



V.I.G. – Keeping Performance Promises

YE 2008 Premiums (unconsolidated, unaudited) -
27 January 2009

Presenting Team

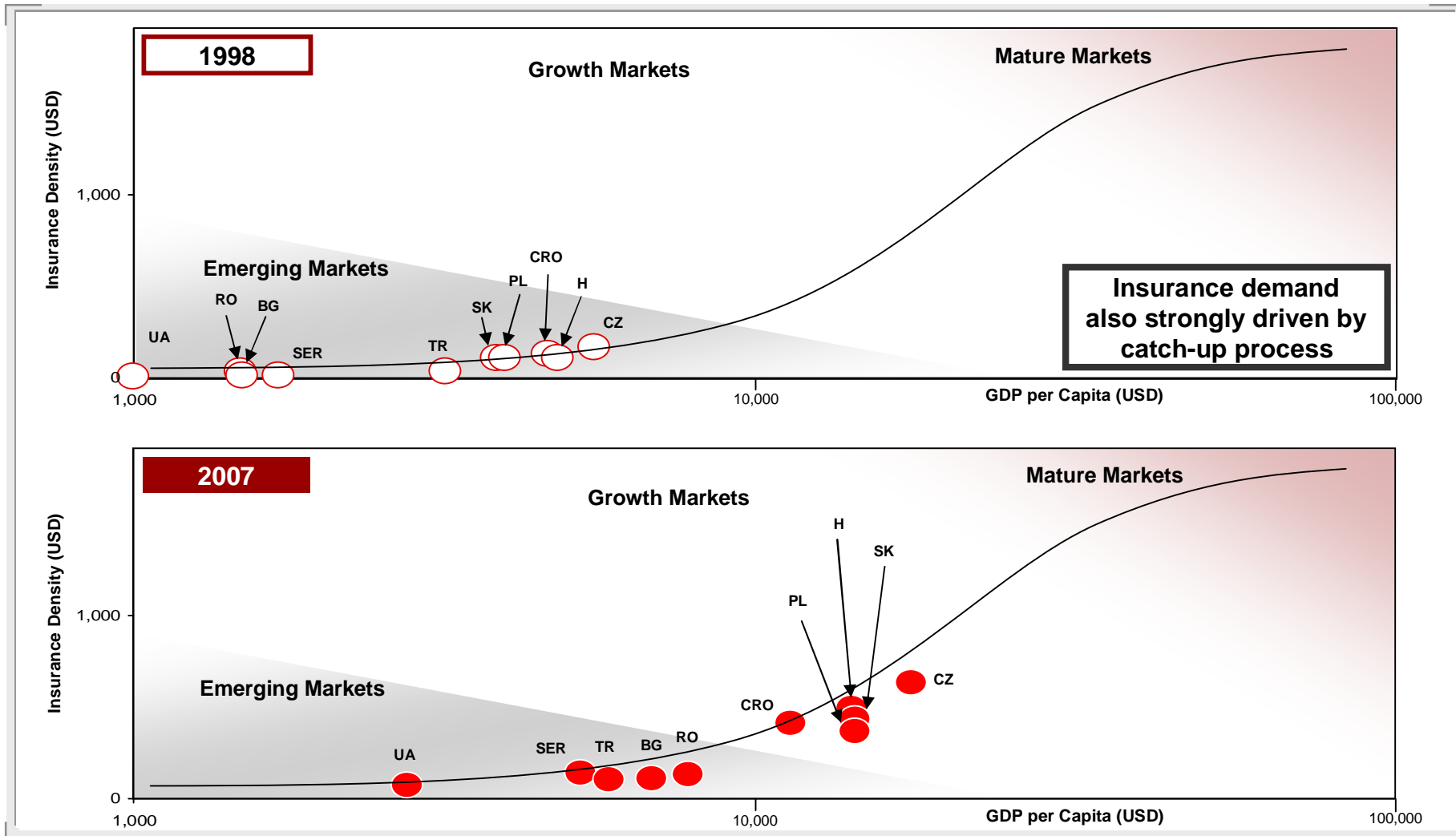
- § **Martin Simhandl, CFO**
- § **Peter Hagen, Member of the Managing Board**
- § **Roland Gröll, Head of Group Accounting**
- § **Kurt Ebner, Group Actuary in Chief**
- § **Thomas Schmee, Head of Investor Relations**

Topics

- § **Business Modell** p.3
- § **Setting the Ground for Further Expansion** p.5
- § **Financial Highlights** p.10

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

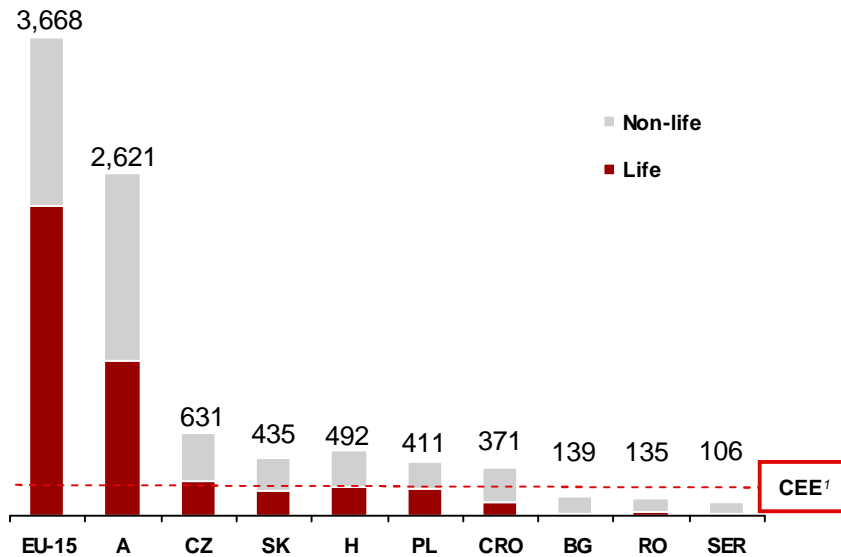
GDP growth and underpenetration are insurance drivers



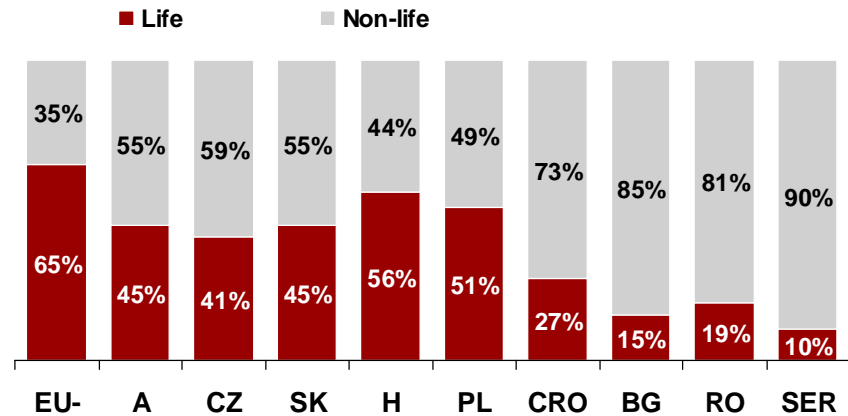
V.I.G. Business Model Still in Place (II)

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

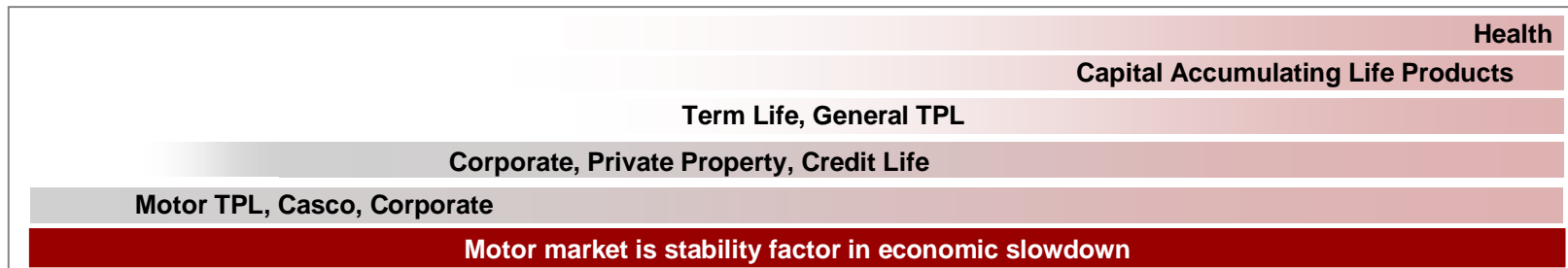
Insurance Density 2007



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



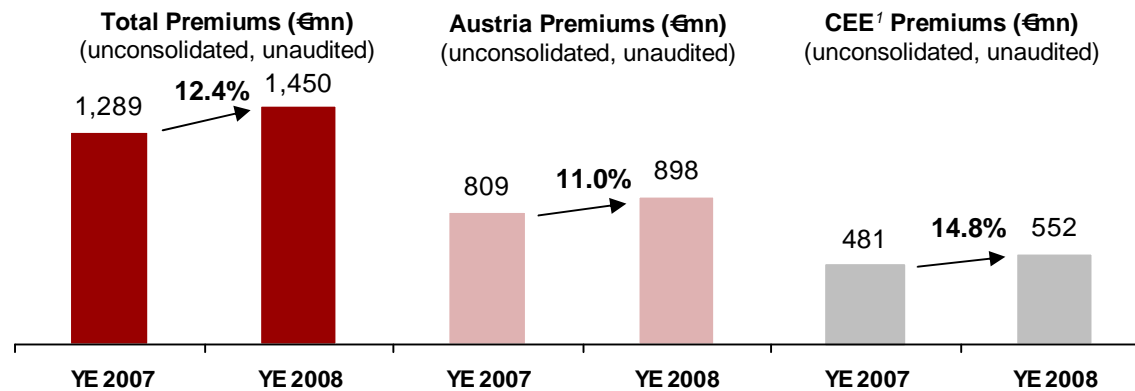
**Vienna Insurance Group –
YE 2008**

Setting the Ground for Further Expansion

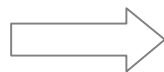
Strategic Update

Extending successful cooperation with Erste Group

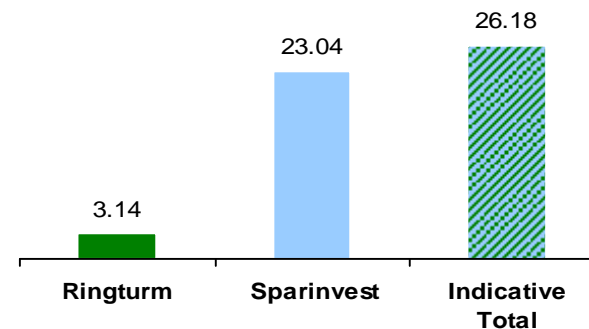
Group's Insurance Group



Mutuality is the key success factor for the cooperation



Assets under Management (€bn)



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

1: incl. BCR Asigurari and BCR Asigurari de Viata

V.I.G. and ARAG

Combined forces of know-how and distribution



Joint Venture

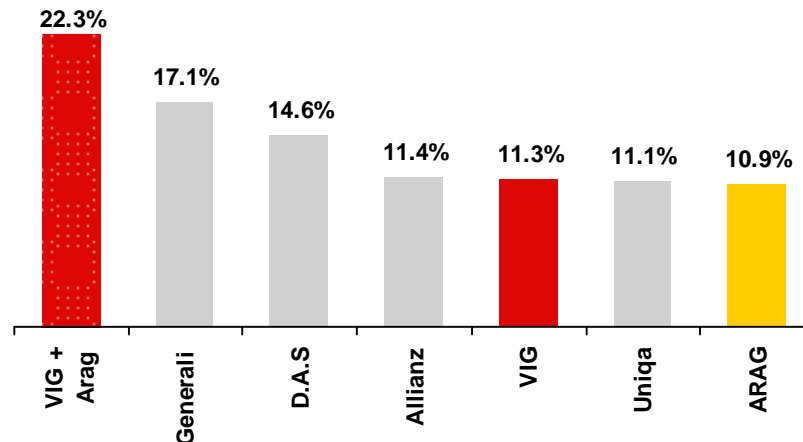


- § A leading insurance Group in CEE
- § Enormous distribution power

- § 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

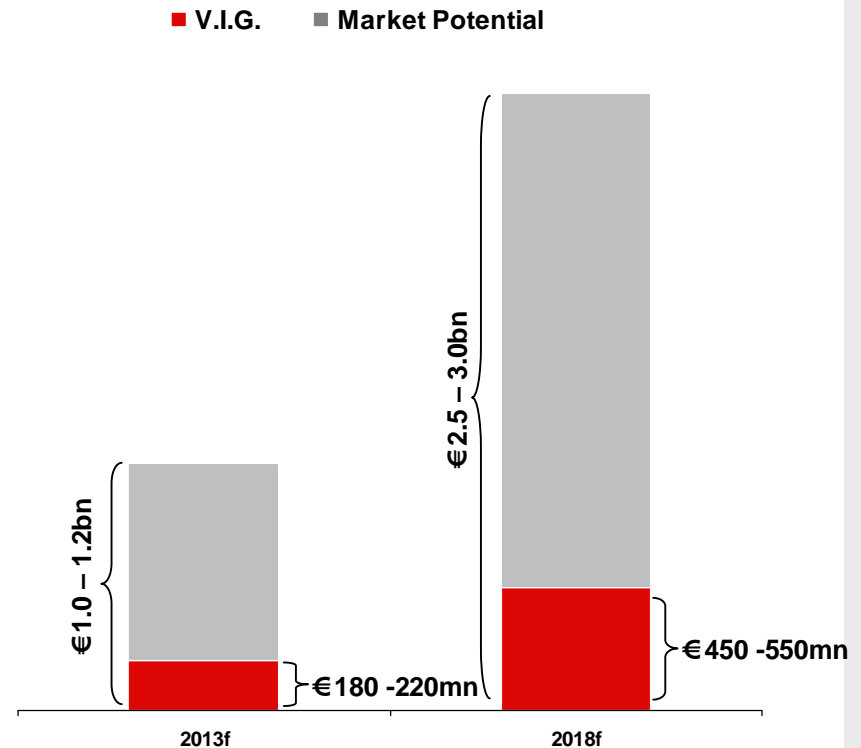
Upcoming demand for private health insurance in CEE

Health Business in CEE

VIG 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 spendings expected
- § VIG premium potential of about € 180 – 220mn per annum estimated within the next 5 years

Market Potential

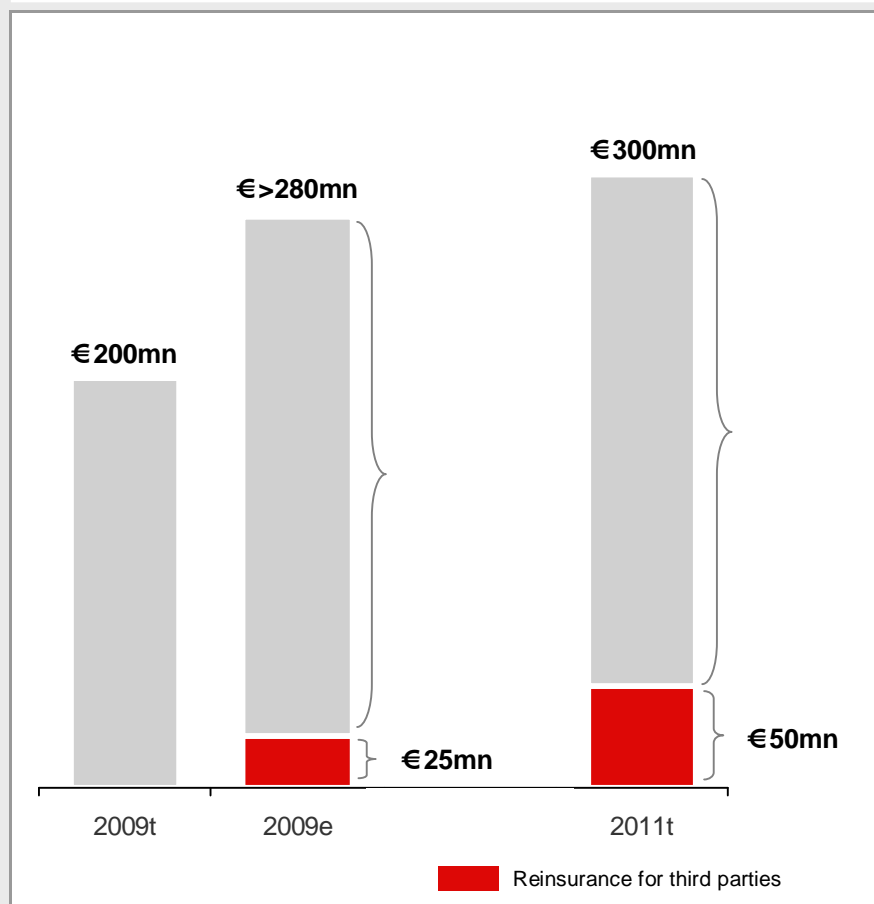


VIG RE – update

Progressing ahead of business plan

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VIG RE – Development



Source: Company data

Key Considerations

- § To leverage longstanding market knowledge and strong CEE footprint – incorporated in Czech Republic
- § Pooling of VIG 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-VIG companies
- § RoE of ~20% after 3 years: expectation confirmed



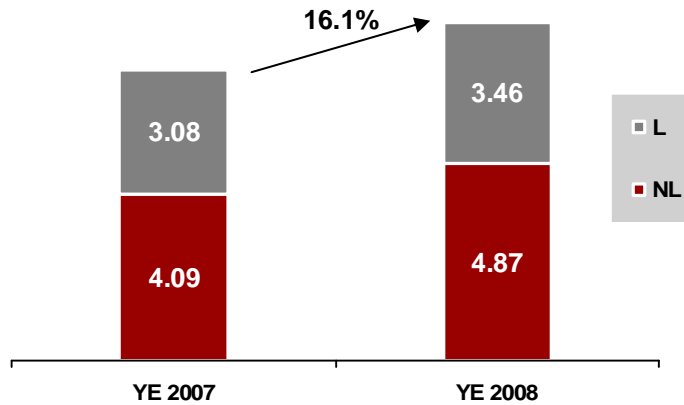
**Vienna Insurance Group –
YE 2008**

Financial Highlights (unconsolidated, unaudited)

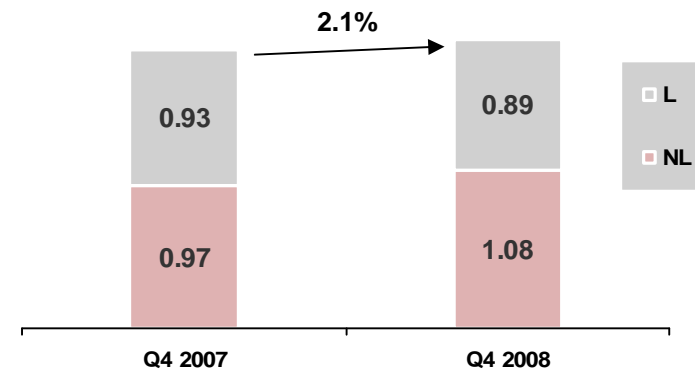
YE 2008 Financial Highlights

GWP, unconsolidated, unaudited

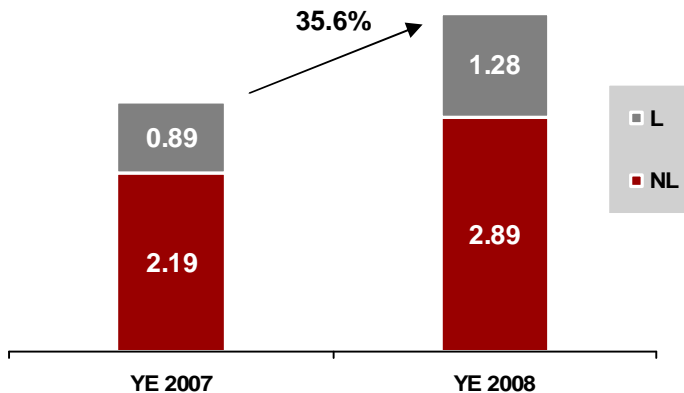
YE 2008: Total Group Premiums (€bn)
(unconsolidated, unaudited)



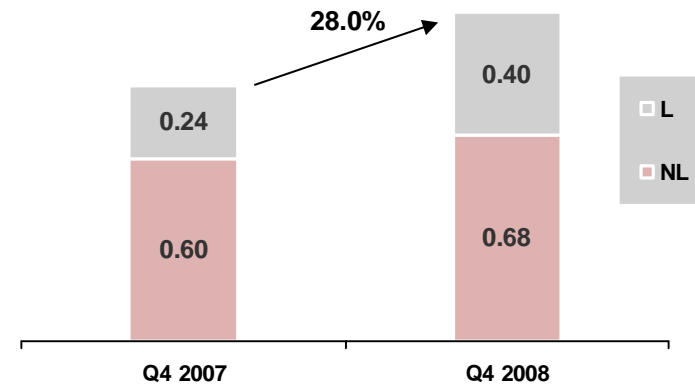
Q4 2008: Total Group Premiums (€bn)
(unconsolidated, unaudited)



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



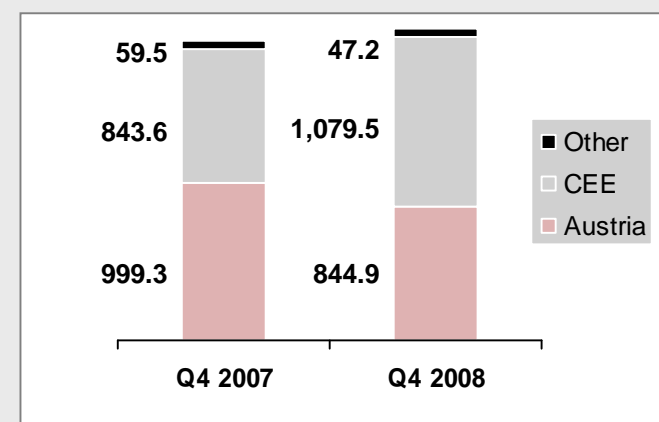
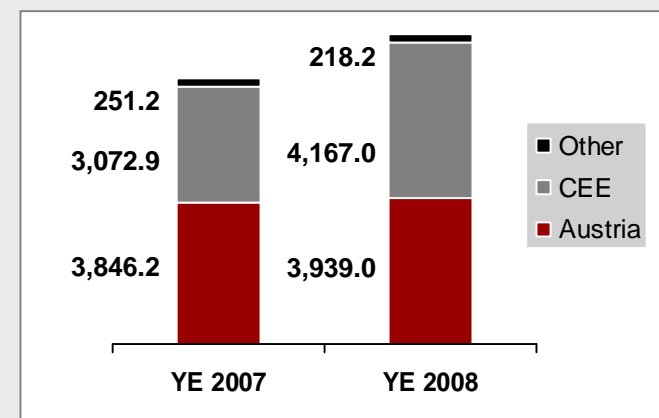
Q4 2008: CEE Group Premiums (€bn)
(unconsolidated, unaudited)



YE 2008 Gross Written Premiums

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

- § Overall, VIG 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

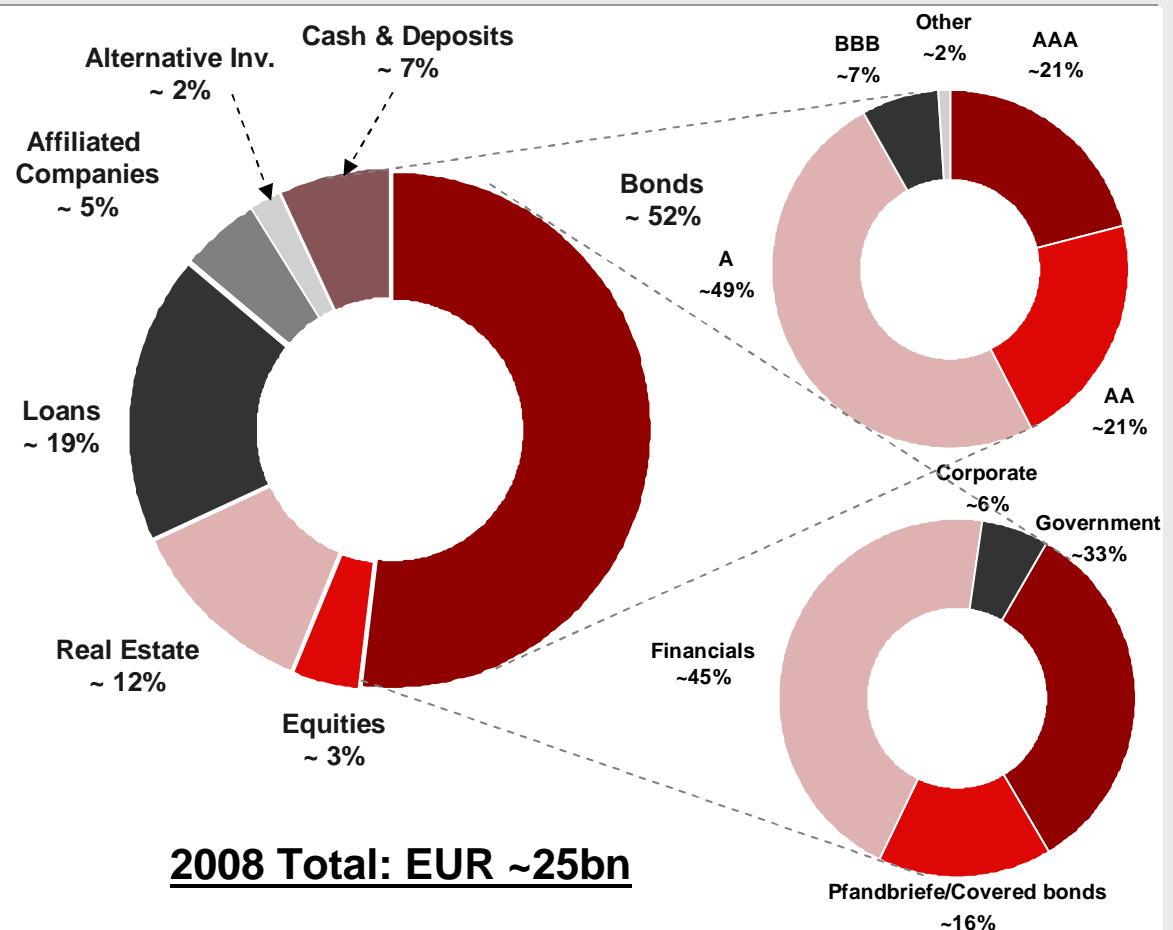
YE 2008 Investment Split

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 VIG itself
- § Bond portfolio well diversified, mainly in Western Europe
- § Investments mainly denominated in EUR; CEE premiums invested in local currencies, thus natural hedge
- § VIG has no US-subprime investments, monolines or CDOs
- § Tier 1 exposure of about 1.5% - 2% of total investments (no US risk)

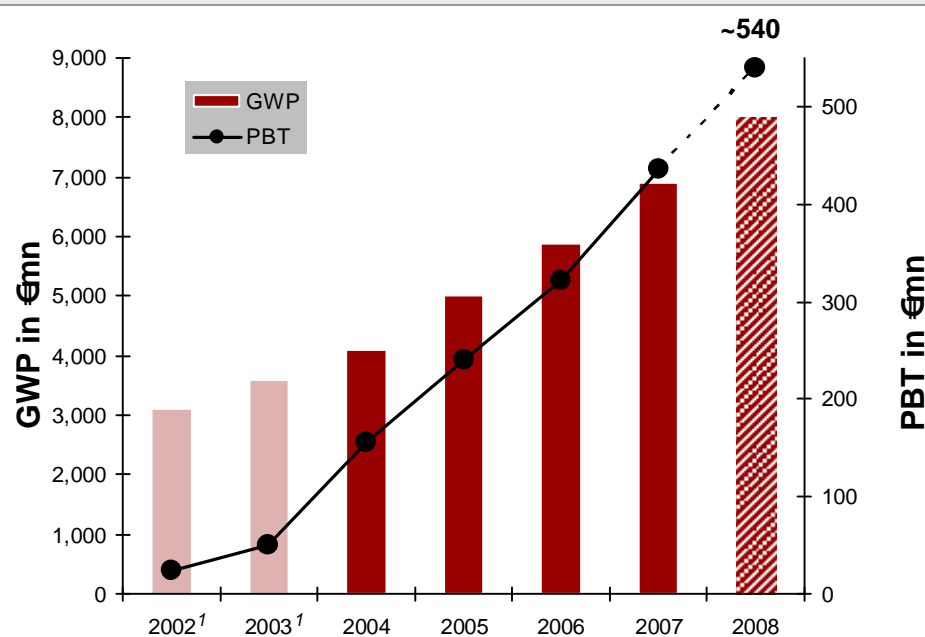
Portfolio Overview



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

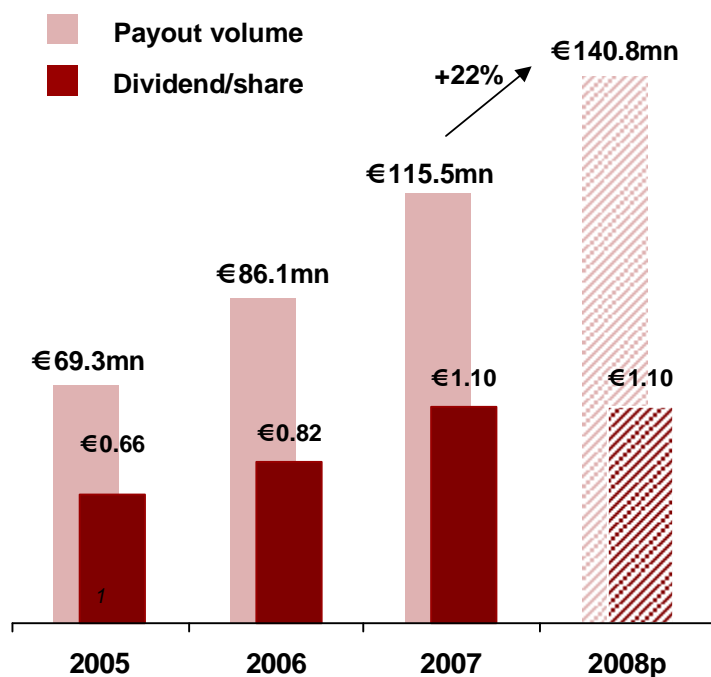
Comments

- § PBT target of EUR ~ 540mn for year 2008 maintained
 - § Impact of financial markets on Group results balanced by extraordinary income from sale of companies
 - § Persistently shaky situation of capital markets does not 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 VIG 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

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

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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