	1,301,110	1,244,615	454,459	404,466	181,765	186,233	176,719	143,088
Net earned premiums	980,675	934,110	392,636	320,570	147,652	139,617	157,052	131,908
Financial result excluding at equity consolidated companies	232,945	168,010	28,561	13,304	10,832	8,760	16,498	6,563
Result from shares in at equity consolidated companies	-303	-505	508	607	0	0	0	0
Other income	2,531	2,407	3,571	6,333	1,075	1,426	1,235	1,193
Expenses for claims and insurance benefits	-970,359	-851,676	-277,015	-212,139	-114,212	-108,807	-96,504	-79,685
Operating expenses	-166,878	-163,986	-98,664	-87,468	-25,058	-26,517	-68,678	-50,140
Other expenses	-8,325	-11,100	-18,131	-17,002	-10,199	-9,568	-2,434	-3,550
Profit before taxes	70,286	77,260	31,466	24,205	10,090	4,911	7,169	6,289

	Romania		Other CEE markets		Other markets		Total	
	1.1.-31.3.10	1.1.-31.3.09	1.1.-31.3.10	1.1.-31.3.09	1.1.-31.3.10	1.1.-31.3.09	1.1.-31.3.10	1.1.-31.3.09
in EUR '000								
Premiums written - gross	147,398	167,826	151,285	157,193	118,215	42,010	2,530,951	2,345,431
Net earned premiums	135,180	129,122	119,301	111,021	114,669	31,901	2,047,165	1,798,249
Financial result excluding at equity consolidated companies	4,882	17,459	12,365	19,400	4,076	4,555	310,159	238,051
Result from shares in at equity consolidated companies	0	0	0	0	0	0	205	102
Other income	4,207	15,962	2,445	3,180	17,354	10,706	32,418	41,207
Expenses for claims and insurance benefits	-89,798	-112,515	-81,380	-85,329	-98,576	-22,911	-1,727,844	-1,473,062
Operating expenses	-38,287	-39,996	-42,113	-36,445	-7,896	-5,353	-447,574	-409,905
Other expenses	-8,772	-3,756	-7,819	-14,371	-25,414	-14,475	-81,094	-73,822
Profit before taxes	7,412	6,276	2,799	-2,544	4,213	4,423	133,435	120,820

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 MARCH 2010

Summary of Significant Accounting Policies

The consolidated financial statements for the 1st quarter of 2010 were prepared in accordance with International Financial Reporting Standards (IFRS), and are in compliance with IAS 34 "Interim Financial Reporting".

Disclosures on seasonal and economic influences

Within the Vienna Insurance Group, seasonal fluctuations mainly take place in the areas of premiums, losses and financial result. Due to the large number of policies beginning in January, the 1st quarter is also normally the strongest quarter of the year in terms of premiums. In terms of losses, the 1st quarter (or 1st half) also normally shows a higher level of charges, mainly due to adverse environmental influences (snow, snow-melt, storms, floods). With respect to the financial result, the majority of dividend payments occur in the 2nd quarter, while many investment funds make distributions in the 4th quarter.

Estimates

Preparation of IFRS consolidated interim financial statements requires that discretionary assessments and assumptions be made about the future development of the Company that could have a material effect on the recognition and value of assets and liabilities, and on income and expenses during the financial year. The estimates relate in particular to the underwriting provisions. No material changes were made to the system used to calculate these estimates during the reporting period under review.

Related party transactions

These mainly concern minor reinsurance relationships between companies in the Group, financing at market terms, chiefly in the real estate area, and intercompany charges. These transactions have no material effect on the performance of the Company. No loans or guarantees were granted to the members of the Management Board or Supervisory Board during the reporting period.

Disclosures on changes in the scope of consolidation

PZM Towarzystwo Ubezpieczeń S.A. Vienna Insurance Group was fully consolidated in the Vienna Insurance Group reporting entity for the first time as of the 1st quarter of 2010. The companies Sigma Vienna Insurance Group Sh.A., Tirana, WINNER Vienna Insurance Group, Skopje, and "WIENER RE" akcionarsko društvo za reosiguranje were fully consolidated for the first time in the 2nd quarter of 2009 and CAME Holding GmbH, Vienna, was fully consolidated for the first time in the 3rd quarter of 2009.

The insurance portfolio of BULGARSKI IMOTI LIFE Insurance Company AD, which was deconsolidated as of 1 January 2010, was transferred to BULSTRAD LIFE VIENNA INSURANCE GROUP Joint Stock Company at the end of 2009.

Omniasig Asigurari de Viata SA was deconsolidated in the 1st quarter of 2010, since the requirements for control were no longer present, and DVS Donau-Versicherung Vermittlungs- und Service-Gesellschaft m.b.H., Vienna, was deconsolidated in the 3rd quarter of 2009.

DVS Donau-Versicherung Vermittlungs- und Service-Gesellschaft m.b.H., Vienna, which was previously included in the consolidated financial statements, was split in financial year 2009. The part material from the perspective of the Group was transferred to the newly established company CAME Holding GmbH, Vienna.

KONTINUITA poisťovňa, a.s. Vienna Insurance Group, Bratislava, was merged into KOMUNÁLNA poisťovňa, a.s. Vienna Insurance Group, Bratislava, in the second half of 2009.

Type and scale of transactions unusual in terms of type, amount or frequency

Losses due to snow loading in 2010 were considerably higher than the previous year in Poland and the Czech Republic. In total, net losses from snow loading were around EUR 16 million for the Group.

Changes in contingent liabilities and claims

There were no changes in this area during the reporting period just ended relative to the 1st quarter of 2009.

INFORMATION RELATING TO THE CONSOLIDATED INCOME STATEMENT

PREMIUMS WRITTEN

Property/Casualty insurance	Gross	Gross
	1.1.-31.3.2010	1.1.-31.3.2009
<i>in EUR '000</i>		
Direct business		
Fire and fire business interruption insurance	188,282	207,999
Household insurance	64,349	60,269
Other non-life insurances	145,520	147,667
Motor liability insurance	377,982	372,688
Other motor vehicle insurance	262,681	269,340
Casualty insurance	84,442	78,980
Liability insurance	134,248	123,926
Legal expenses insurance	14,055	13,733
Marine, aviation and transport insurance	23,863	22,437
Credit and guarantee insurance	4,531	5,263
Other insurance	68,786	59,838
Subtotal	1,368,739	1,362,140
Indirect business		
Marine, aviation and transport insurance	537	15
Other insurance	14,798	10,108
Subtotal	15,335	10,123
Total premiums written in Property/Casualty	1,384,074	1,372,263

Direct business life insurance	1.1.-31.3.2010	1.1.-31.3.2009
<i>in EUR '000</i>		
Regular premiums	566,611	571,326
Single premium policies	491,291	317,899
Total premiums written direct in Life	1,057,902	889,225
<i>thereof:</i>	<i>1,057,902</i>	<i>889,225</i>
Policies with profit participation	549,536	471,945
Policies without profit participation	77,145	87,778
Unit- and index-linked policies	431,221	329,502
<i>thereof:</i>	<i>1,057,902</i>	<i>889,225</i>
Individual insurance	1,002,478	835,060
Group insurance	55,424	54,165

FINANCIAL RESULT

Composition: Income	Property/Casualty		Life		Health		Total	
	1.1.-31.3.10	1.1.-31.3.09	1.1.-31.3.10	1.1.-31.3.09	1.1.-31.3.10	1.1.-31.3.09	1.1.-31.3.10	1.1.-31.3.09
in EUR '000								
Current income	41,921	41,907	256,978	278,479	9,636	11,320	308,535	331,706
Income from appreciations	6,207	2,299	25,383	22,664	206	6,055	31,796	31,018
Income from the disposal of investments	39,468	31,068	32,036	110,524	1,538	6,977	73,042	148,569
Total	87,596	75,274	314,397	411,667	11,380	24,352	413,373	511,293

Composition: Expenses	Property/Casualty		Life		Health		Total	
	1.1.-31.3.10	1.1.-31.3.09	1.1.-31.3.10	1.1.-31.3.09	1.1.-31.3.10	1.1.-31.3.09	1.1.-31.3.10	1.1.-31.3.09
in EUR '000								
Depreciation of investments	4,606	9,761	25,263	61,514	1,097	867	30,966	72,142
Impairment of investments	2,892	8,592	4,140	57,862	2,605	4,058	9,637	70,512
Exchange rate changes	12	-5,957	-1,134	-7,545	4	1	-1,118	-13,501
Loss from disposal of investments	3,105	2,750	8,943	73,460	359	17,338	12,407	93,548
Interest expenses	6,405	5,770	18,877	19,670	1,529	1,731	26,811	27,171
Other expenses	3,649	2,014	19,806	20,543	1,056	813	24,511	23,370
Total	20,669	22,930	75,895	225,504	6,650	24,808	103,214	273,242

EARNINGS PER SHARE

	1.1.-31.3.2010		1.1.-31.3.2009	
Profit of the period	EUR '000	109,263	EUR '000	99,019
Net profit of the period less minority interests	EUR '000	101,218	EUR '000	94,752
Number of shares	units	128,000,000	units	128,000,000
Earnings per share (annualised)	EUR	3.16	EUR	2.96

EXPENSES FOR CLAIMS AND INSURANCE BENEFITS

Composition	Gross		Reinsurers' share		Retention	
	1.1.-31.3.10	1.1.-31.3.09	1.1.-31.3.10	1.1.-31.3.09	1.1.-31.3.10	1.1.-31.3.09
in EUR '000						
Property/Casualty insurance						
Expenses for claims and insurance benefits						
Payments for claims and insurance benefits	652,513	629,761	-112,446	-118,702	540,067	511,059
Changes in provision for outstanding claims	40,652	9,317	5,662	32,542	46,314	41,859
Subtotal	693,165	639,078	-106,784	-86,160	586,381	552,918
Change in mathematical reserve	4	1	-1	0	3	1
Change in other underwriting provisions	7,275	663	-809	123	6,466	786
Expenses for premium refunds not dependent on profit	6,988	6,321	-13	-372	6,975	5,949
Total expenses	707,432	646,063	-107,607	-86,409	599,825	559,654
Life insurance						
Expenses for claims and insurance benefits						
Payments for claims and insurance benefits	616,455	702,439	-5,372	-6,748	611,083	695,691
Changes in provision for outstanding claims	13,540	10,815	-917	-1,083	12,623	9,732
Subtotal	629,995	713,254	-6,289	-7,831	623,706	705,423
Change in mathematical reserve	362,816	158,001	-508	-4,311	362,308	153,690
Change in other underwriting provisions	-501	-265	-20	17	-521	-248
Expenses for premium refunds dependent on and not dependent on profit	75,384	-11,070	0	0	75,384	-11,070
Total expenses	1,067,694	859,920	-6,817	-12,125	1,060,877	847,795
Health insurance						
Expenses for claims and insurance benefits						
Payments for claims and insurance benefits	49,334	52,470	705	-69	50,039	52,401
Changes in provision for outstanding claims	2,047	287	3	-6	2,050	281
Subtotal	51,381	52,757	708	-75	52,089	52,682
Change in mathematical reserve	11,978	9,972	-8	-41	11,970	9,931
Change in other underwriting provisions	0	0	0	0	0	0
Expenses for premium refunds not dependent on profit	3,083	3,000	0	0	3,083	3,000
Total expenses	66,442	65,729	700	-116	67,142	65,613
TOTAL	1,841,568	1,571,712	-113,724	-98,650	1,727,844	1,473,062

OTHER INFORMATION

Employee statistics	31.3.2010	31.12.2009
Austria	6,233	6,368
Field staff	2,890	2,965
Office employees	3,343	3,403
Outside Austria	17,544	18,018
Field staff	9,723	10,101
Office employees	7,821	7,917
Total	23,777	24,386

DECLARATION BY THE MANAGING BOARD

The Managing Board hereby declares that the interim report, prepared in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the EU, gives a true and fair view of the net assets, financial position and results of operations of VIENNA INSURANCE GROUP Wiener Städtische Versicherung AG and all companies included in the consolidation. The Board further declares that the interim management

report presents the course of business and the business results in such a way as to yield as true a presentation as possible of the assets, financial position and operating results of VIENNA INSURANCE GROUP Wiener Städtische Versicherung AG as well as of the companies included in the scope of consolidation. The interim report was not audited or reviewed by an auditor.

Managing Board of the Group:



Günter Geyer



Peter Hagen



Robert Lasshofer



Martin Simhandl



Martin Diviš



Christine Dornaus



Franz Fuchs



Judit Havasi



Peter Höfinger



Erich Leib

Vienna, 3 May 2010

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ADDRESS

VIENNA INSURANCE GROUP
Wiener Städtische Versicherung AG
Investor Relations
Thomas Schmee
Schottenring 30
A-1010 Vienna
Phone: +43 (0) 50 350-21919
Fax: +43 (0) 50 350 99-21919
E-Mail: investor.relations@vig.com

All references in the text are to be understood as referring equally to men and women without discrimination.

In case of doubt, the German version is authoritative.

