



VIG
VIENNA INSURANCE GROUP

■ 20th Annual General Meeting



VIENNA INSURANCE GROUP AG
Wiener Versicherung Gruppe

Vienna, May 6th 2011

Business development 2010
Vienna Insurance Group

Key financials 2010

- ▶ **Premiums written totalling about EUR 8.6 billion (+7.2%) in 2010**
- ▶ **Strong profit before taxes (PBT) growth of about 15%**
→ PBT at EUR 508 million
- ▶ **Combined Ratio at 98.4%** (despite NatCat losses in CEE)
- ▶ **Excellent capitalisation of VIG**
→ exceeding capital requirements by more than double

- ▶ **Ukraine:** new VIG core market
- ▶ **Lithuania:** market entry non-life insurance
- ▶ **CEE/SEE:** 100% take-over of TBIH
- ▶ **Turkey:** increase of holding in Ray Sigorta by 10%
- ▶ **Albania:** purchase of 75% + 1 share in “Interalbanian”, a local non-life insurance company
- ▶ **Montenegro:** market entry life insurance
- ▶ **Macedonia:** market entry life insurance

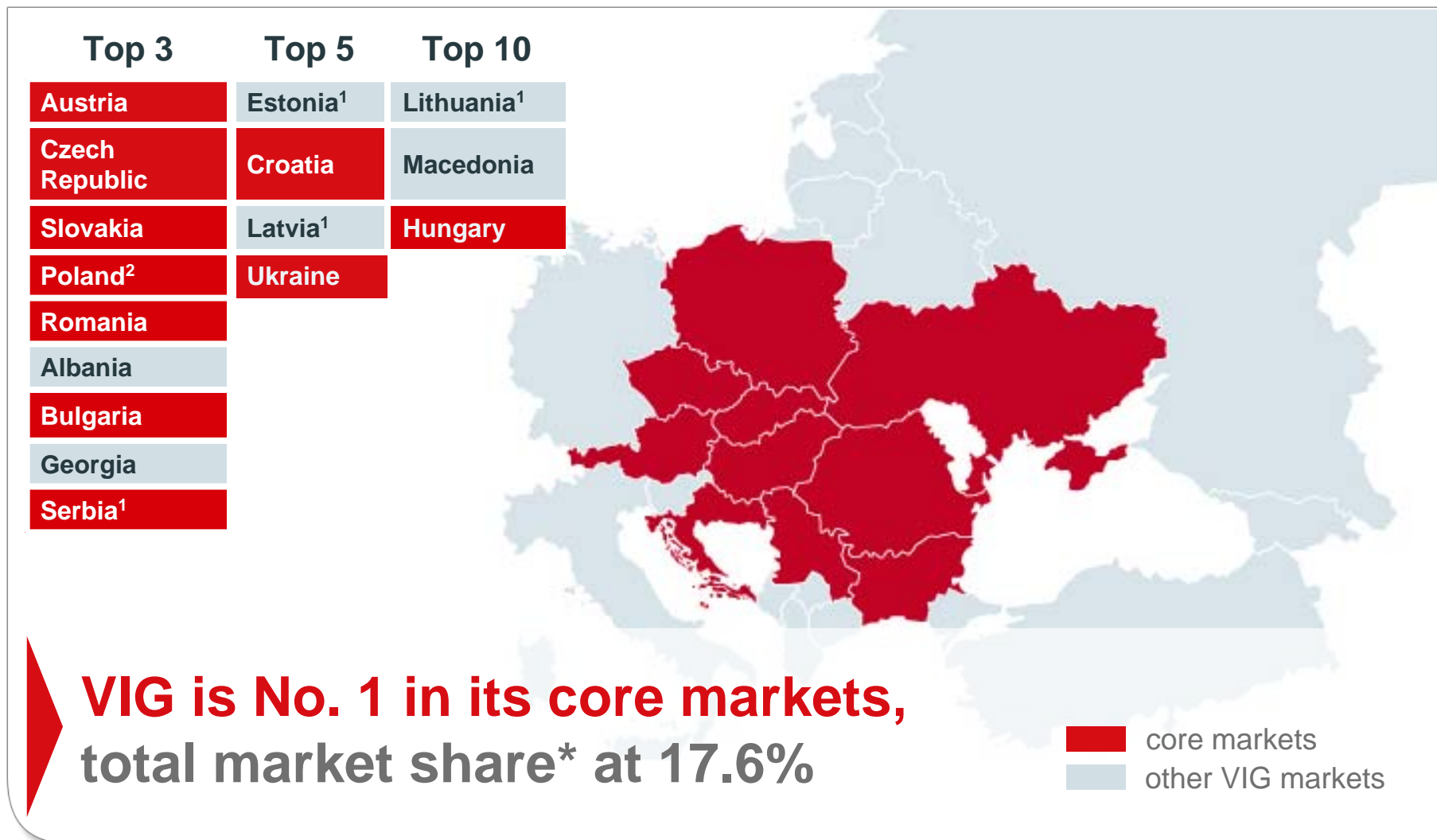


**MULTIPLE
NUMBER**

ONE

IN CEE

Leading market positions in Austria and CEE



¹ applicable to life insurance

² applicable to non-life insurance

* 1Q- 3Q 2010

Sources: public market data

Czech Republic:

- ▶ Kooperativa Prague: **ranked 4th in „Czech 100 best“**
→ ranked **best financial service firm**
- ▶ Kooperativa Prague was voted **“best insurance company of the year”** for 3rd year consecutively

Poland:

- ▶ Compensa was awarded **“Company of the 20 years 1990-2010”** by the Polish Business Club
- ▶ Benefia received **“Company of the year”** award for 2010 by the Polish Business Club

Romania:

- ▶ BCR Life 2010: **„The insurer of the year – life insurance“**

Germany:

- ▶ Interrisk: **“Asscompact Trends”** voted Interrisk **best company for casualty insurance**

**MANY
BRANDS,
ONE
GROUP**

Welcome to
the family of
VIENNA INSURANCE
GROUP AG
Wiener Versicherung
Gruppe



AUSTRIA	SLOVAKIA	BULGARIA	UKRAINE	TURKEY	ALBANIA
WIENER STÄDTISCHE VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP S-VERSICHERUNG VIENNA INSURANCE GROUP	Kooperativa VIENNA INSURANCE GROUP KOMUNÁLNA poisťovňa VIENNA INSURANCE GROUP POIŠŤOVŇA SLOVENSKEJ ŠPORTILNE VIENNA INSURANCE GROUP	BULSTRAD VIENNA INSURANCE GROUP <i>Life</i> BULSTRAD VIENNA INSURANCE GROUP БЪЛГАРСКИ ИМОТИ VIENNA INSURANCE GROUP	КНЯЖА VIENNA INSURANCE GROUP ГЛОБУС VIENNA INSURANCE GROUP ЮПИТЕР VIENNA INSURANCE GROUP УКРАЇНСЬКА СТРАХОВА ГРУПА VIENNA INSURANCE GROUP	RAYSIGORTA VIENNA INSURANCE GROUP RUSSIA МСК-Лайф VIENNA INSURANCE GROUP	SIGMA VIENNA INSURANCE GROUP interalbanian VIENNA INSURANCE GROUP
ITALY BRANCH	POLAND	CROATIA	ESTONIA	BELARUS	MACEDONIA
WIENER STÄDTISCHE VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP	COMPENSA VIENNA INSURANCE GROUP InterRisk VIENNA INSURANCE GROUP BENEFIA VIENNA INSURANCE GROUP	KVARNER VIENNA INSURANCE GROUP HELIOS VIENNA INSURANCE GROUP ERSTE OSIGURANJE VIENNA INSURANCE GROUP	COMPENSA VIENNA INSURANCE GROUP	КУПАЛА VIENNA INSURANCE GROUP	WINNER VIENNA INSURANCE GROUP <i>Life</i> WINNER VIENNA INSURANCE GROUP
SLOVENIA BRANCH	ROMANIA	HUNGARY	LATVIA	GEORGIA	MONTENEGRO
WIENER STÄDTISCHE VIENNA INSURANCE GROUP	PZM VIENNA INSURANCE GROUP OMNIASIG VIENNA INSURANCE GROUP ASIROM VIENNA INSURANCE GROUP BCR ASIGURARI VIENNA INSURANCE GROUP DE VIATA BCR ASIGURARI VIENNA INSURANCE GROUP	UNION BIZTOSÍTÓ VIENNA INSURANCE GROUP ERSTE BIZTOSÍTÓ VIENNA INSURANCE GROUP	COMPENSA VIENNA INSURANCE GROUP	GPIA VIENNA INSURANCE GROUP IRAO VIENNA INSURANCE GROUP	Život WIENER STÄDTISCHE VIENNA INSURANCE GROUP
CZECH REPUBLIC	GERMANY	LITHUANIA	LIETHTENSTEIN		
Kooperativa VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP POJIŠŤOVNA ČESKÉ ŠPORTILNY VIENNA INSURANCE GROUP VIG Re	InterRisk VIENNA INSURANCE GROUP VIENNA-LIFE VIENNA INSURANCE GROUP	COMPENSA VIENNA INSURANCE GROUP			

Premium income

Premium income

Premiums written by lines of business, IFRS

in EUR million	2010	2009	+/- in % yoy
Property/Casualty	4,350.04	4,206.75	+3.4%
Life	3,904.81	3,491.17	+11.8%
Health	338.16	321.36	+5.2%
Vienna Insurance Group	8,593.01	8,019.28	+7.2%

Premium income

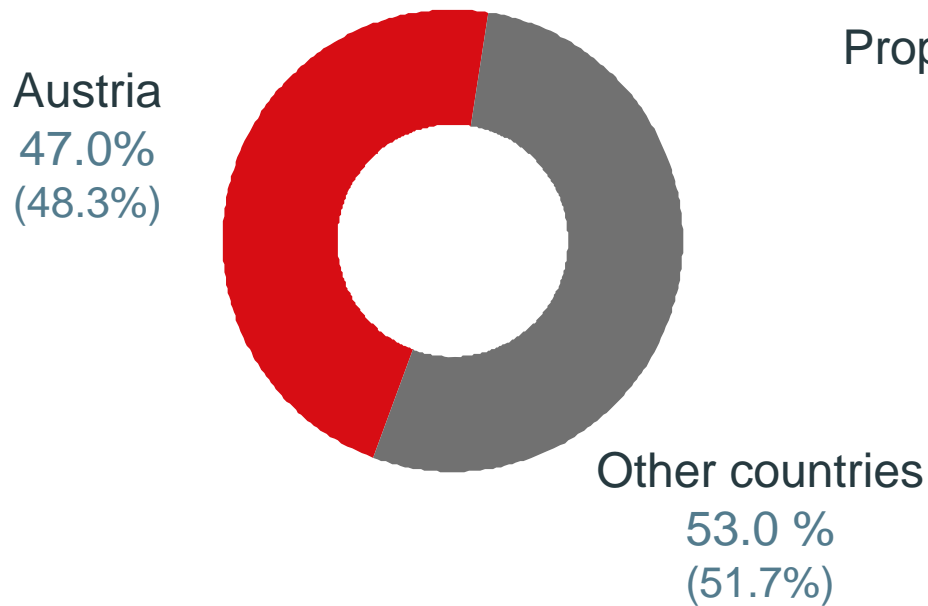
Premiums written by region, IFRS

in EUR million	2010	2009	+/- in % yoy
Austria	4,041.14	3,874.15	+4.3%
Czech Republic	1,756.54	1,603.29	+9.6%
Slovakia	647.87	628.38	+3.1%
Poland	747.69	548.26	+36.4%
Romania	528.05	606.66	-13.0%
Remaining markets*	871.72	758.54	+14.9%
Vienna Insurance Group	8,593.01	8,019.28	+7.2%

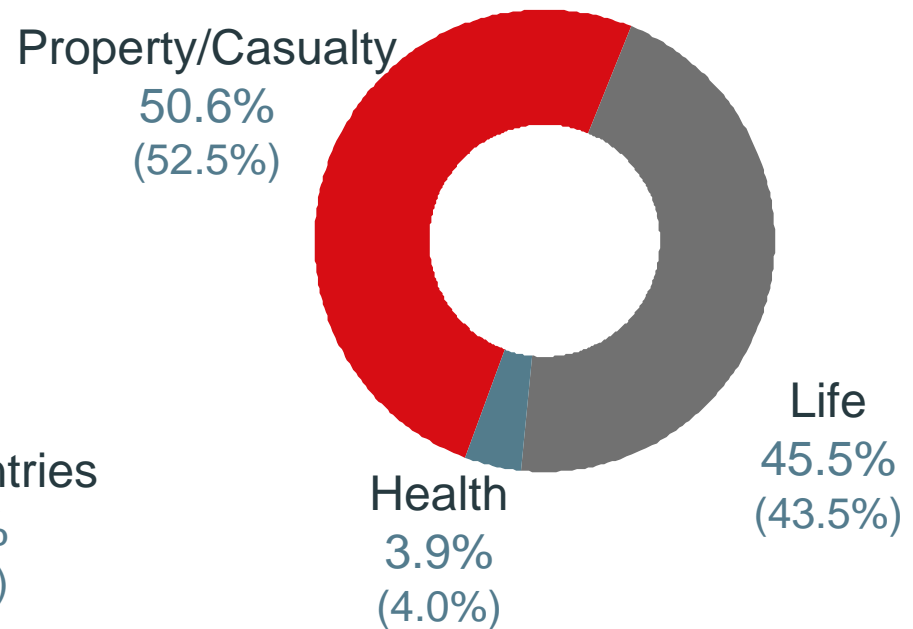
*Remaining markets include: Albania, Baltics, Bulgaria, Croatia, Georgia, Germany, Hungary, Liechtenstein, Macedonia, Serbia, Turkey and Ukraine

2010 (2009)

% share by region

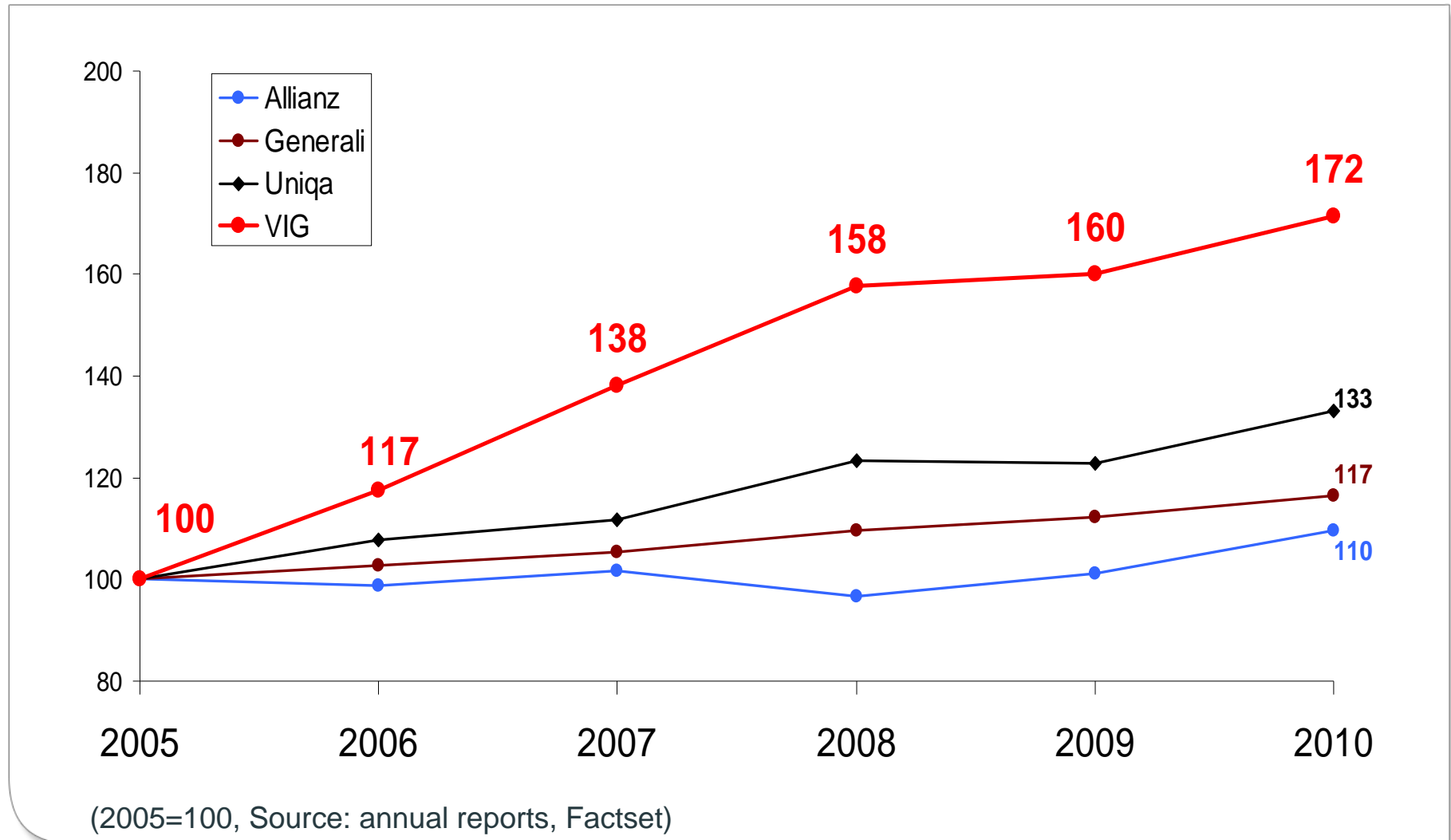


% share by line of business

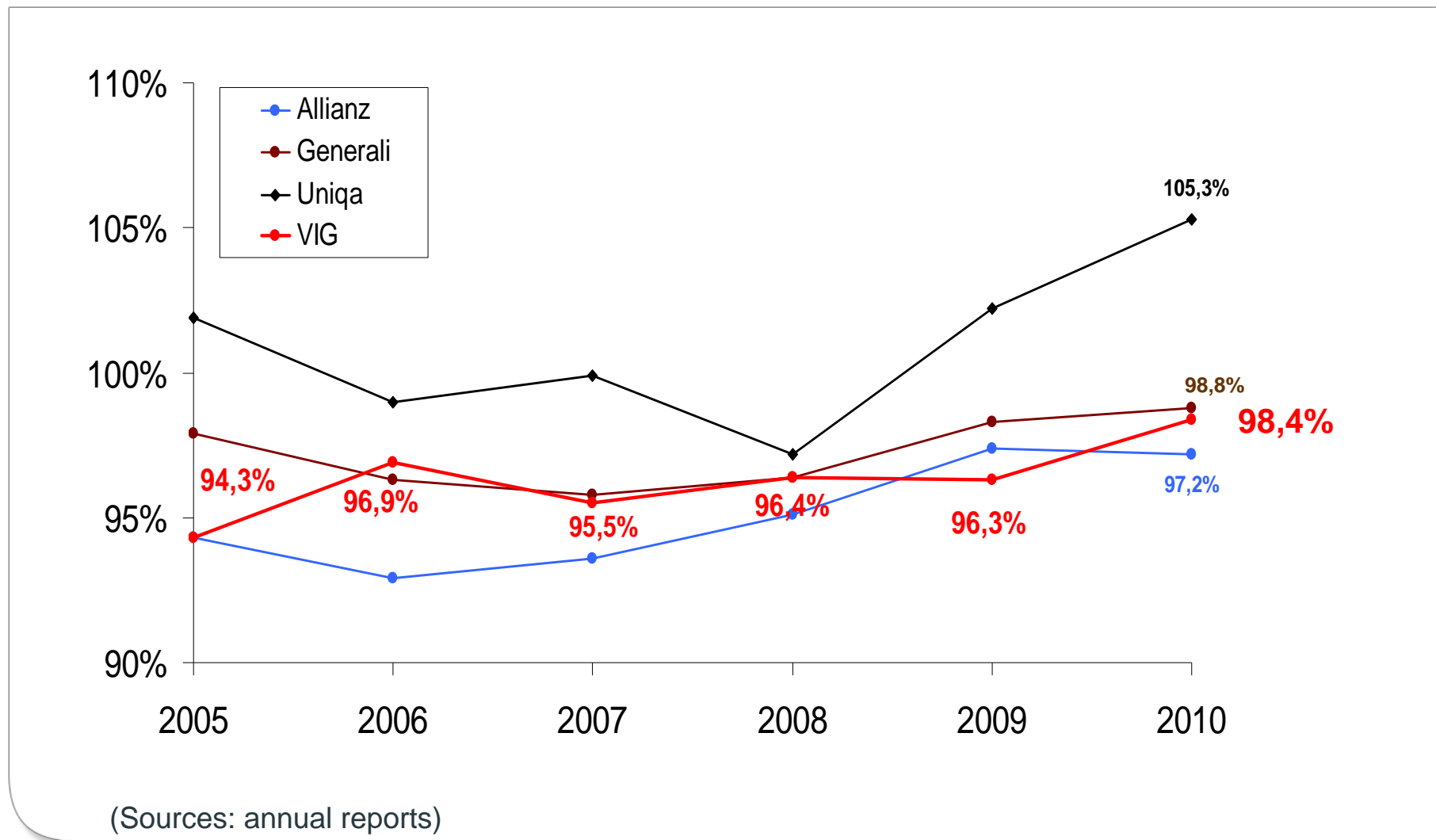


Development of premium income

Premiums written



Development of combined ratio



Country data

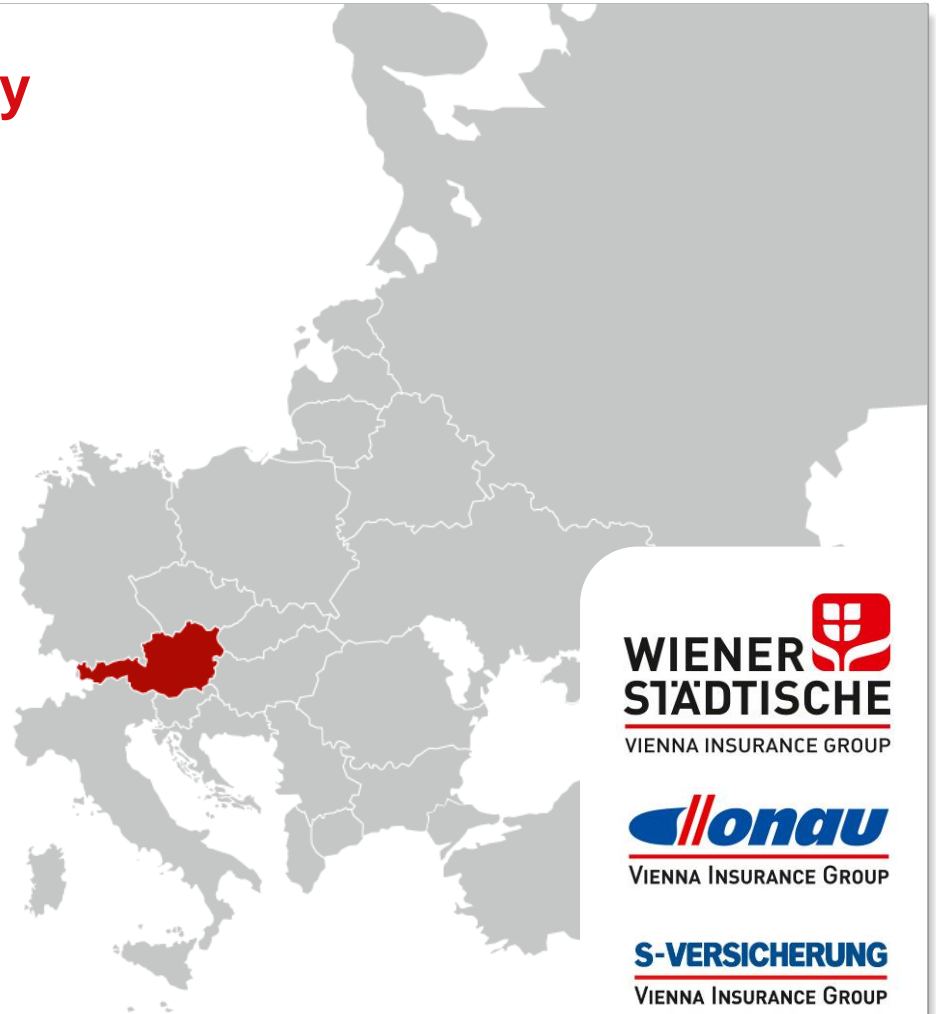
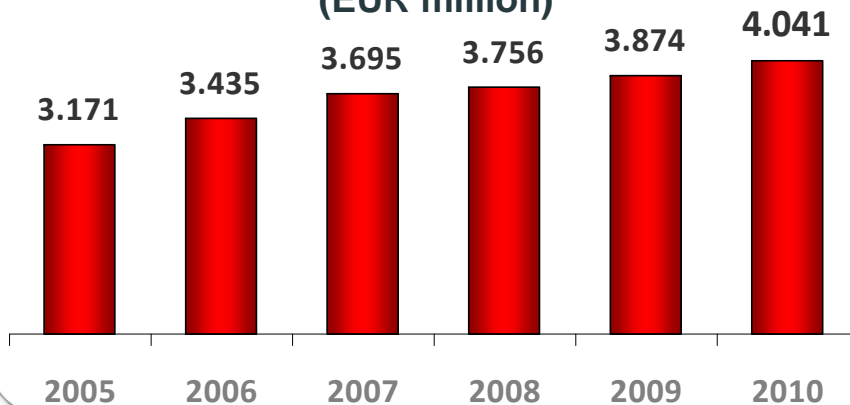
2010

▶ Market leader with steadily growing market share

Premiums written
EUR 4,041.14 million (+4.3% yoy)

Total market share 2010
24.1% (+0.7% yoy; 1st place)

Development of premiums 2005 – 2010
(EUR million)



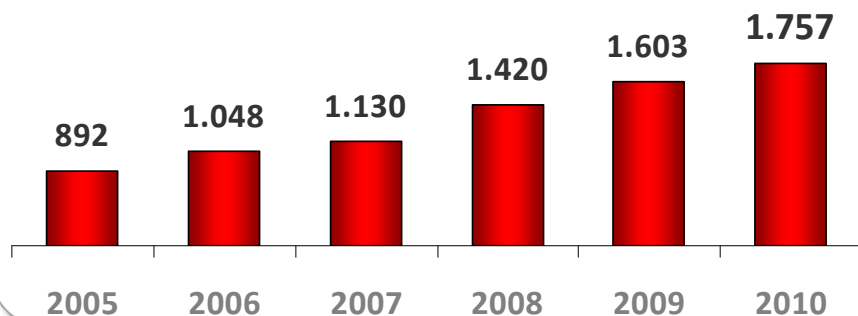
2010

▶ Market leader in life insurance segment

Premiums written
EUR 1,756.54 million (+9.6% yoy)

Total market share 2010
30.8% (2nd place)

Development of premiums 2005 – 2010
(EUR million)



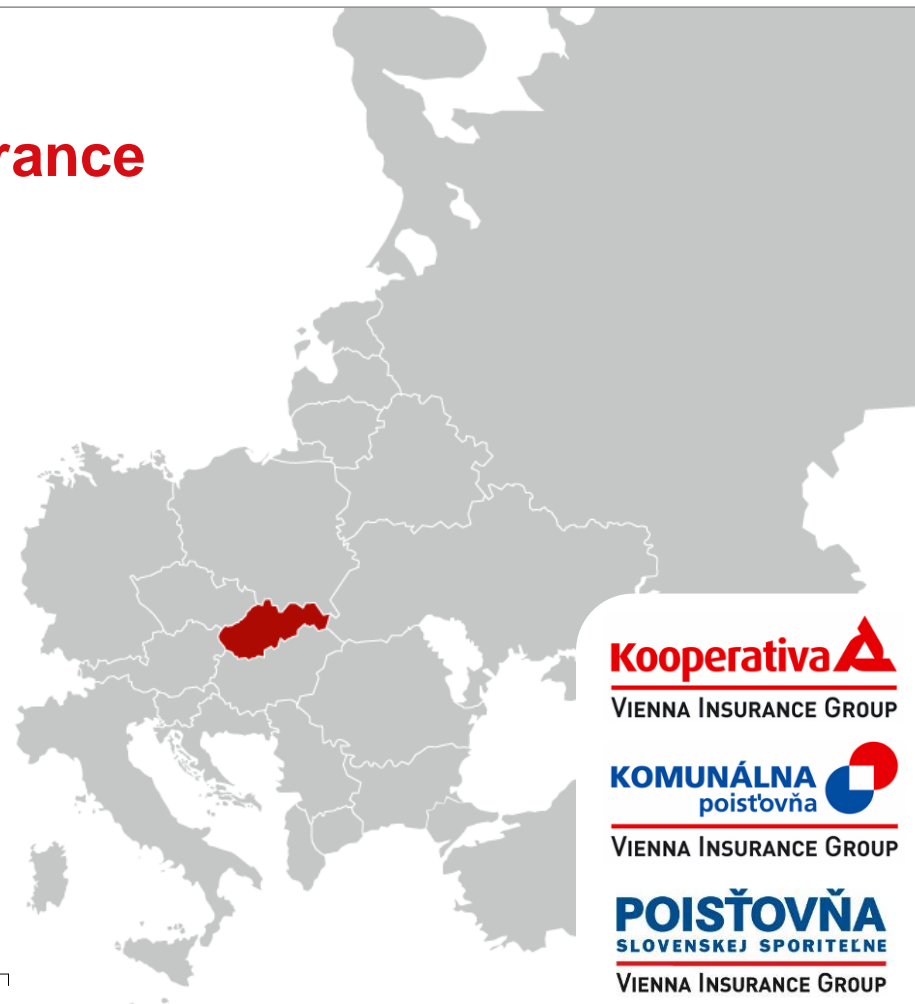
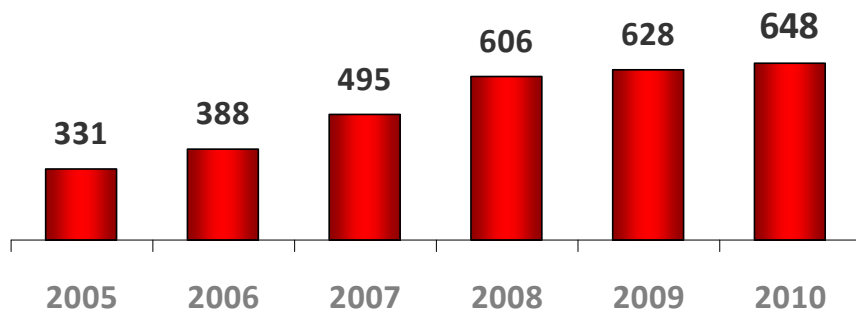
2010

- ▶ **Market leader**
- ▶ **Strong growth in life insurance segment (+2.3% yoy)**

Premiums written
EUR 647.87 million (+3.1% yoy)

Total market share 2010
31.9% (1st place)

Development of premiums 2005 – 2010
(EUR million)



2010

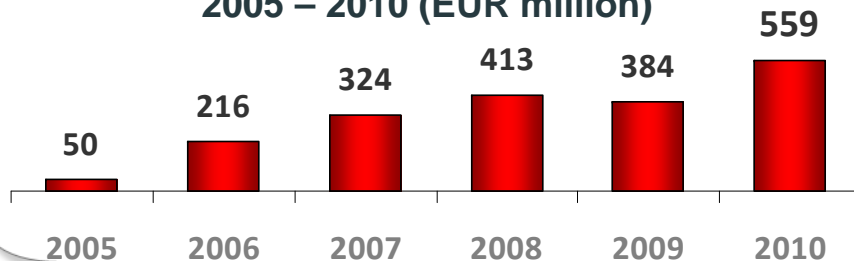
- ▶ **Strong growth in non-life insurance segment**
- ▶ **Total growth rate significantly above market average**

Premiums written
 EUR 747.69 million (+36.4% yoy)

Market share non-life 2010
 9.9% (3rd place)



Development of premiums (non-life)
 2005 – 2010 (EUR million)



2010

- ▶ **Strong profit orientation**
- ▶ **Successful development of BCR Life**
- ▶ **Significant growth of market share in life insurance segment by 4.4% yoy**

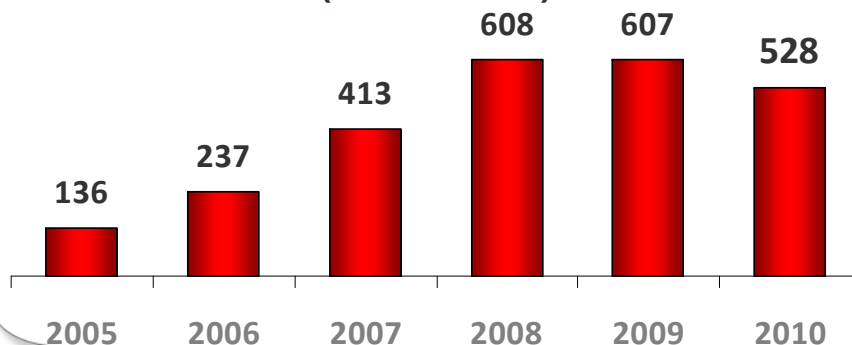
Premiums written

EUR 528.05 million (-13.0% yoy)*

Total market share 2010

28.2% (1st place)

Development of premiums 2005 – 2010
(EUR million)



* Portfolio adjustments

OMNIASIG
VIENNA INSURANCE GROUP

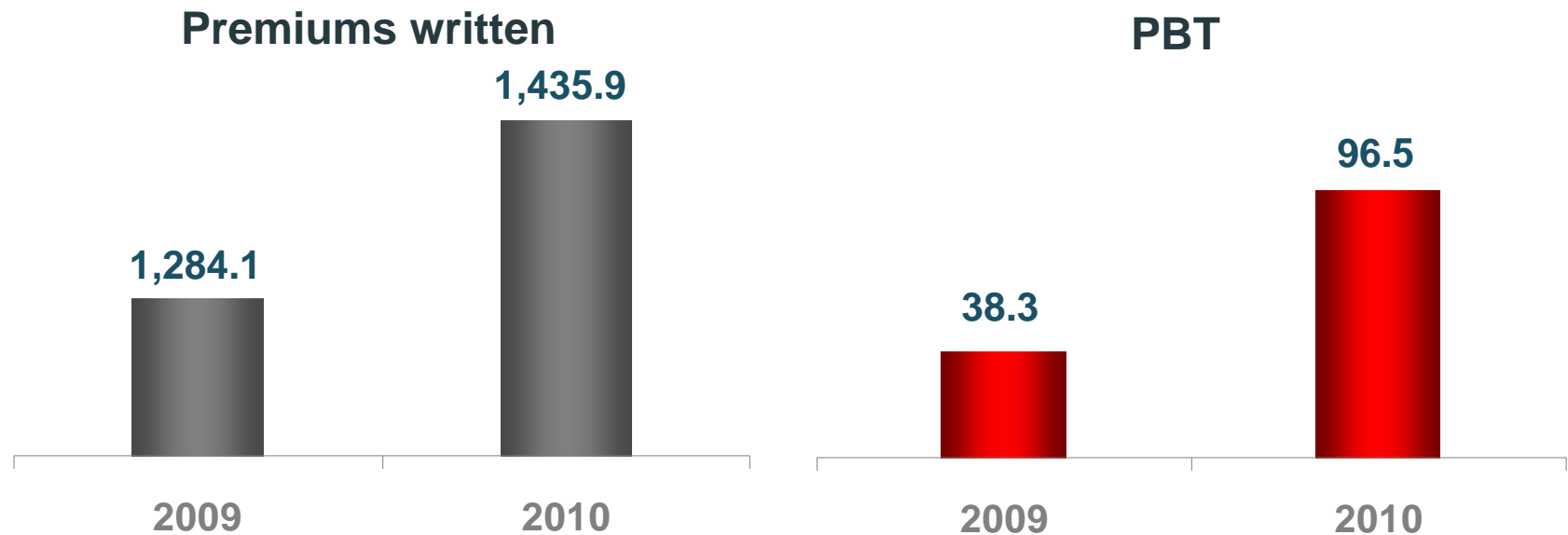
ASIROM
VIENNA INSURANCE GROUP

BCR ASIGURARI
VIENNA INSURANCE GROUP

DE VIATA BCR ASIGURARI
VIENNA INSURANCE GROUP

Premiums written / PBT; in EUR million

Strong growth of sVersicherung Group*



Life insurance fast growing line of business

* Not including BCR non-life

Consolidated profit before tax (PBT)
Vienna Insurance Group

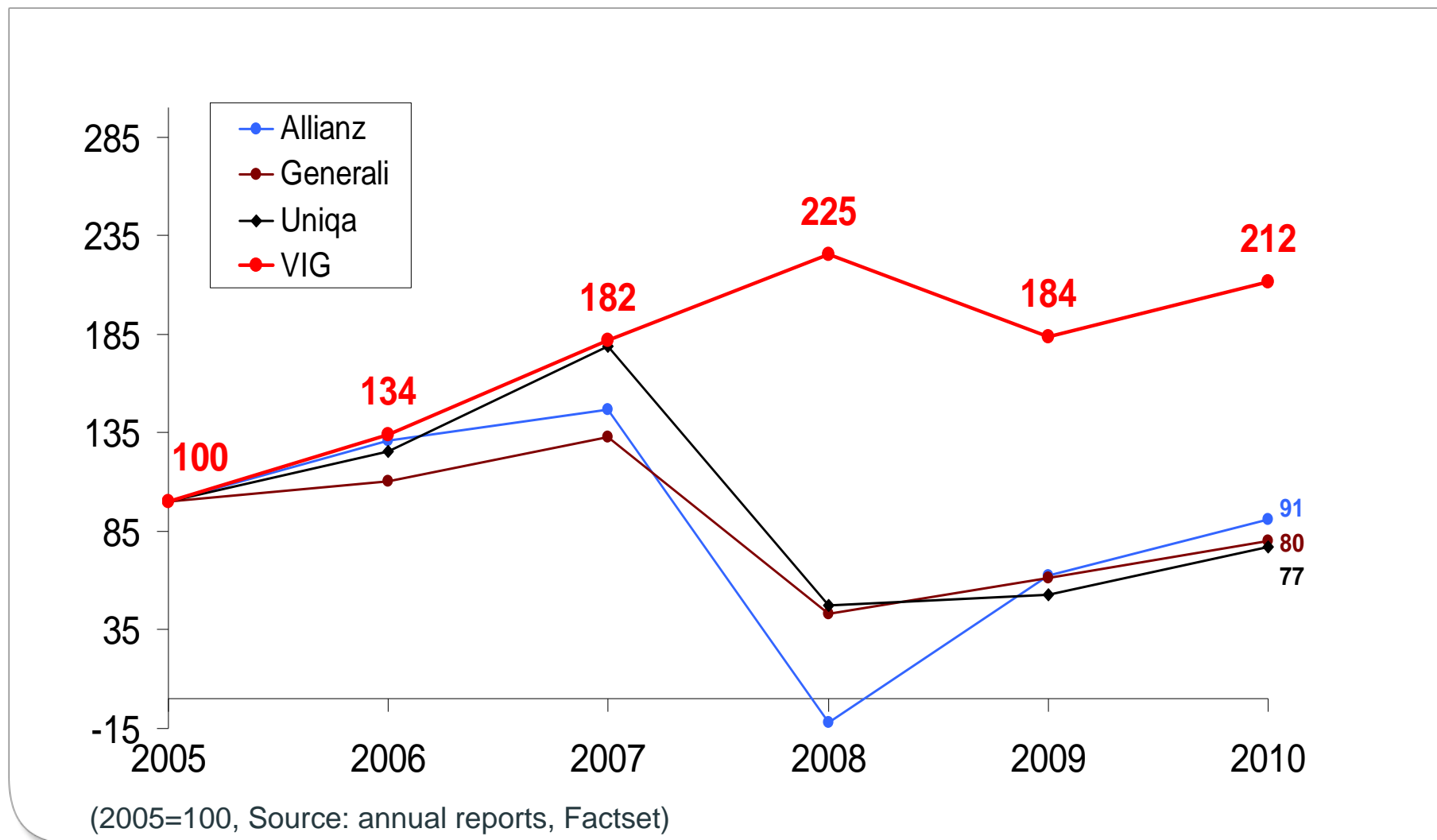
by lines of business, IFRS

in EUR million	2010	2009	+/- in % yoy
Property/Casualty	222.72	238.86	-6.8%
Life	248.46	177.77	+39.8%
Health	36.61	24.62	+48.7%
Vienna Insurance Group	507.79	441.25	+15.1%

by region, IFRS

in EUR million	2010	2009	+/- in % yoy
Austria	250.88	247.49	+1.4%
Czech Republic	167.33	122.91	+36.1%
Slovakia	37.32	23.01	+62.2%
Poland	24.18	27.43	-11.8%
Romania	28.51	24.19	+17.9%
Remaining markets	-0.44	-3.78	-
Vienna Insurance Group	507.79	441.25	+15.1%

PBT development comparison



Increase of shareholders' equity

by 8.7% to

more than EUR 5 billion

**Minimum capital requirements are
fulfilled by more than 200%**

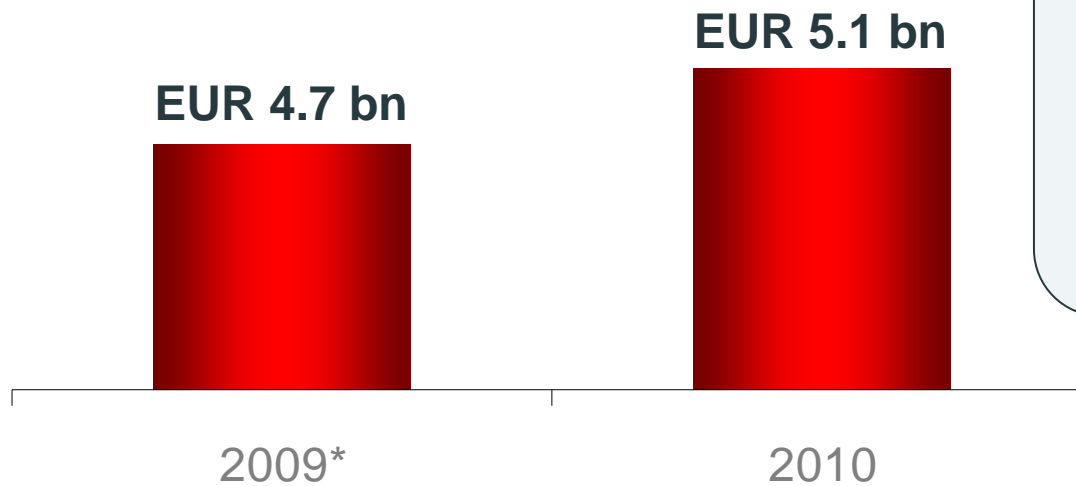


- ▶ **Cost cutting programme completed**
- ▶ **Successfully achieved:**
 - ▶ Increasing efficiency of sales staff
 - ▶ Introduction of service centres for Austrian customers
 - ▶ Concentration of back-offices
 - ▶ Mergers in Croatia, Poland, Slovakia and Belarus
 - ▶ etc.
- ▶ **Reached until December 2010:**
Cost reduction of more than EUR 100 million



Embedded Value

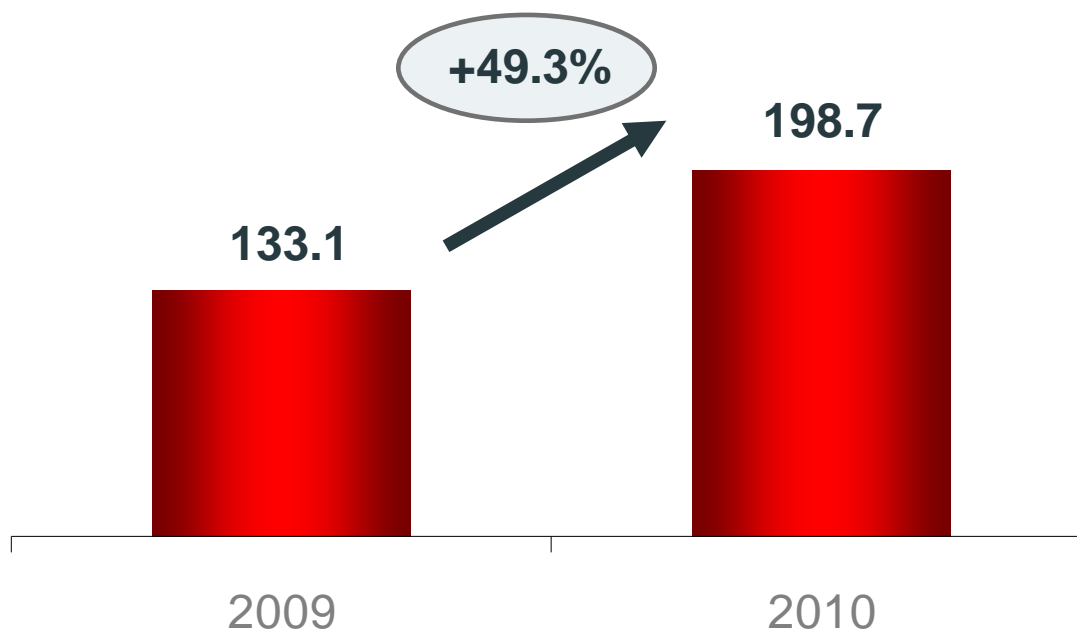
Embedded Value increased anew



**Return on
Group Embedded Value
EUR 423.6 million
(+9.1%)**

Group embedded value 2010

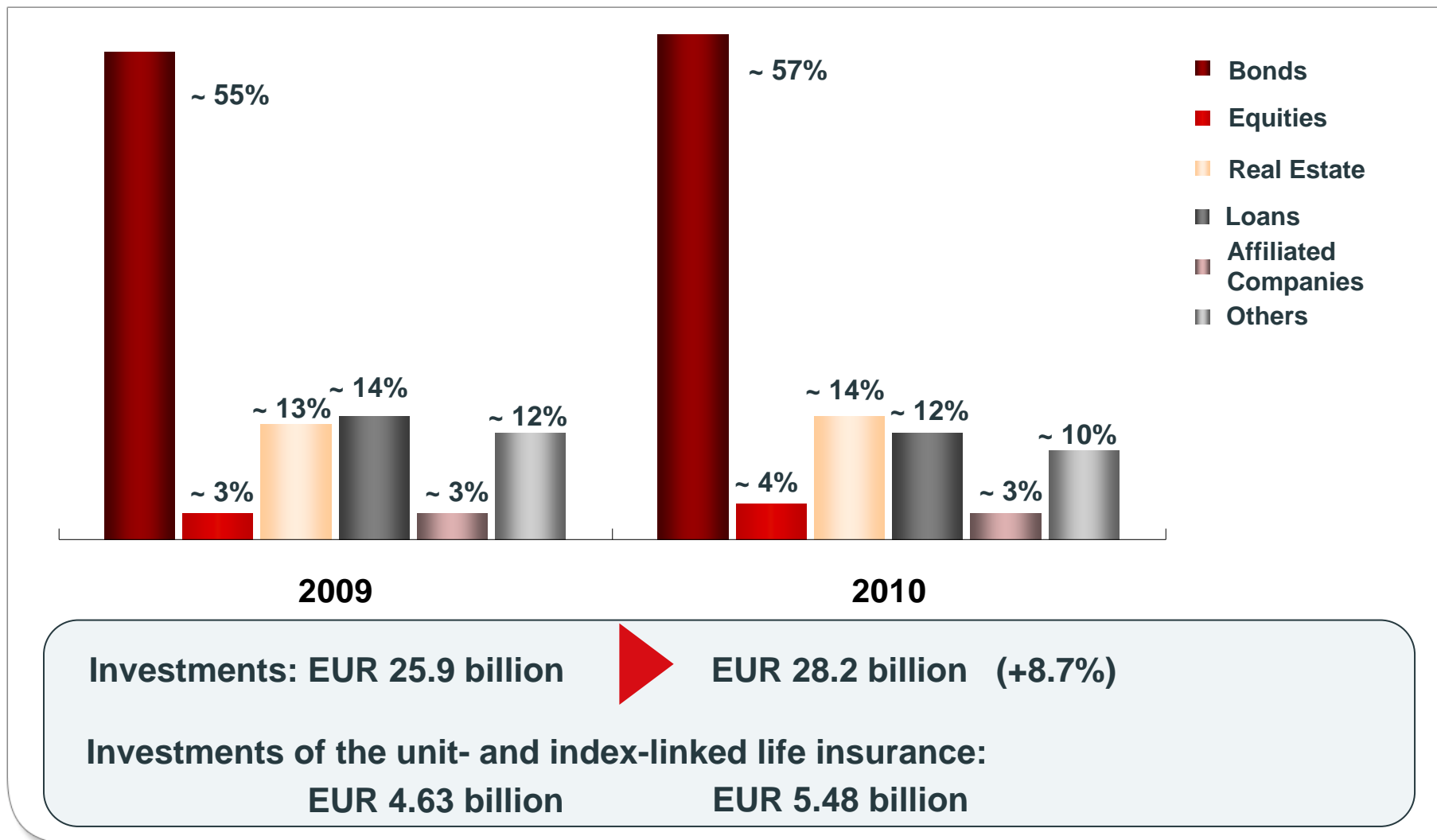
Increase of new business value (NBV, in EUR million)



Investments

Investments

at 31.12.2009 and 31.12.2010



Government bonds and government guaranteed bonds

in EUR million	book value
Greece*	34
Ireland*	52
Italy	34
Portugal	52
Spain	34
Vienna Insurance Group	206



share of about 0.75% of total investments

**Impairments of a total of EUR 21 million included*

VIG Holding (standalone results)

UGB/IFRS

in EUR million	2010
Premiums written	536.85
Technical result	3.79
Financial result according to UGB	140.88
PBT according to UGB	144.61
Revaluation of financial result	41.61
Revaluation of others	-1.18
PBT according to IFRS	185.04
Total expenses VIG Holding IFRS (without re-insurance commissions, incl. cost of asset management)	36.64

Dividend

- ▶ **Payout ratio** of at least **30% of consolidated profit after tax** for the business year 2010
- ▶ Increase of dividend payment to **EUR 1.00** is proposed for the year 2010



Current developments

Premium income 1Q 2011

Preliminary, unconsolidated premiums written, IFRS

in EUR million	1Q 2011	1Q 2010	+/- in % yoy
Austria	1,285.7	1,301.6	-1.2%
Other countries	1,364.8	1,275.9	+7.0%
Vienna Insurance Group	2,650.5	2,577.5	+2.8%

2011:

- ▶ **Low, single-digit premium growth expected**
- ▶ **PBT growth expected of about 10%**
- ▶ **Combined ratio of approximately 97%**

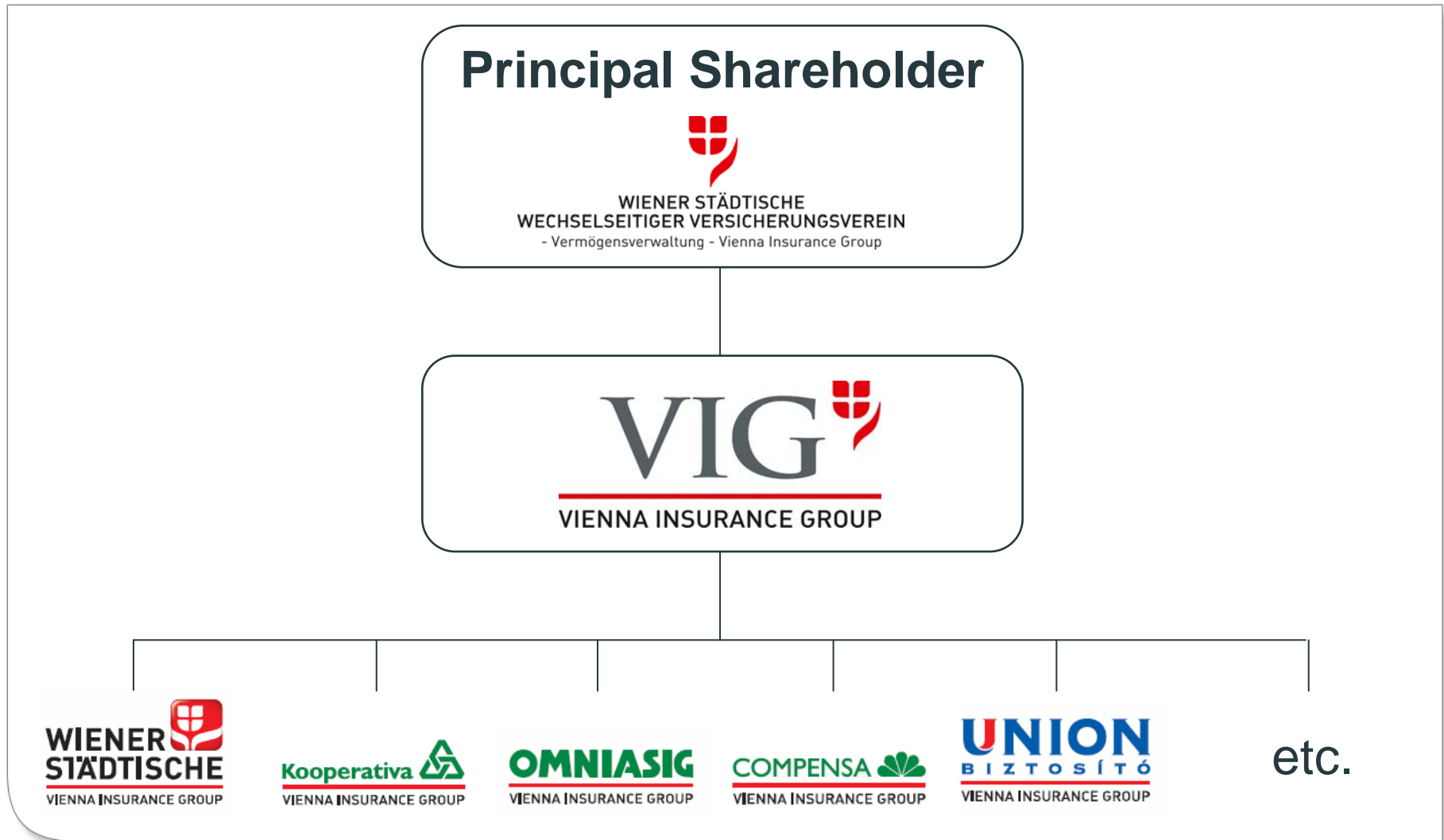


**Standard & Poor's
confirms VIGs
successful
development with the
rating of **A+**
outlook stable**

Agenda: Item 4

- 1824** Foundation of „Wechselseitigen k.u.k. priv. Brandschaden-Versicherungs-Anstalt“
- 1898** „Städtische Kaiser Franz Joseph-Jubiläums- Lebens- und Rentenversicherungs-Anstalt“
- 1990** Entry into the insurance market in former Czechoslovakia by acquiring an interest in Kooperativa
- 1992** Insurance operations are transferred to a stock corporation (§§ 61a ff VAG), as preparatory step for IPO. Wiener Städtische Wechselseitige remains principal shareholder
- 1994** IPO, preference shares listed on the Vienna Stock Exchange
- 2004** Stock split
- 2005** Wiener Städtische shares join the ATX and are listed on the Prime Market; Capital increase of EUR 1.05 bn; All shares converted into ordinary shares
- 2006** Introduction of the “Vienna Insurance Group“ umbrella brand
- 2008** Capital increase of EUR 1.14 billion; Used to acquire sVersicherung Group
- 2010** Implementation of new group structure

New organisational structure



Thank you for your attention!