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Vienna Insurance Group in 2008¹:

Group premiums up 16 percent to EUR 8.3 billion

Excellent CEE premium growth of 35 percent

CEE premium share exceeds 50 percent mark for first time

Group profit (before taxes): approx. EUR 540 million

Dividend of at least EUR 1.10 per share planned

“Despite the difficult situation in the capital markets in 2008, we carried out a very successful capital increase and we have risen, with the acquisition of all the insurance activities of the Erste Group, to number one in our core markets in CEE. The preliminary premium growth in our Group companies in CEE is around 35 percent. This provides sustainable confirmation of the Vienna Insurance Group’s strategy also in 2008,” comments Vienna Insurance Group CEO Günter Geyer, regarding the outstanding double digit overall premium growth seen by the Group in 2008.

“The Vienna Insurance Group shows with these excellent preliminary turnover figures for 2008 that it is on the right path. We will achieve our target Group profit (before taxes) of around EUR 540 million despite the negative impacts on the financial results in 2008.”

I. OVERVIEW OF KEY DATA FOR 2008

Based on preliminary figures, the **Vienna Insurance Group** was able in 2008 to achieve total **unconsolidated premiums written of EUR 8.32 billion**. This corresponds to a total increase of **16.1 percent**. In the **non-life** segment, Group premiums of **EUR 4.87 billion** were achieved – equating to excellent growth of **19 percent**. The **life insurance** segment also witnessed excellent double digit growth of **12.2 percent** – due primarily to the development in CEE – with Group premiums of **EUR 3.46 billion**.

The targeted **Group profit (before taxes, consolidated)** for 2008 will, according to preliminary figures, be around **EUR 540 million** – despite the negative performance of financial markets in the fourth quarter of last year.

The **Group’s combined ratio (net, after reinsurance)** will again be around **96 percent** in 2008. This good actuarial result could be achieved despite the natural disasters of the past year (storms Emma and Paula).

¹ The 2008 figures are based on preliminary data and are unconsolidated and unaudited.

The board will, in view of the expected Group profit (before taxes) of around EUR 540 million, propose payment of a **dividend of at least EUR 1.10** for 2008.

II. PERFORMANCE IN KEY REGIONS FOR 2008¹

Austria

The Austrian insurance companies of the **Vienna Insurance Group** achieved, according to preliminary data, **total premium volume of EUR 3.94 billion** – an increase of **2.4 percent**. (The premium income of Bank Austria Creditanstalt Versicherung has been included only for the first six months of last year, the premium income of Sparkassen Versicherung only as from 1 July 2008). In Austria, the Vienna Insurance Group is number one in the market with its individual insurance companies.

In the **non-life** segment, the premium volume increased by **4.0 percent** to **EUR 1.91 billion**, whilst in **life insurance** a premium volume of **EUR 2.03 billion** was achieved. In comparison to the previous year this represents an increase of **1.0 percent**.

CEE

In 2008, growth of **Group premiums in CEE markets** increased again in comparison to the previous year. According to preliminary data, Group premiums amounted to **EUR 4.17 billion**, an excellent rise of **35.6 percent**. Thus, for the first time, over **50 percent** of group premiums were achieved in CEE (Premiums of Unita are included until 30 June 2008, and premiums of the s Versicherung companies in CEE are included from 1 October 2008. Premium income of BCR non-life and BCR life is not included.)

In the **non-life** business, the preliminary premiums were, at **EUR 2.89 billion**, an excellent **32 percent** higher as compared to the previous year. An even more significant increase of **44.4 percent** was achieved in the **life insurance** business, with total Group premiums written of **EUR 1.28 billion**.

This means that the contribution of CEE companies to the Group premiums in the life segment is already around 37 percent.

These values confirm the continued high growth potential of the Central and Eastern European region.

Czech Republic ⁴

The premiums for the three Czech Group companies, **Kooperativa pojišťovna, a.s. Vienna Insurance Group**, **Česká podnikatelská pojišťovna, a.s. Vienna Insurance Group (ČPP)** and **Pojišťovna České spořitelny, a.s. (PČS)**² increased in comparison to the previous year by **13.1 percent**, to **EUR 1.53 billion**. The motor of premium growth was undoubtedly **life insurance**, which rose **34.4 percent** compared to the previous year, with Group premiums of **EUR 436.82 million**. The **non-life** segment also saw stable growth of **6.3 percent**, with premiums amounting to **EUR 1.09 billion**. The Vienna Insurance Group is ranked second in the Czech insurance market.

² s Versicherung CEE included from 1 October 2008.

Slovakia ⁴

The four Slovakian Group companies, **Kooperativa poisťovňa, a.s. Vienna Insurance Group**, **Kontinuita poisťovňa, a.s. Vienna Insurance Group**, **Komunálna poisťovňa, a.s. Vienna Insurance Group** and **Poisťovňa Slovenskej sporiteľne, a.s.**², achieved double digit growth of **13.8 percent**, with preliminary premiums written totalling **EUR 614.57 million**. In **non-life**, Group premiums were **EUR 339.53 million** (an increase of **10.5 percent**), whilst in **life insurance**, with Group premiums amounting to **EUR 275.04 million**, there was an increase of **18.1 percent**. The Vienna Insurance Group is thus ranked second in the Slovakian insurance market.

Poland ⁴

In Poland, the premiums of the Group companies of the Vienna Insurance Group are, in comparison to 2007, up **38 percent** to a total of **EUR 827.61 million**. This includes **EUR 468.08 million** in the **non-life** segment and **EUR 359.53 million** in the **life** segment. **Non-life** thus saw growth of **32.8 percent** and **life insurance** experienced growth of **45.3 percent** in comparison to the previous year. The Vienna Insurance Group is one of Poland's major insurance players, and is ranked sixth in the market.

Romania ⁴

The Romanian Group companies of the Vienna Insurance Group³, non-life insurer **OMNIASIG S.A. Vienna Insurance Group**, life insurer **OMNIASIG Asigurari de Viata S.A. Vienna Insurance Group** and also **ASIROM S.A. Vienna Insurance Group**, significantly strengthened the leading market position of the Vienna Insurance Group in Romania in 2008 with preliminary premiums of **EUR 612.98 million**. Premium growth for the year was **68 percent**.

The preliminary revenues from the **non-life insurance** were **EUR 574.07 million**, representing a considerable increase of **62.8 percent**. In the life insurance segment, the premiums were **EUR 38.91 million**.

² s Versicherung CEE included from 1 October 2008.

³ BCR Non-life and BCR Life not included; Unita included until 30 June 2008.

⁴ Rates of change (in percent) based on local currency.

The listed Vienna Insurance Group (VIG) is one of the leading insurance groups in CEE headquartered in Vienna. Outside of its home base in Austria, Vienna Insurance Group is also active, through subsidiaries and insurance holdings, in Albania, Bulgaria, Germany, Estonia, Georgia, Croatia, Latvia, Liechtenstein, Lithuania, Macedonia, Poland, Romania, Russia, Serbia, Slovakia, the Czech Republic, Turkey, Hungary, Ukraine and Belarus. It also has branches in Italy and Slovenia.

On the Austrian market, the Vienna Insurance Group (VIG) positions itself with Wiener Städtische Versicherung, Donau Versicherung and Sparkassen Versicherung. Furthermore, it has a minority holding in Wüstenrot Versicherung.

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