



Vienna Insurance Group - Extending the CEE insurance play

6M 2007 results - 21 August 2007

Presenting Team and Topics

Presenting Team

- § Peter Hagen, Member of Managing Board
- § Roland Gröll, Head of Group Accounting
- § Thomas Schmee, Head of Investor Relations

Topics

- § Highlights p.3
- § P&L and Balance Sheet p.8
- § Appendix p.17

Recent Developments

VIG expanding by organic growth and acquisitions

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6M 2007 Highlights

- § Above market organic growth in all major markets – increase of market shares
- § CEE premium share above 40%
- § Further diversification of markets
- § For the first time in HY € 1bn premium mark passed in Non-life in CEE
- § Sound increase in profitability allows to raise dividend by nearly 25%

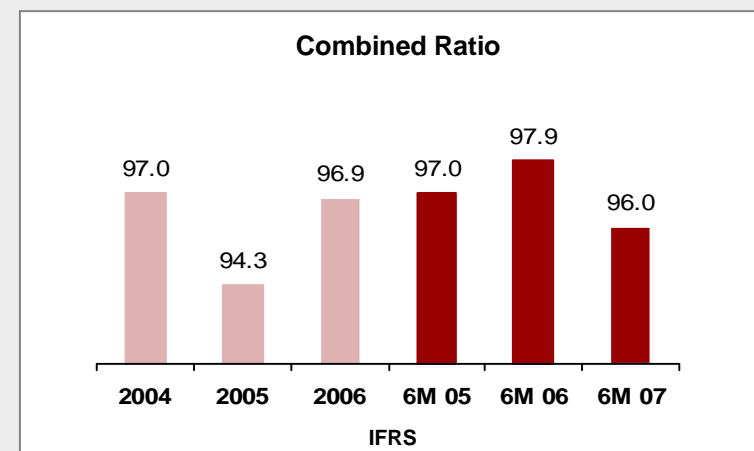
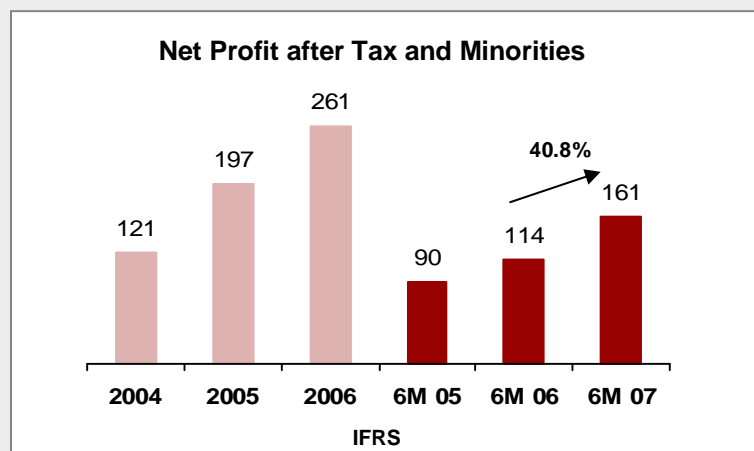
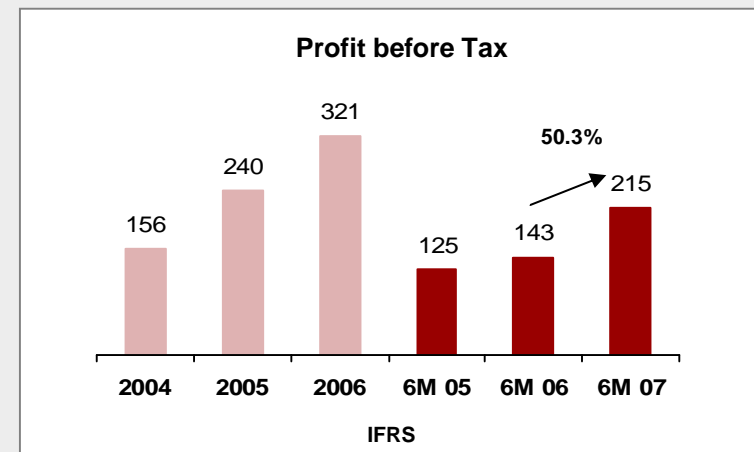
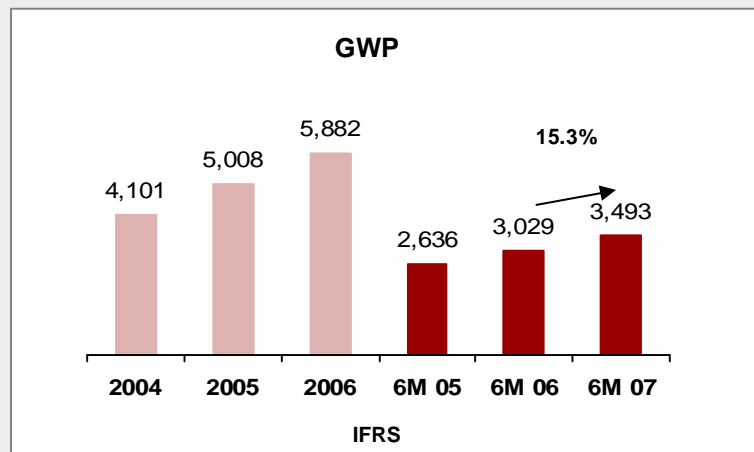
Strategic Update

- § Asirom: purchase of 30% stake
- § Ray Sigorta: after public tender TBIH will hold ~ 75%
- § Following buyout of minority stake in Royal Polska VIG holds 100%
- § Sigma (Albania): purchase agreement signed
- § Cooperation with OMV in various markets

VIG building swiftly on its unique CEE play

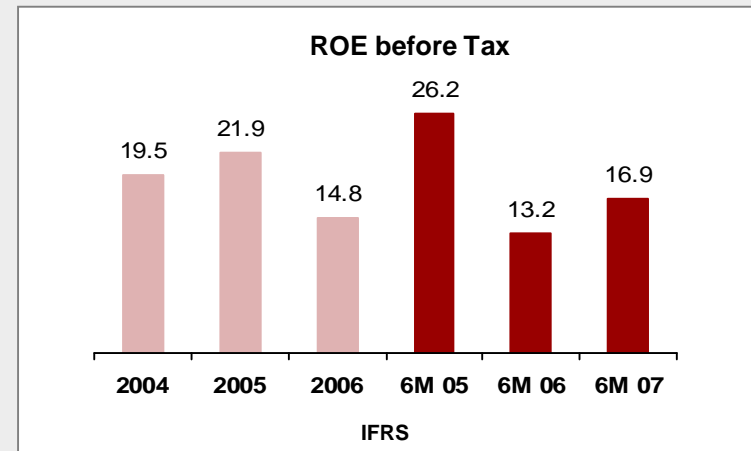
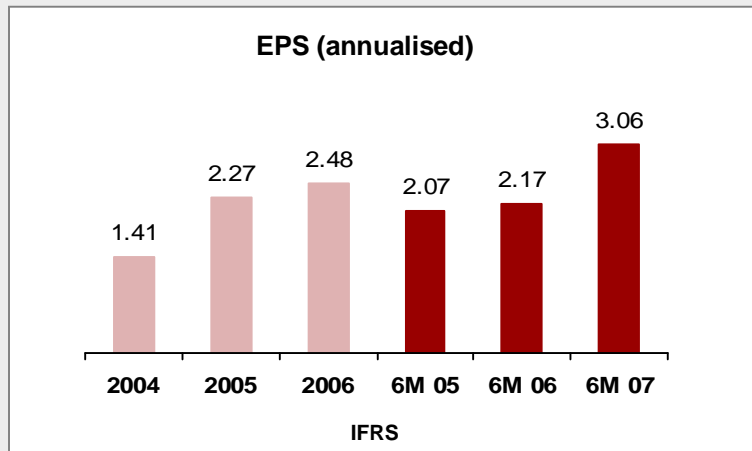
6M 2007 Highlights (I)

GWP up by 15.3%; profitability rising significantly



6M 2007 Highlights (II)

Sound increase in EPS

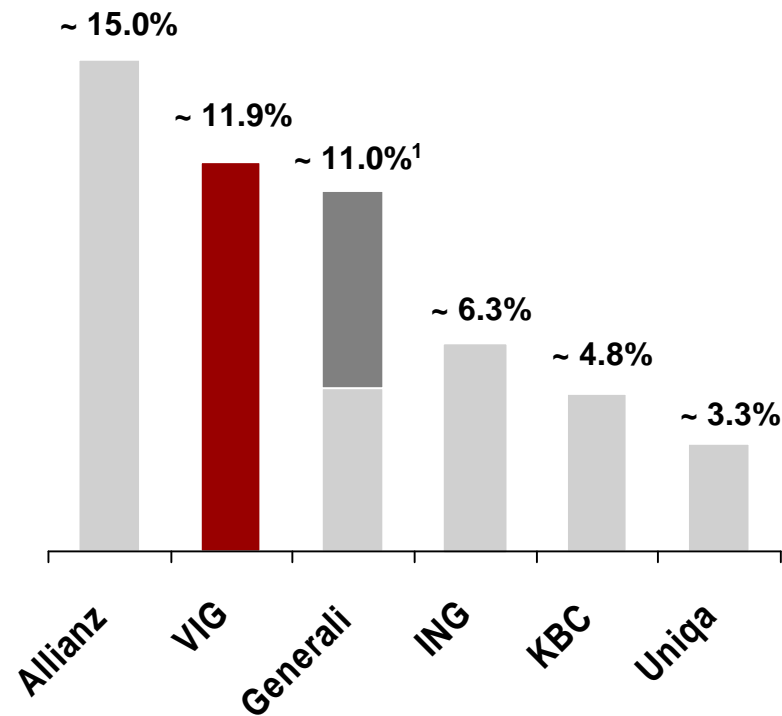


VIG – Top Player in CEE

Number 2 among international insurance groups

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Market Share in CEE



¹ pro forma incl. recent acquisition, Q1 2007

Details

- § CEE is defined as: Bulgaria, Czech Republic, Hungary, Croatia, Poland, Romania, Serbia and Slovakia
- § Market shares are based on data from local insurance associations as of Q1 2007
- § Pro forma market shares including the joint venture of Generali Group with PPF Group
- § With 40% of its total premium income generated in CEE VIG has a unique share of the fast growing business in this region among all international insurance companies

Acquisition of Asirom

Strengthening VIG's no.1 position in dynamic Romanian market

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Acquisition of Asirom*



30 %

Asirom

- § listed Non-life and Life insurance company with €190mn premium volume in 2006
- § 160 branches, 2,200 employees and nation-wide non-bank distribution system
- § well positioned also in Life
- § Best insurance brand in Romania

Romanian Insurance Market

Population (mn)	21.6
GDP/Capita	5,463 USD
Penetration	1.7%
Density	94.5 USD
Market Growth (01-06, CAGR)	42.8%

- § market growth in Non-life was 40.7% YoY vs. Life growth by 15.4% YoY in 2006
- § Top-five insurance groups have a total market share of nearly 60% in Q1 2007
- § VIG had a market share of 17.7% in Q1 2007

Source: SwissRe 04/2007

* subject to approval of authorities



Vienna Insurance Group- 6M 2007 results

P&L and Balance Sheet

6M 2007 Income Statement

IFRS (€mn)

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	6M 2007	6M 2006	+/-%
1. Gross written premiums	3,493.1	3,029.3	15.3
2. Net earned premiums	2,829.1	2,411.3	17.3
3. Net investment income ¹	553.2	361.1	53.2
4. Other income	20.7	29.0	-28.9
Total income	3,403.0	2,801.4	21.5
6. Expenses for claims incurred	-2,420.6	-2,045.4	18.3
7. Operating expenses	-677.4	-526.3	28.7
8. Other expenses	-89.6	-86.4	3.7
Total expenses	-3,187.6	-2,658.1	19.9
Profit before tax	215.4	143.3	50.3
Taxes	-41.1	-24.5	67.8
Net profit before minorities (Profit for the year)	174.3	118.8	46.6
Minorities	-13.6	-4.7	187.3
Net profit after minorites	160.6	114.1	40.8

¹ incl. income from associated and affiliated companies

6M 2007 Balance Sheet

IFRS (€mn)

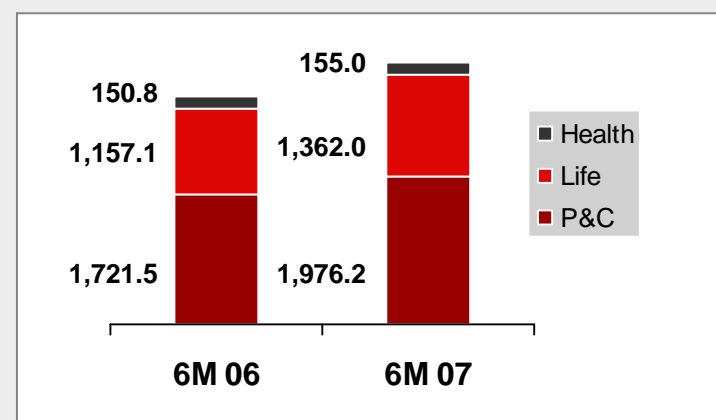
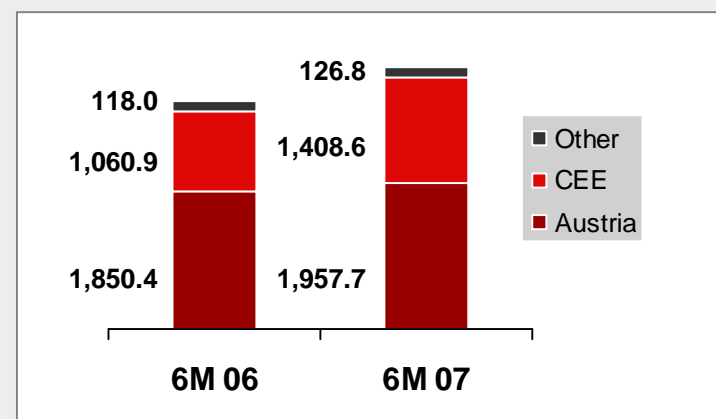
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	6M 2007	2006	+/- %
Intangible assets	496	461	7.4
Total investments	18,912	17,260	9.6
Unit- and index-linked investments	2,825	2,341	20.7
Reinsurers' share in technical provisions	1,188	963	23.3
Receivables	1,220	984	24.0
Deferred tax assets	38	24	63.1
Other assets	241	224	7.4
Cash and cash equivalents	235	226	3.9
Total assets	25,155	22,483	11.9
Shareholders' equity	2,324	2,283	1.8
<i>thereof minorities</i>	110	71	55.3
Subordinated liabilities	433	413	4.9
Technical provisions	16,671	14,628	14.0
Unit- and index-linked technical provisions	2,701	2,239	20.6
Non-technical provisions	783	836	-6.4
Liabilities	2,045	1,856	10.2
Deferred tax liabilities	126	122	3.8
Other liabilities	72	106	-32.0
Total liabilities and equity	25,155	22,483	11.9

6M 2007 P&L Major Items – Gross Written Premiums

Largely growing above market in Austria and CEE (€ mn)

- § Group GWP increased by 15.3% to € 3,493mn
- § Austria: total GWP up 5.8% to reach € 1,958mn. Life up 9.6% at € 895.7mn with sound growth in subsidised pensions vs. weaker demand in single premiums in line with market; includes ~€100mn premium effect from full consolidation of Austrian subsidiary Union; Non-life up 2.8% at € 907.0mn influenced by weaker pricing in motor market (VIG still growing above market)
- § The Czech Republic saw GWP growing by 8.3% to € 577.1mn with Life gaining 17.2% to reach € 134.8mn and Non-life up 5.9% at € 442.3mn.
- § In Slovakia business grew by 22.1% to reach € 243.8mn, with Life up 30.2% at € 82.9mn and P&C up 18.4% at € 160.8mn.
- § Sharp increase in Other CEE markets of 78.8% amounting to € 587.7mn, with high double digit organic growth
- § Other Markets show regular growth with 7.5%

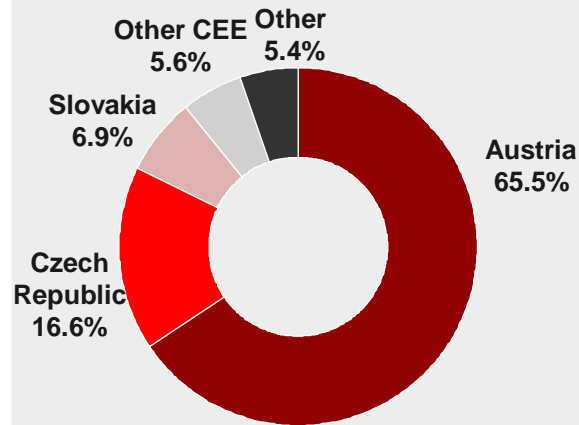


*Note: the following companies were included as of Q2 06 only:
Cigna (Poland) and the TBIH insurance companies (Bulstrad, Helios)*

GWP Split by Region

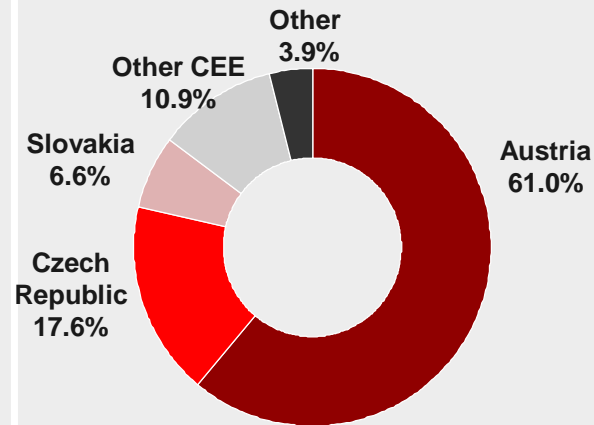
Share of Other CEE markets going up significantly

GWP by Geography 6M 05



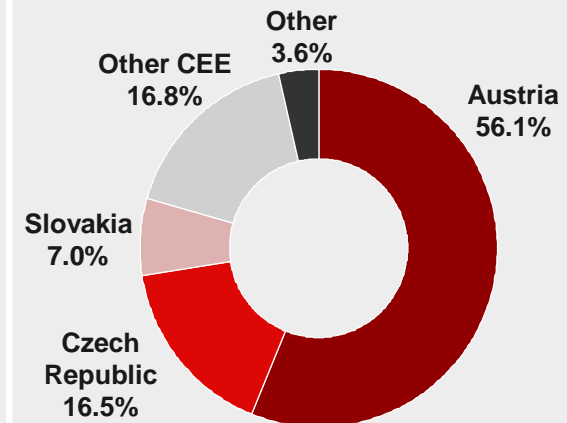
6M 2005 Total: €2.6bn

GWP by Geography 6M 06



6M 2006 Total: €3.0bn

GWP by Geography 6M 07



6M 2007 Total: €3.5bn

- § Other CEE is growing fastest by 11% pts to nearly 17%
- § Czech Republic and Slovakia stable
- § Broader diversification of portfolio attained

6M 2007 P&L Major Items – Expenses for Claims Incurred

Loss ratio reduced substantially

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- § Group loss ratio (net) with marked improvement by 2.9% to 64.7% despite €10mn net effect from Kyrill storm in Q1 2007
- § Austrian loss ratio lower by 1.9% pts at 66.9% thus reaching regular level
- § Czech Republic which was severely affected by snow pressure and floodings in 2006 saw loss ratio improving by 8.6% pts
- § In Slovakia loss ratio went up by 6.3% due to increased motor claims and single large loss in commercial business, to reach normalised level by year end
- § Other CEE recorded loss ratio (61.6%) at normal level

EUR mn	P&C		Life		Health	
	6M 2007	6M 2006	6M 2007	6M 2006	6M 2007	6M 2006
Net Earned Premiums:	1.331,9	1.118,3	1.344,3	1.144,6	152,9	148,4
Expenses for Claims Incurred:	861,5	755,4	1.423,9	1.158,4	135,3	131,6
Ratio	64,7%	67,6%	105,9%	101,2%	88,5%	88,6%

6M 2007 P&L Major Items – Operating Expenses

Cost ratio impacted by strong business growth

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- § Group cost ratio (net) up at 31.3%, driven by acquisition costs: VIIG does not account for DACs which affects cost ratio roughly by 2% pts (premium income is high at start of the year and leads to higher deferrals while acquisition costs are not deferred); benign Group-wide development of administrative costs
- § Austrian cost ratio stable with balancing effects from IT development costs (Group wide standardisation) and ongoing cost cutting exercises
- § Benign development of costs in the Czech Republic with cost ratio stable at 27.3%
- § Cost ratio in Slovakia showing marked improvement by 4.0%
- § Stable cost ratio in Other CEE influenced by economies of scale and capital expenditure for shared services

EUR mn	P&C		Life		Health	
	6M 2007	6M 2006	6M 2007	6M 2006	6M 2007	6M 2006
Net Earned Premiums:	1.331,9	1.118,3	1.344,3	1.144,6	152,9	148,4
Operating Expenses: ¹	417,3	339,9	294,1	226,8	21,0	20,1
Ratio	31,3%	30,4%	21,9%	19,8%	13,7%	13,6%

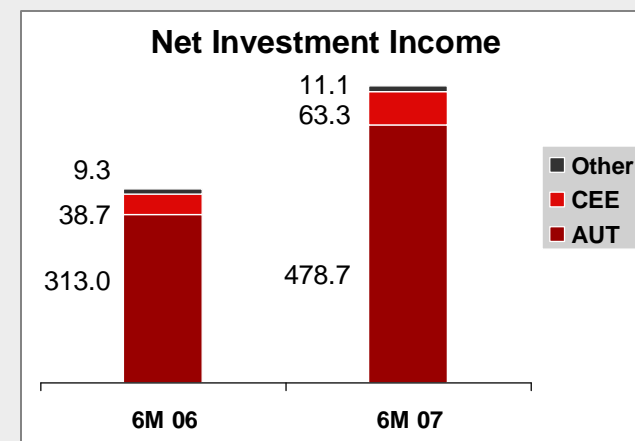
¹ incl. Other technical result (Other underwriting profits and expenses)

6M 2007 P&L Major Items – Net Investment Income

Sound growth in line with business expansion (€mn)

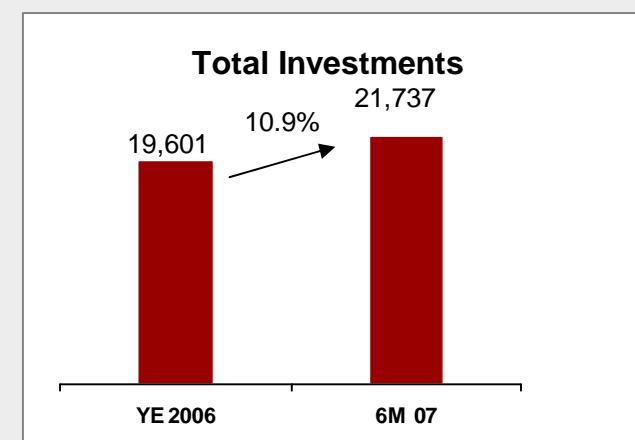
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- § Increase in Group Net Investment Income by 53.2% to €553.2mn
- § Austria grew by 53.0% influenced by trading gains, full consolidation of Austrian life subsidiary Union (+ €40.0mn) and by deferred profit participation (- €70.0mn) due to strict lower of cost or market accounting of fixed income bonds at parent company
- § Increases of net investment income in the Czech Republic (up 23.7%), Slovakia (up 54.6%) and Other CEE in line with business expansion
- § Larger CEE subsidiaries also show continuous improvement in asset allocation



	6M 2007	6M 2006
Investment Income	702.7	509.5
<i>thereof: Current Income</i>	409.5	359.5
<i>thereof: Investment income from disposal</i>	263.8	137.0
Expenses for investments and interest	-152.5	-152.0
<i>thereof: realised investment losses</i>	-28.0	26.2
<i>thereof: depreciation of investments</i>	-53.9	-53.5
Total¹	550.2	357.0

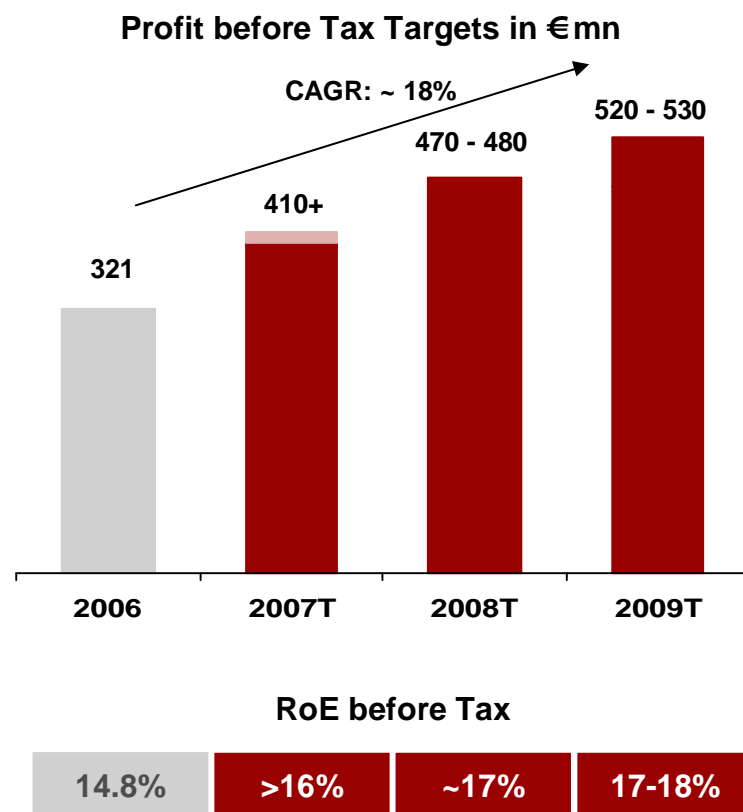
¹ excl. income from associated and affiliated companies



Financial Targets

Target for 2007 to be exceeded; dividend increase of 25%

VIG's financial targets



Comments

- § Based on the 1st HY results the 2007 target of €410mn will be exceeded
- § For the business year 2007 management will propose a dividend of above €1.0 per share, i.e. an increase of 25% as compared to the previous year
- § It is company policy to keep the Combined Ratio well below 100% throughout the business cycles
- § VIG dividend policy is defined as a payout ratio of min. 30% of Group net profit



Vienna Insurance Group- 6M 2007 results

Appendix

6M 2007 P&L – Business Segments

Property & Casualty, IFRS (€mn)

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	6M 2007	6M 2006	+/-%
1. Gross written premiums	1,976.2	1,721.5	14.8
2. Net earned premiums	1,331.9	1,118.3	19.1
3. Net investment income	93.3	56.8	64.2
4. Other income	11.9	14.4	-17.4
Total income	1,437.2	1,189.6	20.8
6. Expenses for claims incurred	-861.5	-755.4	14.0
7. Operating expenses	-377.3	-294.5	28.1
8. Other expenses	-64.3	-60.6	6.0
Total expenses	-1,303.1	-1,110.5	17.3
Profit before tax	134.1	79.0	69.7

6M 2007 P&L – Business Segments

Life, IFRS (€mn)

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	6M 2007	6M 2006	+/-%
1. Gross written premiums	1,362.0	1,157.1	17.7
2. Net earned premiums	1,344.3	1,144.6	17.4
3. Net investment income	445.8	292.2	52.6
4. Other income	8.7	14.6	-40.2
Total income	1,798.8	1,451.4	23.9
6. Life benefits	-1,423.9	-1,158.4	22.9
7. Operating expenses	-279.6	-212.3	31.7
8. Other expenses	-24.7	-25.2	-2.0
Total expenses	-1,728.2	-1,395.9	23.8
Profit before tax	70.7	55.5	27.4

6M 2007 P&L – Business Segments

Health, IFRS (€mn)

20

	6M 2007	6M 2006	+/-%
1. Gross written premiums	155.0	150.8	2.8
2. Net earned premiums	152.9	148.4	3.0
3. Net investment income	14.1	12.1	16.5
4. Other income	0.0	0.0	-100.0
Total income	166.9	160.5	4.0
6. Expenses for claims incurred	-135.3	-131.6	2.8
7. Operating expenses	-20.5	-19.6	4.4
8. Other expenses	-0.6	-0.5	11.9
Total expenses	-156.3	-151.7	3.0
Profit before tax	10.7	8.8	20.6

6M 2007 P&L - Split by Regions (I)

Regional segments, IFRS (€mn)

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	Austria			Czech Republic			Slovakia		
	6M 2007	6M 2006	+/-%	6M 2007	6M 2006	+/-%	6M 2007	6M 2006	+/-%
1. Gross written premiums	1,957.7	1,850.4	5.8	577.1	532.7	8.3	243.8	199.6	22.1
2. Net earned premiums	1,611.2	1,524.1	5.7	445.8	392.4	13.6	189.9	139.6	36.0
3. Net investment income	478.7	313.0	53.0	21.6	17.5	23.7	12.2	7.9	54.6
4. Other income	4.4	11.9	-62.9	5.5	4.1	34.0	1.2	3.6	-66.3
Total income	2,094.4	1,849.0	13.3	472.9	413.9	14.2	203.3	151.1	34.5
6. Expenses for claims incurred	-1,617.8	-1,431.6	13.0	-310.4	-285.9	8.6	-126.8	-87.6	44.7
7. Operating expenses	-308.4	-294.1	4.9	-108.5	-84.2	29.0	-40.9	-31.2	31.2
8. Other expenses	-29.6	-21.4	38.6	-18.6	-25.6	-27.1	-18.0	-20.4	-11.8
Total expenses	-1,955.8	-1,747.0	12.0	-437.6	-395.6	10.6	-185.7	-139.2	33.4
Profit before tax	138.5	101.9	35.9	35.3	18.3	92.5	17.6	11.9	48.0
Combined Ratio	94.3%	95.8%		95.4%	104.4%		90.8%	88.5%	

6M 2007 P&L - Split by Regions (II)

Regional segments, IFRS (€mn)

22

	Other CEE			Other			TOTAL		
	6M 2007	6M 2006	+/-%	6M 2007	6M 2006	+/-%	6M 2007	6M 2006	+/-%
1. Gross written premiums	587.7	328.7	78.8	126.8	118.0	7.5	3,493.1	3,029.3	15.3
2. Net earned premiums	470.2	251.3	87.1	112.0	103.9	7.8	2,829.1	2,411.3	17.3
3. Net investment income	29.5	13.4	120.3	11.1	9.3	19.4	553.2	361.1	53.2
4. Other income	6.9	6.9	1.2	2.6	2.6	-0.8	20.7	29.0	-28.9
Total income	506.6	271.6	86.5	125.7	115.8	8.5	3,403.0	2,801.4	21.5
6. Expenses for claims incurred	-268.3	-152.9	75.5	-97.2	-87.4	11.2	-2,420.6	-2,045.4	18.3
7. Operating expenses	-206.3	-103.0	100.3	-13.3	-13.9	-4.6	-677.4	-526.3	28.7
8. Other expenses	-14.7	-10.8	35.4	-8.6	-8.2	5.6	-89.6	-86.4	3.7
Total expenses	-489.3	-266.7	83.5	-119.2	-109.6	8.7	-3,187.6	-2,658.1	19.9
Profit before tax	17.4	4.9	253.7	6.5	6.2	4.9	215.4	143.3	50.3
Combined Ratio	101.9%	100.2%		88.6%	85.5%		96.0%	97.9%	

6M 2007 Results by Country

IFRS (€mn)

	Non-Life		Life		Total		Profit before Tax		Combined Ratio	
	6M 2007	6M 2006	6M 2007	6M 2006	6M 2007	6M 2006	6M 2007	6M 2006	6M 2007	6M 2006
Austria	1,062.0	1,032.9	895.7	817.5	1,957.7	1,850.4	138.5	101.9	94.3%	95.8%
Czech Rep.	442.3	417.7	134.8	115.0	577.1	532.7	35.3	18.3	95.4%	104.4%
Slovakia	160.8	135.9	82.9	63.7	243.8	199.6	17.6	11.9	90.8%	88.5%
Other CEE	432.3	254.0	155.4	74.7	587.7	328.7	17.4	4.9	101.9%	100.2%
Romania	184.9	101.8	7.4	5.6	192.3	107.5	4.2	1.5	100.1%	100.3%
Poland	156.2	93.0	91.3	34.6	247.6	127.6	8.7	2.4	101.8%	101.3%
Hungary	21.5	17.3	24.7	12.5	46.2	29.8	1.7	0.5	107.4%	80.7%
Croatia	23.1	17.3	19.0	15.2	42.0	32.5	1.4	0.4	112.1%	111.9%
Serbia	12.2	8.1	9.5	5.2	21.7	13.2	1.2	0.0	99.0%	95.2%
Bulgaria	34.5	16.4	3.4	1.7	37.9	18.1	0.2	0.2	103.4%	100.7%
Other	33.7	31.8	93.1	86.2	126.8	118.0	6.5	6.2	88.6%	85.5%
Liechtenstein	-	-	66.8	60.9	66.8	60.9	0.6	0.5	-	-
Germany	33.7	31.8	26.3	25.3	60.0	57.1	6.0	5.7	88.6%	85.5%
Total	2,131.2	1,872.2	1,362.0	1,157.1	3,493.1	3,029.3	215.4	143.3	96.0%	97.9%

Change in Group Shareholders' Equity / APE

IFRS

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	1.1. - 30.06.2007	1.1. - 30.06.2006
Equity as of 1 January	2.283.208	2.059.332
Currency Changes	-1.957	-2.999
Changes in consolidation	39.396	15.995
Capital Increase	-	-
Unrealised Gains and Losses on financial instruments available for sale	-69.667	-61.274
Profit for the quarter	174.251	118.828
Dividend payment	-101.698	-74.584
Equity as of 30 June	2.323.533	2.055.298

APE Life & Health	6M 2007	6M 2006	+/-%
Austria, Germany	109.9	117.3	-6.3%
CEE (CZ, SK)	25.0	18.3	36.6%
	134.9	135.6	-0.5%

Q2 2007 Income Statement

IFRS (€mn)

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	Q2 2007	Q2 2006	+/-%
1. Gross written premiums	1,474.8	1,277.1	15.5
2. Net earned premiums	1,364.8	1,164.0	17.2
3. Net investment income ¹	347.9	199.1	74.8
4. Other income	11.8	13.2	-10.9
Total income	1,724.4	1,376.3	25.3
6. Expenses for claims incurred	-1,235.8	-996.4	24.0
7. Operating expenses	-329.7	-262.9	25.4
8. Other expenses	-44.2	-46.5	-5.0
Total expenses	-1,609.7	-1,305.8	23.3
Profit before tax	114.7	70.4	62.8
Taxes	-22.6	-12.1	87.4
Net profit before minorities (Profit for the year)	92.1	58.4	57.7
Minorities	-7.4	-2.7	178.7
Net profit after minorites	84.6	55.7	51.9

¹ incl. income from associated and affiliated companies

6M 2007 Exchange Rates

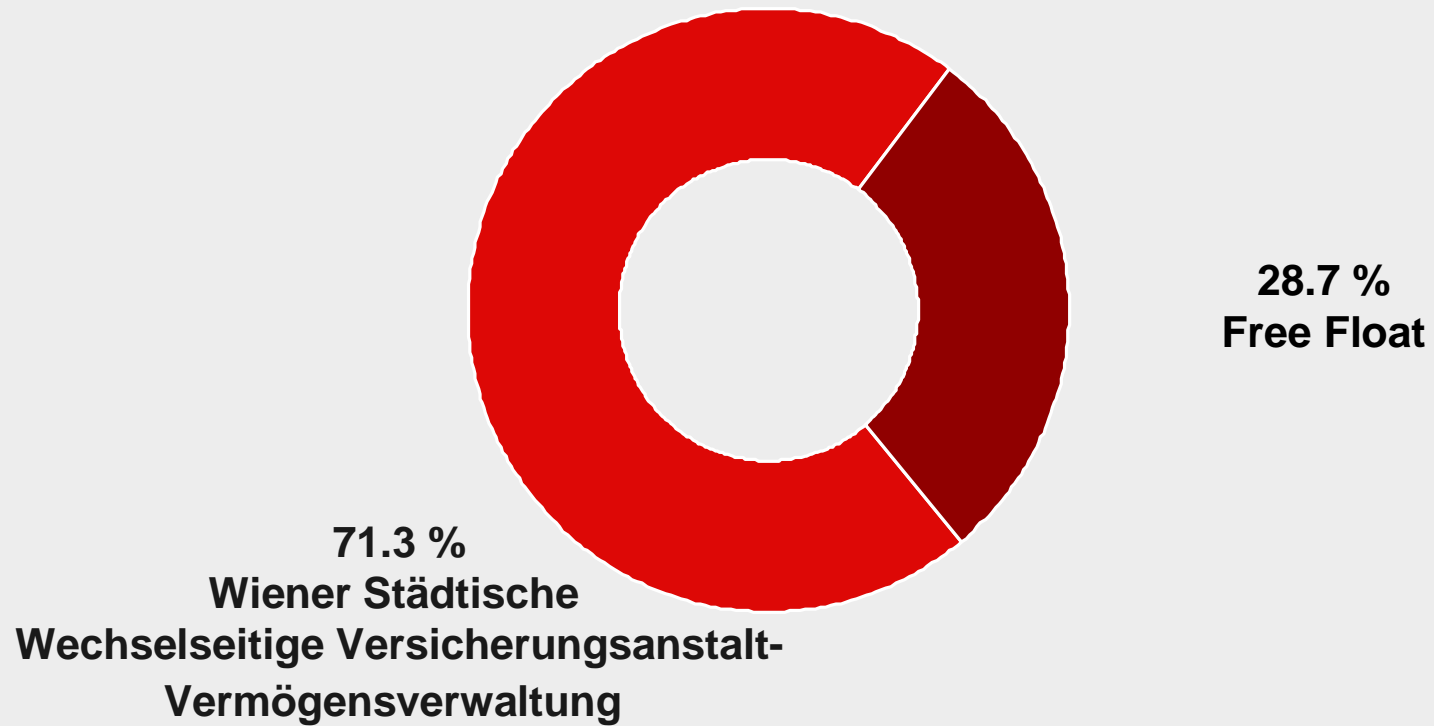
Country	Curr.	6M 2007		6M 2006	
		Balance Sheet EUR	P & L EUR	Balance Sheet EUR	P & L EUR
Bulgaria	BGN	0.511300	0.511300	0.511300	0.511300
Croatia	HRK	0.136921	0.135913	0.138036	0.136773
Liechtenstein	CHF	0.604120	0.612838	0.638081	0.640615
Poland	PLN	0.265414	0.260139	0.246633	0.257064
Romania	RON	0.319081	0.300223	0.280089	0.282405
Serbia	CSD	0.012654	0.012461	0.011765	0.011533
Slovakia	SKK	0.029731	0.029366	0.026076	0.026617
Czech Republic	CZK	0.034821	0.035521	0.035096	0.035098
Hungary	HUF	0.004063	0.003994	0.003529	0.003838

Shareholder Structure (I)

Total number of shares 105,000,000

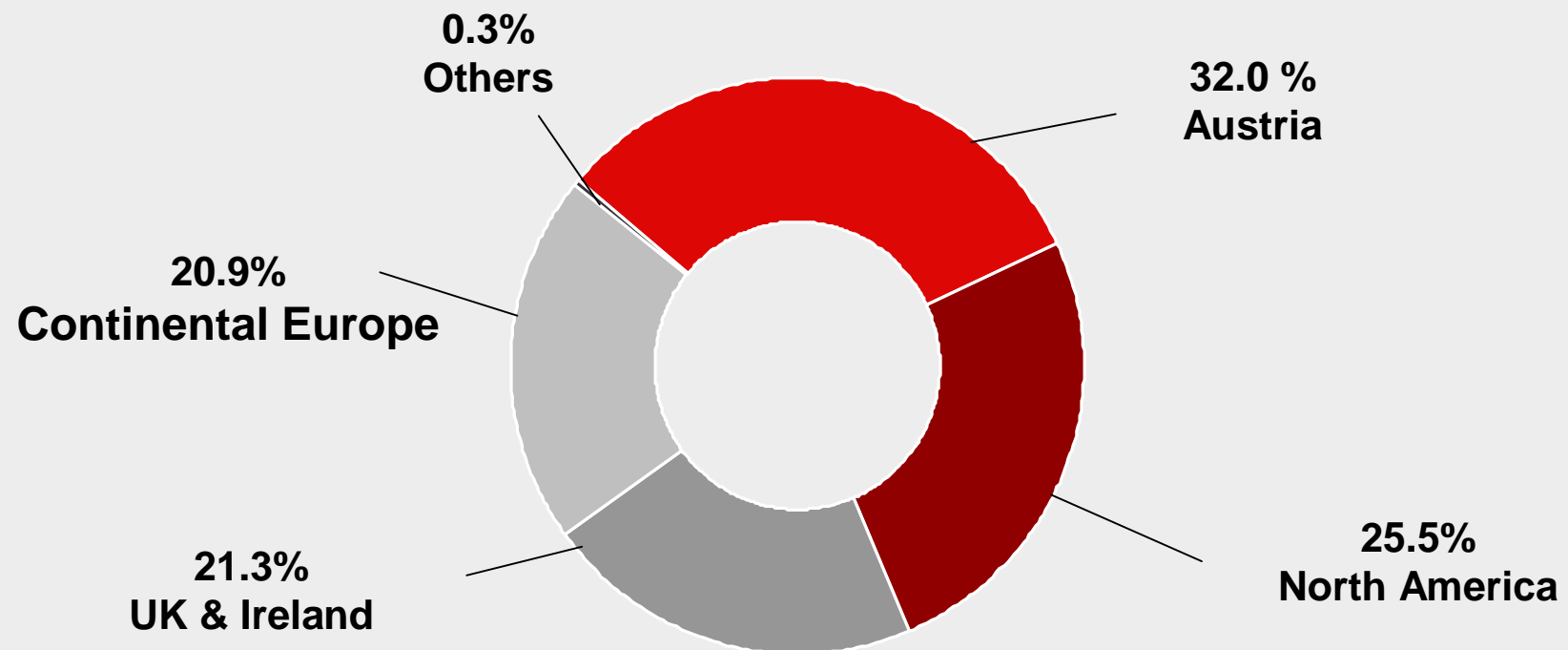
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Shareholder Structure



Shareholder Structure (II)

Free Float Geographical Split



Wiener Städtische Versicherung AG

Vienna Insurance Group

Schottenring 30, 1010 Vienna, Austria

www.wienerstaedtische.com

Vienna Stock Exchange:	WST
Reuters:	WISV.VI
Bloomberg:	WST AV
Datastream:	O:WNST

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