

29 March 2012

## Record result of Vienna Insurance Group in 2011:

**Standard & Poor's confirms excellent rating:  
"A+" with stable outlook**

**Outstanding increase in Group profit (before taxes) by  
10.1 percent to about EUR 560 million**

**Group premiums grow to almost EUR 9 billion**

**Proposed dividend increase of 10 percent to EUR 1.10 per share\***

**Vienna Insurance Group grows considerably above market  
average in CEE**

### I. OVERVIEW OF KEY DATA FOR THE YEAR 2011 (in accordance with IFRS)

In the financial year 2011 Vienna Insurance Group earned consolidated **premiums** written of **EUR 8.9 billion**, which corresponds to a **rise of 3.4 percent**.

**Group profit** (before taxes, consolidated) **increased** significantly by **10.1 percent** to **EUR 559.0 million** in 2011. This is the best-ever result in the Group's history.

The Group's **combined ratio** after reinsurance (without taking into account investment income) for the year 2011 clearly **decreased** by almost **1.6 percentage points** to a very good level of **96.8 percent**.

The **financial result** for the year 2011 amounted to **EUR 931.6 million**.

The **investments** of the Group, including liquid funds, totalled **EUR 28.7 billion** as of 31 December 2011.

The Managing Board of Vienna Insurance Group will propose an **increase in dividend by 10 percent** to **EUR 1.10** for the year 2011.\*

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\* subject to the approval of the corporate bodies

VIENNA INSURANCE GROUP: Wiener Städtische (AT) • Donau (AT) • s Versicherung Gruppe (AT, CZ, HR, HU, SK) • InterAlbanian (AL) • Intersig (AL) • Sigma (AL) • Bulstrad (BG) • Bulstrad Life (BG) • Bulgarski Imoti (BG) • Jahorina (BIH) • Kupala (BY) • Kooperativa (CZ) • CPP (CZ) • VIG RE (CZ) • InterRisk (DE) • Compensa Life (EE, LT, LV) • GPIH (GE) • IRAO (GE) • Kvarner (HR) • Helios (HR) • Union Biztosito (HU) • Vienna-Life (LI) • Wiener Städtische Podgorica (ME) • Winner (MK) • Winner Life (MK) • Compensa (PL) • InterRisk (PL) • Benefia (PL) • PZM (PL) • Omniasig (RO) • Asirom (RO) • BCR Asigurari (RO) • BCR Asigurari de Viata (RO) • Wiener Städtische Beograd (RS) • MSK-Life (RU) • Kooperativa (SK) • Komunalna poisťovňa (SK) • Ray Sigorta (TR) • Kniazha (UA) • Globus (UA) • Jupiter (UA) • UIG (UA) • Branches: Donau (IT), Wiener Städtische (IT), Wiener Städtische (SI)

## **II. GROUP EMBEDDED VALUE INCREASED**

The **embedded value** – calculated based on international guidelines – represents the value of existing insurance contracts. It is composed of the net asset value of life, health and property/casualty insurance as well as the discounted value of future earnings from existing contracts in the life and health insurance segment.

The sustainability of the insurance business of Vienna Insurance Group is reflected in the fact that the **Group embedded value** (after taxes) increased by **6.3 percent** to **EUR 5.28 billion** as of 31 December 2011 (adjusted value 2010: EUR 4.97 billion).

B&W Deloitte GmbH, Cologne, reviewed the Group embedded value and confirmed to Vienna Insurance Group that the calculation procedures applied as well as the underlying assumptions and results are accurate.

## **III. OUTLOOK FOR THE FINANCIAL YEAR 2012**

The priority in 2012 will be on promoting further organic growth and on increasing profitability on a continuous basis. The Management of Vienna Insurance Group has committed itself to achieving growth above the market average also in the next years. As far as the situation in the European markets is concerned, the Group expects if at all selective stagnating revenues due to restrained consumption.

Vienna Insurance Group will continue to adhere to its principles of a local market presence based on diversification aspects as well as to its conservative investment strategy, while working on strengthening its profitability. The Management of Vienna Insurance Group will strive to keep volatilities as low as possible also in the future, by taking into account the respective economic setting. The Group examines on an ongoing basis if there are cost-reduction potentials and how they may be taken advantage of in an optimal way, particularly in the companies in the CEE region and through the continued harmonisation of the Group's IT infrastructure.

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