



V.I.G. – A Solid Ship in a Stormy Market

US & Tokyo Roadshow – 05 - 09 March 2009

A Investment proposition

B Growth potential in CEE and Austria

C Business initiatives

D YE 2008 preliminary results

E Appendix

Investment Proposition at a Glance

V.I.G. set two strategic milestones

A 3

Milestone 1

§ V.I.G. - Pioneer in CEE; start of expansion in 1990

- “Big fish in a small pond”
- Going east immediately after the fall of the iron curtain due to potential of emerging markets and geographic proximity

Story

§ V.I.G. - Progressing on the path of growth

- Successful track record in exploiting growth potentials
- Continuous expansion of its business areas and geographic regions
- 13.8% market share in CEE¹ – clear no. 1

Milestone 2

§ V.I.G. - Extending distribution power

- Acquisition of Erste Group insurance operations
- Long-term distribution agreement with Erste Group

Footprint



● Core Markets

§ YE 2008²: CEE share already 50% of premiums

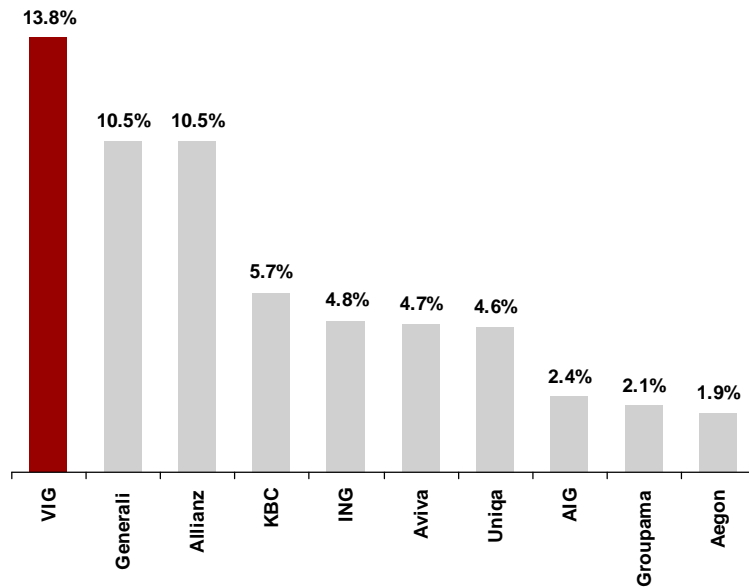
1: CEE is defined as: Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Slovakia, 2: preliminary, unconsolidated, unaudited

V.I.G. – Top Insurer

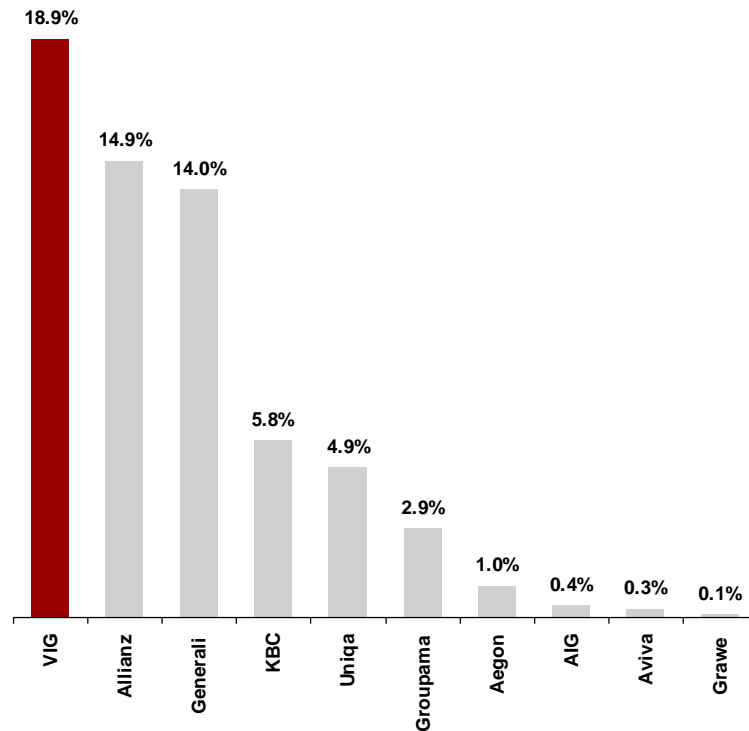


No. 1 position in its core markets

Total Market Share in CEE¹



Market Share in CEE¹ Non-life



Source: National insurance associations of the respective countries as of 9M 2008

¹ CEE is defined as: Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania and Slovakia; interim data for Serbia n.a.

Note: All market shares in this presentation are based on industry statistics and define the markets from a production perspective. Please note that this perspective does not necessarily coincide with market definitions used for marketing research purposes, e.g. studies on customer demand, or merger control purposes.

A Solid Ship in a Stormy Market

**Strong profitable growth
and attractive shareholder returns**

First-mover advantage
in CEE with strong
market share and
pricing power

Comprehensive
distribution
network with
flexible sales force

Innovative products
under continuing
insurance demand

Strong balance sheet and conservative investment portfolio

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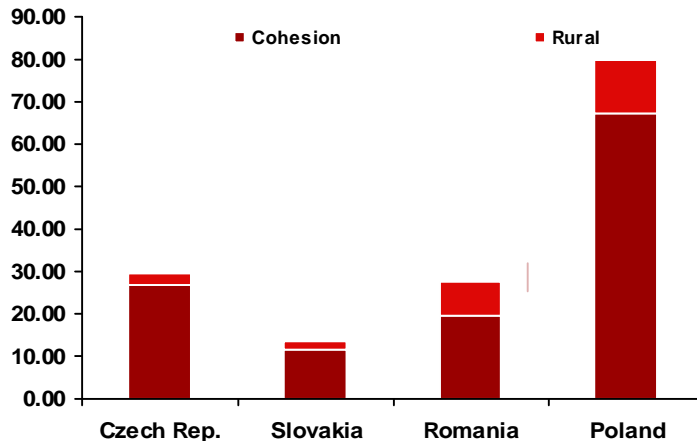
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E Appendix

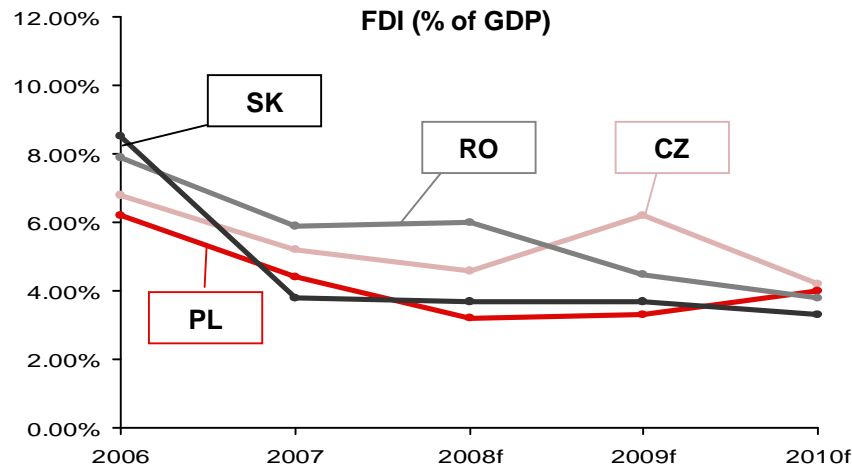
Macro Environment in CEE Countries

Foreign resources to support CEE economies

EU Spendings 2007 – 2013 (€bn)



FDI (% of GDP)



Source: EU Spendings: EU Commission; FDI: Unicredit Group CEE Quarterly Q4 2008

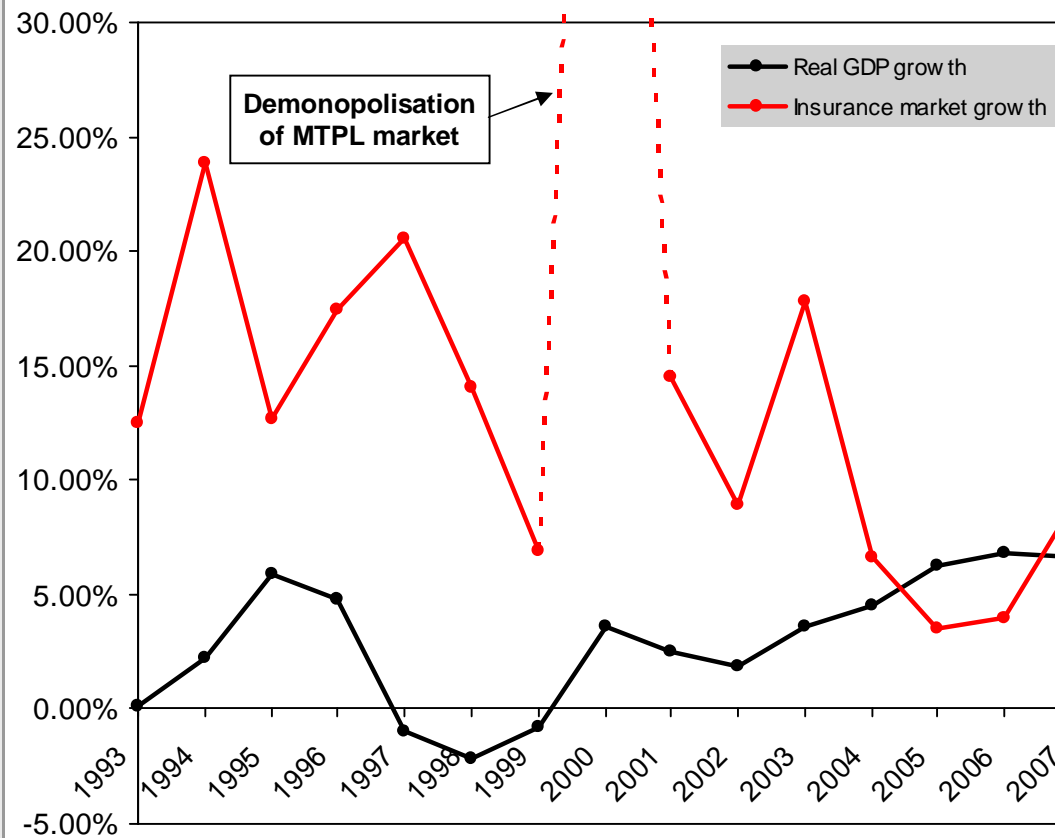
Comments

- § FDI into CEE to be maintained as largely influenced by dedicated EU funds for infrastructure and defined economic sectors
- § At V.I.G. local insurance premiums are invested in local assets – natural currency hedge
- § In slowdown situations transition countries usually supported by grey economy and funds from expatriate workers

Czech Insurance Demand History

Strong demand for insurance also when economy was weak

Real GDP Growth vs. Insurance Market Growth¹



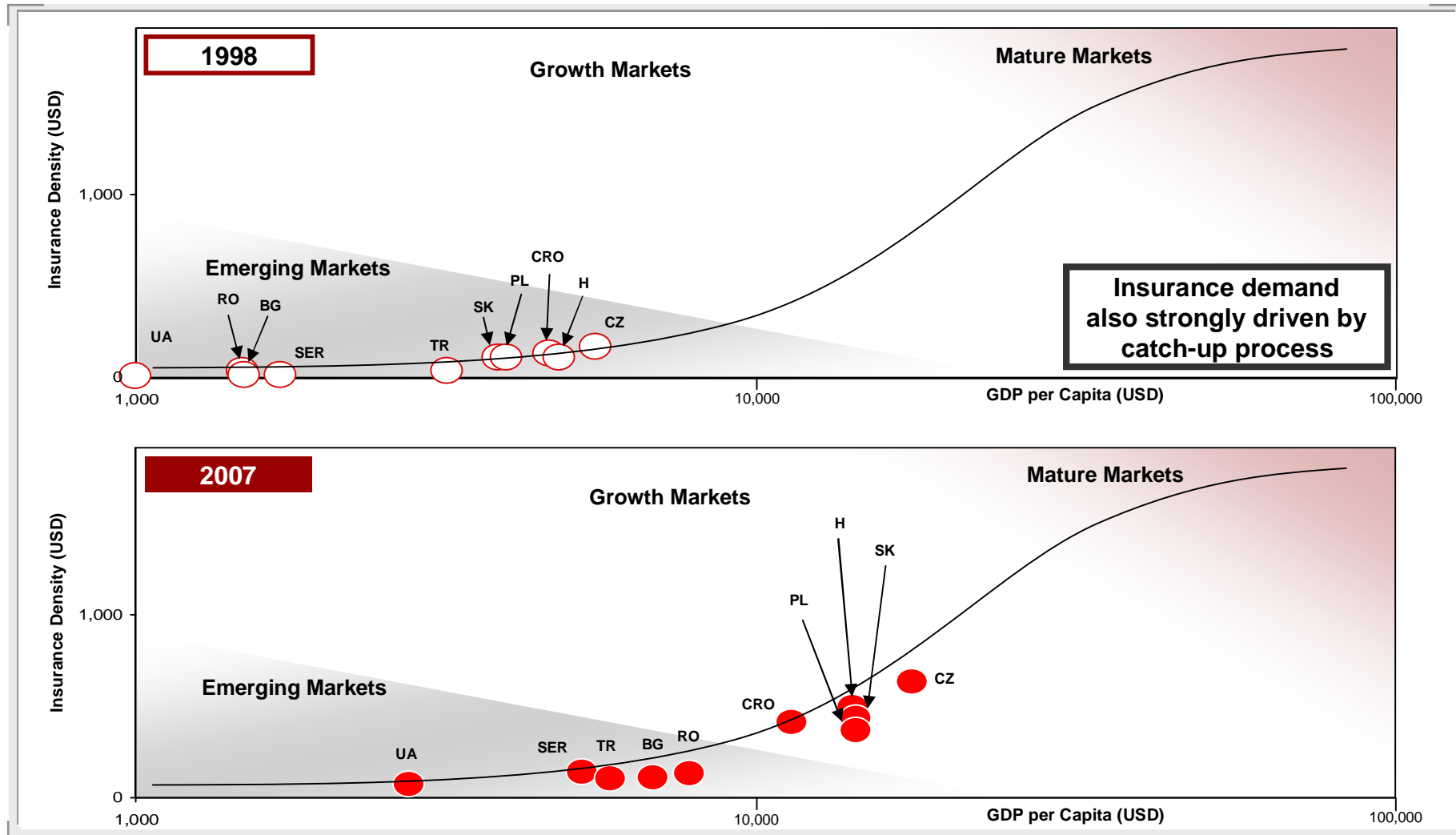
Comments

- § Czech Republic showed sound insurance demand even in times of economic recession in the late 90s
- § Corporate business was stable – e.g. fire policies not cancelled
- § Upcoming SME sector with need for new insurance packages
- § Motor TPL is major stability factor
- § 2005/06: after EU entry of CZ, fronting business lost to international programmes
- § Most CEE markets still largely dominated by motor business which is stable factor in economic downturn

¹ Source: GDP growth: IMF World Economic Outlook; Insurance market growth: Axco

V.I.G. Business Model Still in Place (I)

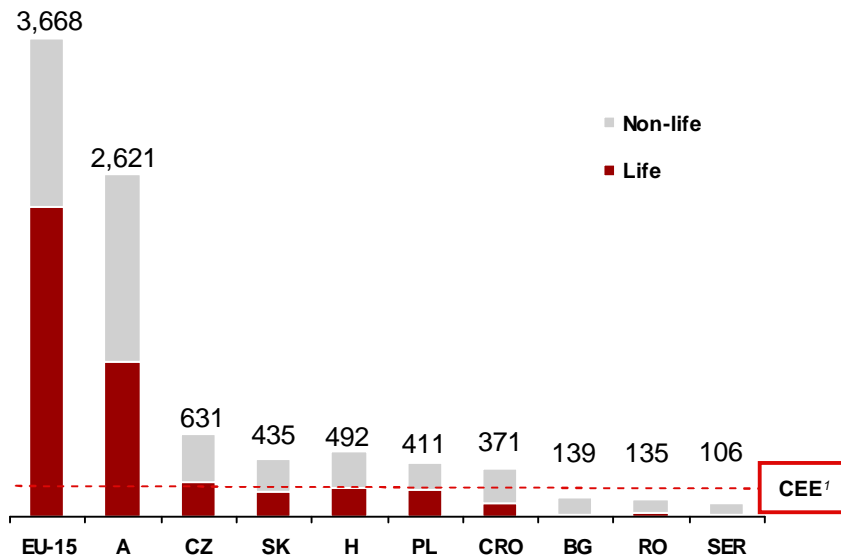
GDP growth and underpenetration are insurance drivers



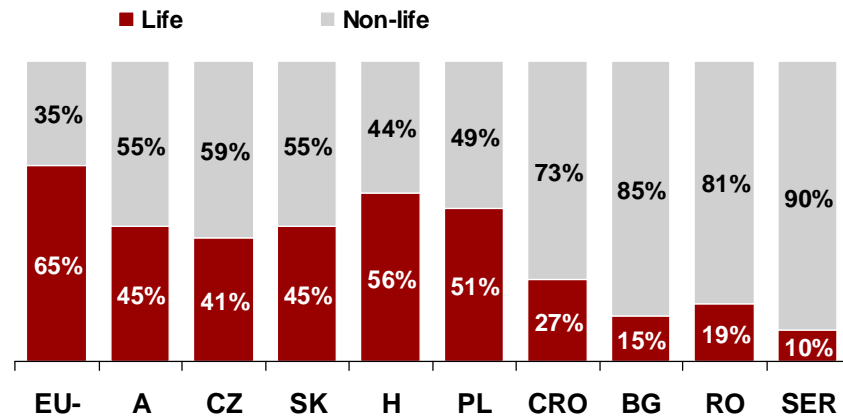
V.I.G. Business Model Still in Place (II)

Catch-up potential in CEE in Non-life and Life

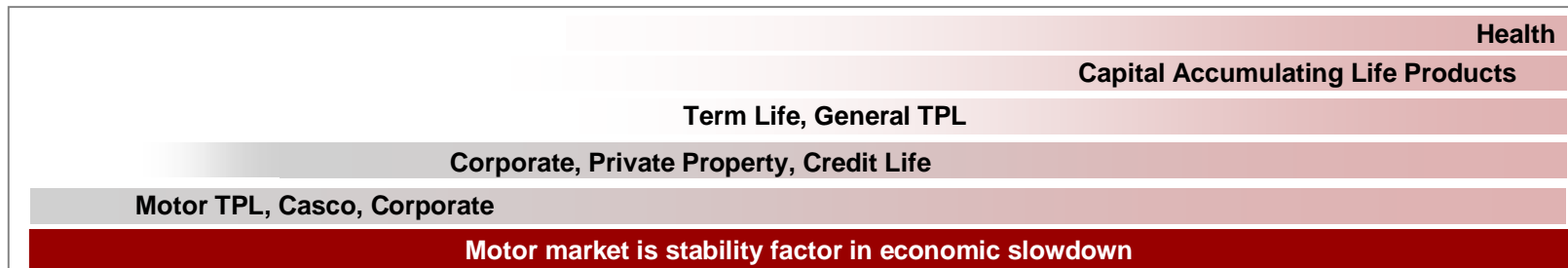
Insurance Density 2007



Proportion of NL & L in CEE Markets



Product Demand Timeline



1: weighted average of CZ, SK, H, PL, CRO, BG, RO, SER; Source: Swiss RE Sigma 03/2008

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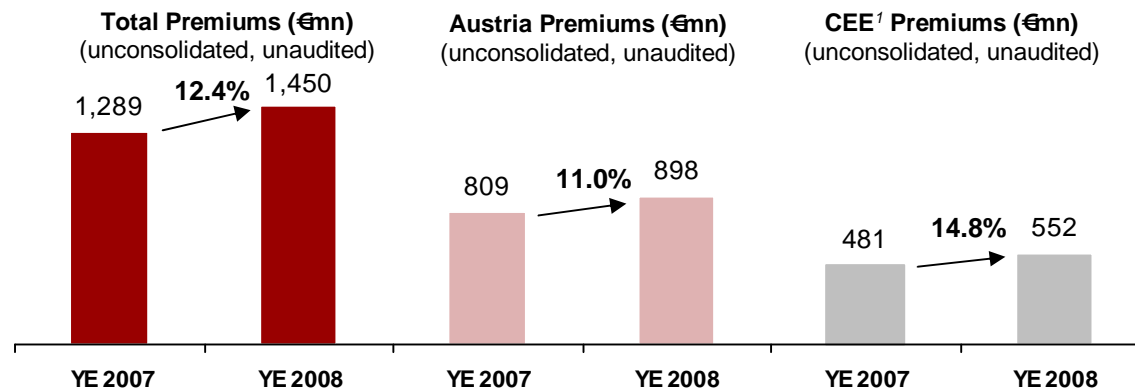
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E Appendix

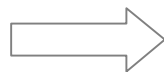
Strategic Update

Extending successful cooperation with Erste Group

Insurance Group



Mutuality is the key success factor for the cooperation



- § Sale of 95% of Ringturm AM company to Erste Group; V.I.G. to keep 5% stake
- § Basis for broader cooperation in asset management
- § Erste Group offering particular know-how and distribution power

- § Mutual cooperation in leasing business with Erste Group in Austria, both Groups have a 50% stake in EBV Leasing
- § EBV Leasing has largest distribution network of the industry in Austria and is market leader in the banking and insurance distribution channel

1: incl. BCR Asigurari and BCR Asigurari de Viata

V.I.G. and ARAG

Combined forces of know-how and distribution



Joint Venture

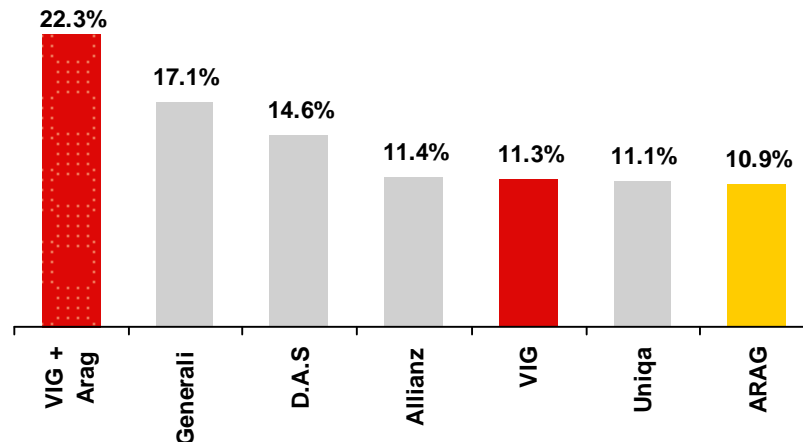


- § A leading insurance Group in CEE
- § Enormous distribution power

- § Leading legal expenses insurance Group worldwide
- § More than 70 years of experience in legal expenses insurance
- § GWP of about € 1.4bn, 3,400 employees worldwide

Market Share in Legal Expenses Insurance YE 2007¹ (%)

Austria



- § Letter of intent for cooperation signed
- § Start of joint venture in Austria, combined premium volume of € 83.7mn at YE 2007 – new no. 1 in Austria
- § Step-by-step expansion into CEE markets (CZ, SK, PL, HU, SLO)
- § Total long-term premium potential in CEE of more than € 500mn

1: Source: VVO

A New Business Initiative in CEE

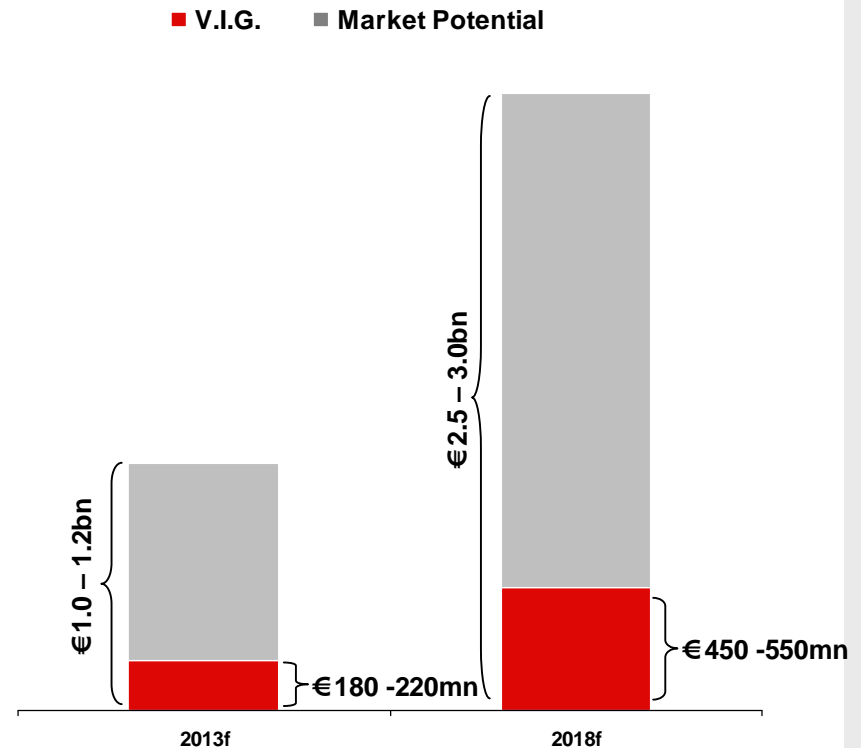
Upcoming demand for private health insurance in CEE

Health Business in CEE

V.I.G. exploits further growth potential in CEE

- § Health business as new business line in CEE
- § Sales promotion to start in Czech Republic, Slovakia, Poland, Romania and Hungary
- § CEE region underpenetrated in private health insurance business compared to Western Europe
- § Increase in private health spending expected
- § V.I.G. premium potential of about € 180 – 220mn per annum estimated within the next 5 years

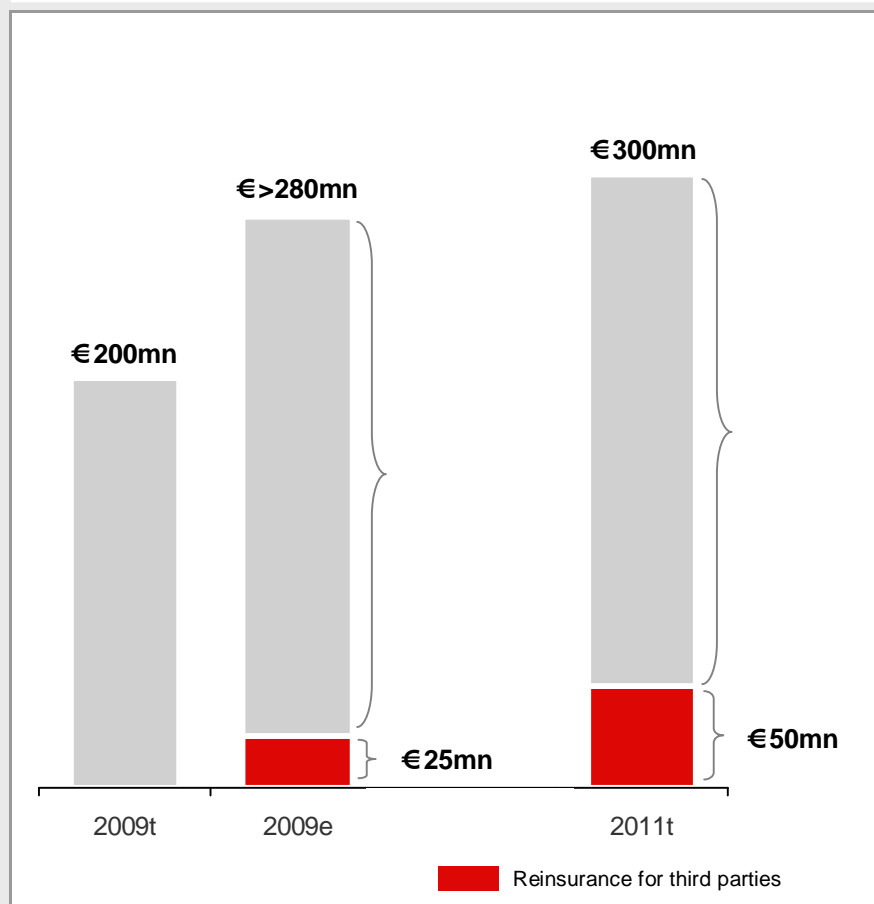
Market Potential



VIG RE – update

Progressing ahead of business plan

VIG RE – Development



Source: Company data

Key Considerations

- § To leverage longstanding market knowledge and strong CEE footprint – incorporated in Czech Republic
- § Pooling of V.I.G. reinsurance volume in order to avoid inefficiencies
- § VIG RE covering only moderate insurance risks, e.g. no net exposure to natural disasters

- § Estimated premium volume of at least € 280mn in 2009 outperforming original business plan
- § € 25mn premium volume originated already from non-V.I.G. companies
- § RoE of ~20% after 3 years: expectation confirmed

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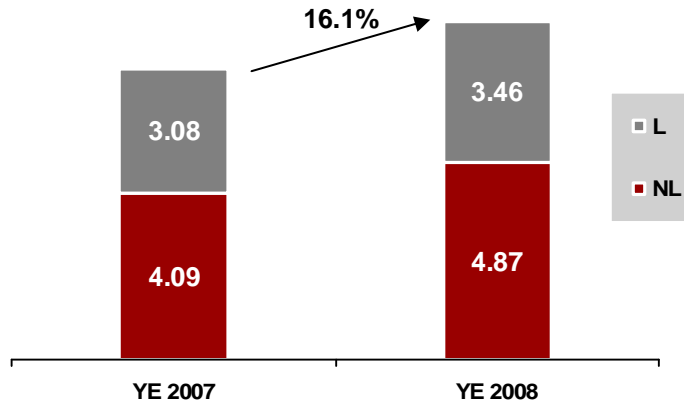
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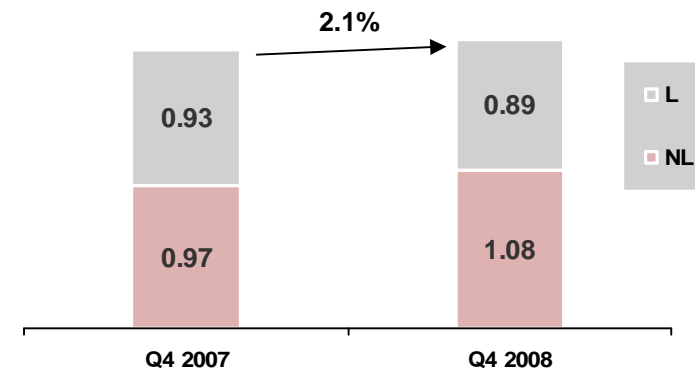
YE 2008 Financial Highlights

GWP, unconsolidated, unaudited

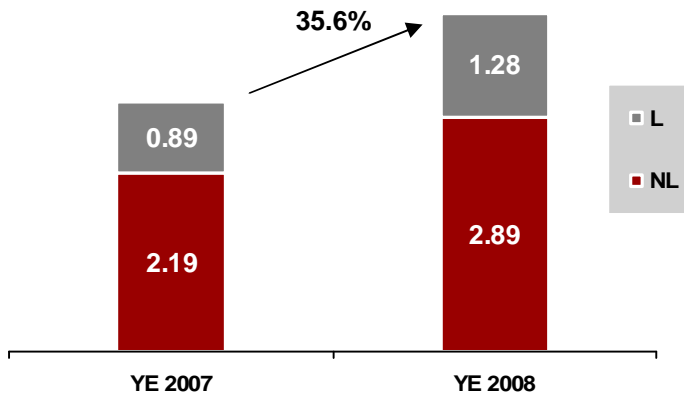
YE 2008: Total Group Premiums (€bn)
(unconsolidated, unaudited)



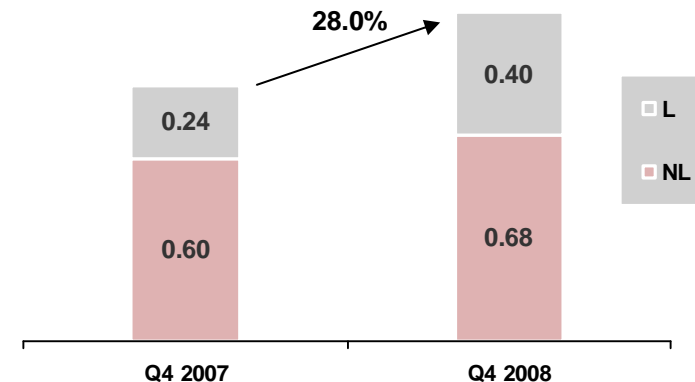
Q4 2008: Total Group Premiums (€bn)
(unconsolidated, unaudited)



YE 2008: CEE Group Premiums (€bn)
(unconsolidated, unaudited)



Q4 2008: CEE Group Premiums (€bn)
(unconsolidated, unaudited)



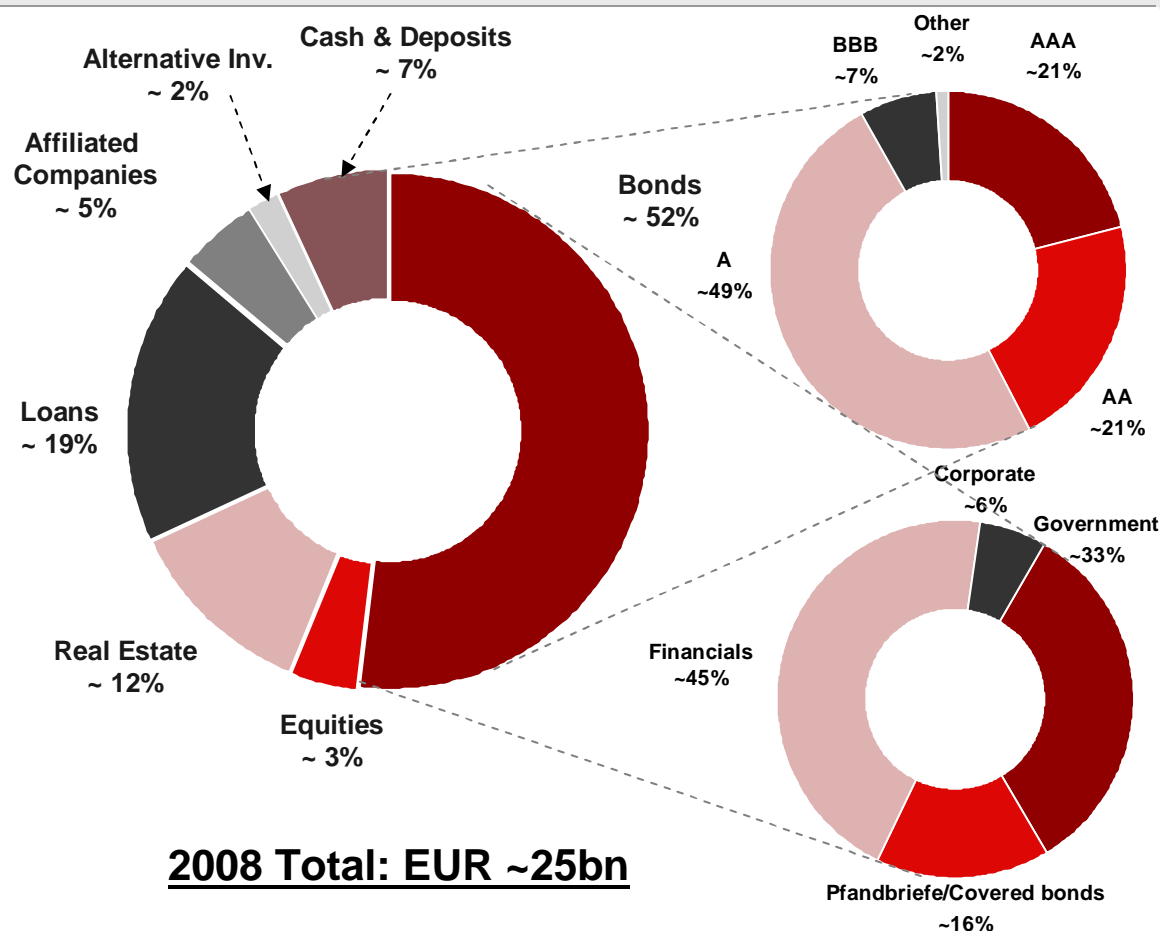
YE 2008 Investment Split

V.I.G. follows a prudent investment policy – well diversified risks

Investment policy

- § More than 50% of real estate with regulated Austrian housing societies; remainder also largely in Austria and property used by V.I.G. itself
- § Bond portfolio well diversified, mainly in Western Europe
- § Investments mainly denominated in EUR; CEE premiums invested in local currencies, thus natural hedge
- § V.I.G. has no US-subprime investments, monolines or CDOs
- § Tier 1 exposure of about 1.5% - 2% of total investments (no US risk)

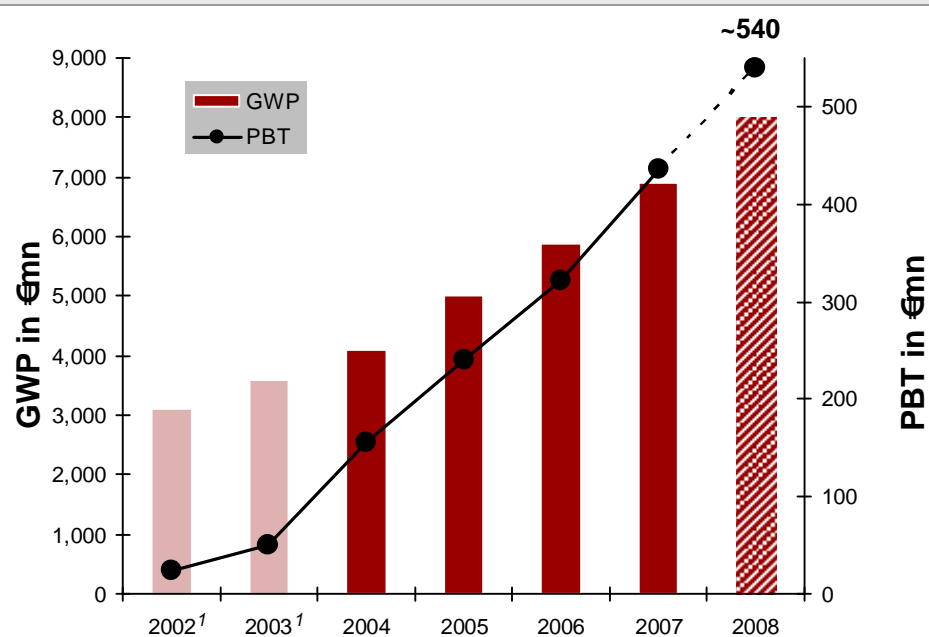
Portfolio Overview



PBT Outlook for YE 08 Confirmed

YE 2008 PBT expected to be in line with promises

V.I.G.'s Path of Profitability/Outlook



Expected profit before tax for YE 2008:

~ €540mn

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

Comments

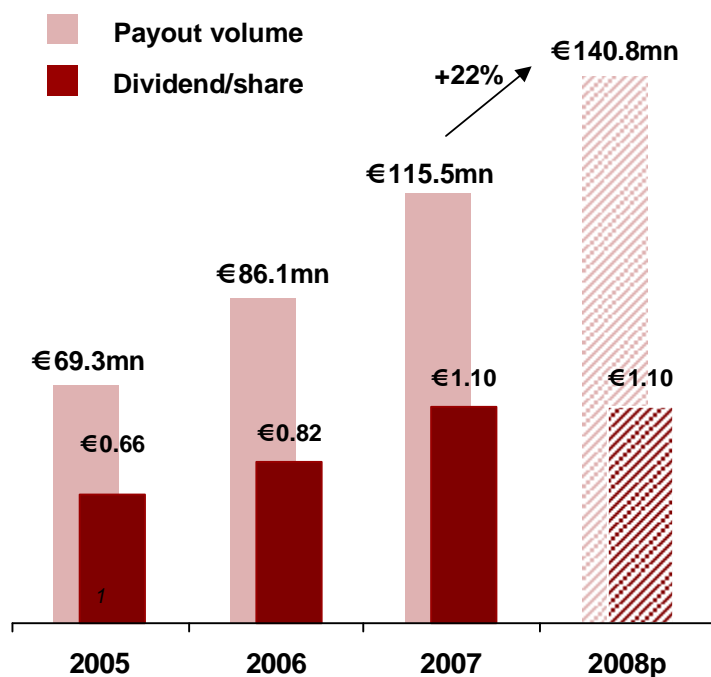
- § PBT target of EUR ~ 540mn for year 2008 maintained
- § Impact of financial markets on Group results balanced by extraordinary income from sale of companies
- § Highly uncertain situation of capital markets does not currently allow for firm establishment of targets for 2009 and medium term

- It is company philosophy to keep the combined ratio well below 100% throughout the business cycle
- For YE 2008 V.I.G. expects to keep the **combined ratio at about 96%**

Dividend

Dividend per share of minimum €1.1 planned

Development of Dividend



Comments

§ Based on results, management is planning to propose dividend payout of at least EUR 1.1 per share despite 22% SPO in May 2008

§ Dividend yield of ~5% at current share price

- V.I.G. dividend policy is defined as a payout ratio of min. 30% of Group net profit

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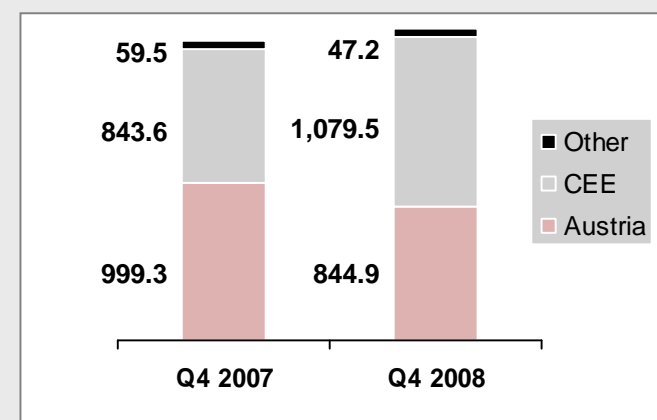
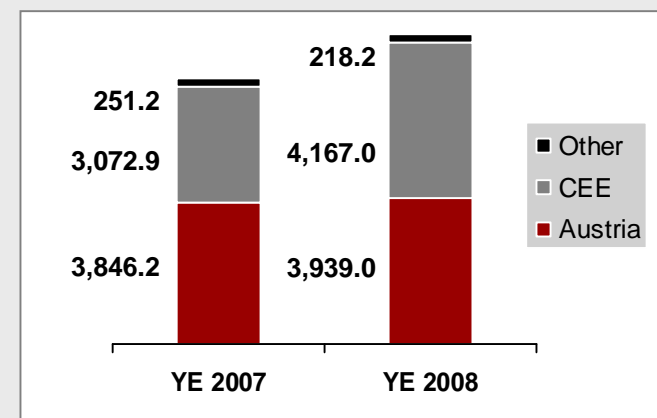
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E Appendix

YE 2008 Gross Written Premiums

YE 08 growth rates sustaining picture of first 9M (€mn)

- § Overall, V.I.G. recorded sound double digit premium growth in 2008 – both in non-life and life.
- § In Austria, overall good business trend in 2008; life business showed slowdown in Q4, heavily influenced by reduction of single premium volume. In FY 2008 flat development of motor business vs. stable growth in non-life non-motor business
- § For the first time, CEE business constitutes 50% of total Group premiums
- § CEE volume grew by more than 35%
- § CZ saw a good premium development both in total 08 and in particular in Q4 in life due to introduction of new unit linked product; excellent growth also at newly acquired s Versicherung subsidiary
- § SK was stable on a high level
- § PL reached particularly high growth rates in 2008 both in life and non-life; Q4 weaker due to intended profit-focused portfolio adjustments in Life and Non-life.
- § High double digit growth in RO in FY 2008, in Q4 slowdown mainly in motor casco business
- § Other CEE recorded high double digit growth rates throughout 2008



Note: including Asiom for FY, s Versicherung Austria as of Q3, s Versicherung CEE as of Q4 (excluding BCR NL and BCR L); excluding BACAV and Unita as of Q3

YE 2008 Premium Development

Preliminary GWP for YE 2008 (€mn, unconsolidated, unaudited) ¹

	Total			Non-Life			Life		
	YE 2008	YE 2007	+/-%	YE 2008	YE 2007	+/-%	YE 2008	YE 2007	+/-%
Austria	3,939.0	3,846.2	2.4%	1,909.3	1,836.0	4.0%	2,029.7	2,010.2	1.0%
Czech Rep.	1,529.7	1,215.6	25.8%	1,092.8	923.5	18.3%	436.8	292.1	49.5%
Slovakia	614.6	499.8	23.0%	339.5	284.3	19.4%	275.0	215.5	27.6%
Poland	827.6	556.8	48.6%	468.1	327.1	43.1%	359.5	229.8	56.5%
Romania	613.0	402.8	52.2%	574.1	389.3	47.5%	38.9	13.4	189.7%
Other CEE ¹	582.2	397.9	46.3%	412.6	262.4	57.2%	169.6	135.5	25.2%
Other	218.2	251.2	-13.1%	69.4	66.0	5.3%	148.7	185.2	-19.7%
Total	8,324.1	7,170.2	16.1%	4,865.8	4,088.5	19.0%	3,458.3	3,081.7	12.2%

¹: including Baltic States, Belarus, Russia, Georgia, Albania, Macedonia and Kosovo

V.I.G. Has Excellent CEE Market Position

V.I.G. an early mover in CEE

Overview of Core Markets

Czech Rep.	Slovakia	Romania	Bulgaria
Pop.: 10.2 mn	Pop.: 5.4 mn	Pop.: 21.4 mn	Pop.: 7.6 mn
GDP/Cap.: \$ 17 k	GDP/Cap.: \$ 14 k	GDP/Cap.: \$ 8 k	GDP/Cap.: \$ 5 k
Density NL: \$ 370	Density NL: \$ 241	Density NL: \$ 109	Density NL: \$ 118
Density L: \$ 261	Density L: \$ 194	Density L: \$ 26	Density L: \$ 21
Market share: 31.4%	Market share: 31.3%	Market share: 30.6%	Market share: 17.9%
Croatia	Serbia	Poland	Hungary
Pop.: 4.6 mn	Pop.: 7.4 mn	Pop.: 38.0 mn	Pop.: 10.1 mn
GDP/Cap.: \$ 11 k	GDP/Cap.: \$ 6 k	GDP/Cap.: \$ 11 k	GDP/Cap.: \$ 14 k
Density NL: \$ 270	Density NL: \$ 93	Density NL: \$ 202	Density NL: \$ 218
Density L: \$ 101	Density L: \$ 11	Density L: \$ 209	Density L: \$ 274
Market share: 8.4%	Market share: 8.0%	Market share: 5.1%	Market share: 4.1%

Details

- § leading market position in nearly all core markets
- § strong market positions also in Turkey, Ukraine, Georgia and Albania

- § focus on retail business
- § systematic market entry
- § tight operational management

Source: Swiss RE 03/2008,

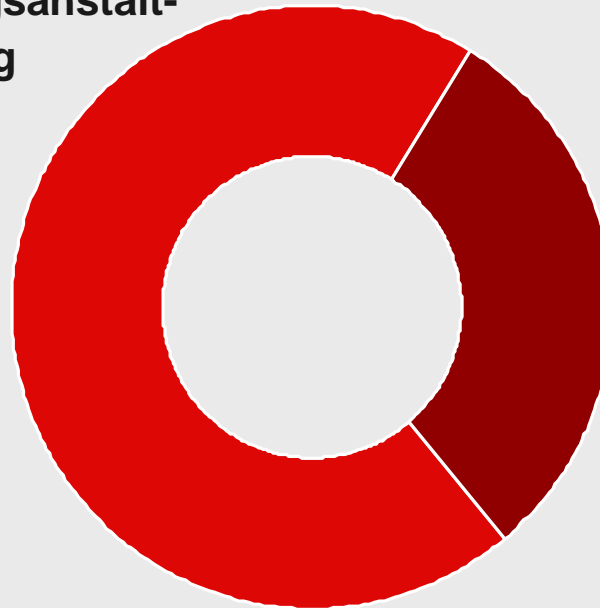
Market shares: data as of 9M 2008, CZ, HR, H and SK as of YE 2008

Shareholder Structure (I)

Total number of shares 128,000,000

Shareholder Structure

**~70 %
Wiener Städtische
Wechselseitige Versicherungsanstalt-
Vermögensverwaltung**

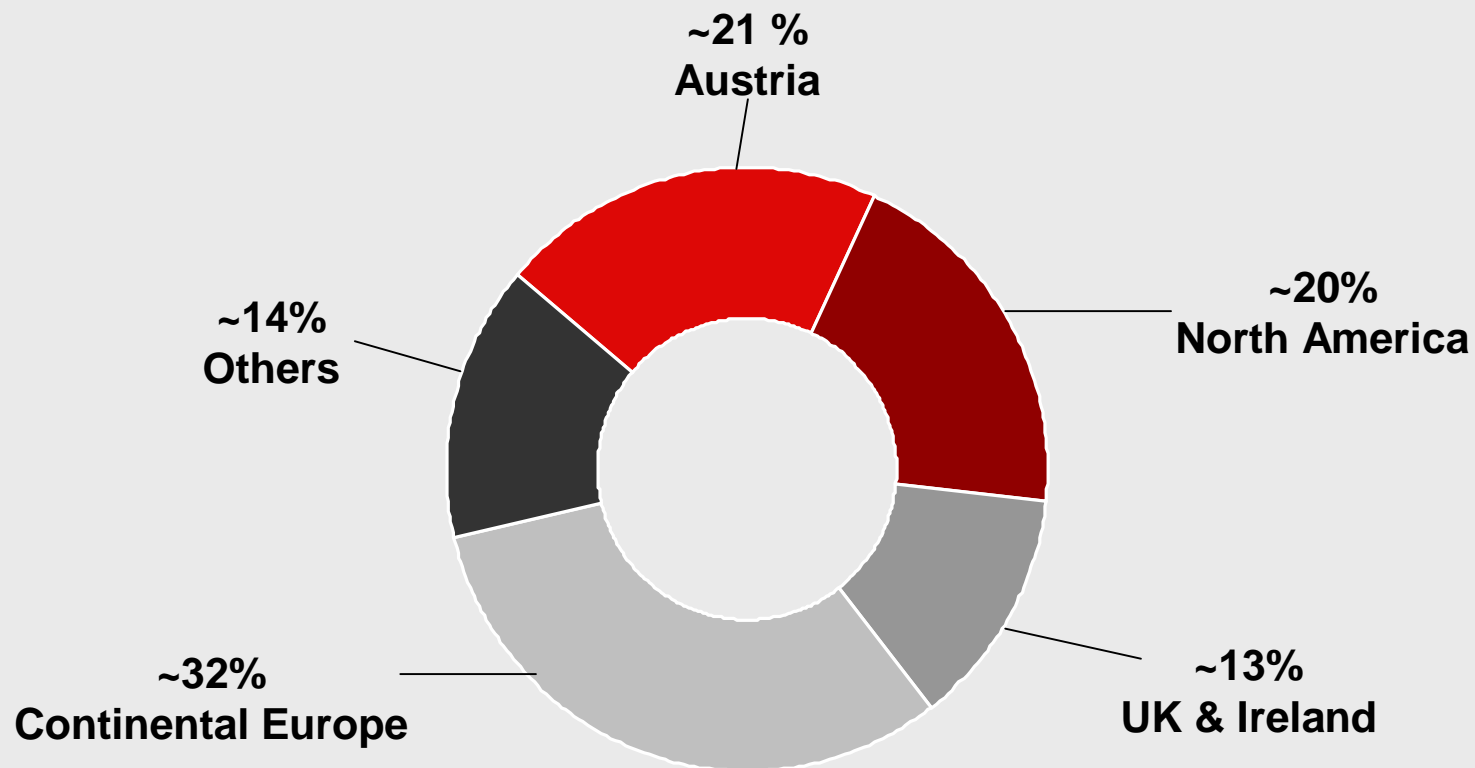


**~ 30 %
Free Float**

Shareholder Structure (II)

Total number of shares 128,000,000

Free Float Geographical Split



Contact Details

Investor Relations

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

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