

17 April 2019

## **Vienna Insurance Group aims to use strong capitalisation as basis for growth**

### **Outstanding results confirmed, Group Annual Report and SFCR report published**

**With publication of its 2018 Group Annual Report, the Vienna Insurance Group (VIG) has confirmed the preliminary results announced on 21 March 2019. The Group intends to use its strong capitalisation (solvency ratio of 239%) to achieve further growth. On 11 April 2019, VIG's Supervisory Board approved the Managing Board's proposal to increase the dividend from 90 cents to EUR 1 per share.**

VIG's key indicators for the 2018 financial year were premium income of EUR 9.7bn (up 3%), profit (before taxes) of EUR 485m (a 10% increase), a combined ratio of 96% (down 0.7 percentage points), a solvency ratio of 239% (a 19 percentage point gain) and a financial result of EUR 1,037m (up 12%). *"After beating our forecasts we've raised our targets for 2019 and 2020. We will maintain our focus on growth, and we want to capitalise on opportunities and potential in order to broaden our presence. Our aim is not only to take a forward-looking commercial approach; above all, we want to follow a sustainable path"*, explained Vienna Insurance Group CEO Elisabeth Stadler.

### **Sustainability a leading priority**

The 2018 sustainability report references last year's impact analysis, which showed the effects of VIG's operations on society and the environment. This has laid the foundations for even more targeted implementation of measures. Across the board, VIG's Group companies have taken steps to conserve resources and reduce their environmental footprint by means of green initiatives such as renaturation and recycling projects. These have already borne fruit, as reflected in the year-on-year improvement in environmental indicators. Meeting its social responsibilities is another important consideration for VIG, one which it shares with its main shareholder, Wiener Städtische Versicherungsverein. The numerous initiatives in this area include Social Active Day, on which all employees can take a day off to support a wide range of projects. Over 5,000 employees in 21 countries took part in the initiative last year, and the Group companies provided a total of over 41,000 working hours for these causes. This year's sustainability report was the first to be assessed by external auditors, which is designed to enhance its significance both internally and externally. In 2018, VIG was again listed on the FTSE4Good and VÖNIX sustainability indexes.

### **Embedded value: EUR 199m added in life and health insurance**

Embedded value in life and health insurance comprises net asset value and the present value of future profits from the insurance portfolio. The sustainability of VIG's life and health insurance businesses is reflected in the 5.1% increase in embedded value to EUR 4.1bn at 31 December 2018, compared with an adjusted value for 2017 of EUR 3.9bn. The value gain of EUR 199m in financial 2018 was mainly due to the conclusion of profitable new business with a margin of 4.4%. As in previous years, VIG recorded outstanding margins in CEE compared with other international insurers, at 6.6%.

The Vienna Insurance Group published the following reports on 17 April 2019 at [www.vig.com](http://www.vig.com):

- Online Annual Report 2018
- Group Annual Report 2018 (pdf)
- Sustainability Report 2018 (pdf)
- Group Solvency and Financial Condition Report 2018 (SFCR) (pdf)
- Group Embedded Value Results 2018 (pdf)
- VIG Holding - Annual Financial Statements 2018 (pdf)
- VIG Holding - Solvency and Financial Condition Report 2018 (SFCR) (pdf)

**Vienna Insurance Group (VIG)** is the leading insurance specialist in Austria as well as in Central and Eastern Europe. About 50 companies in 25 countries form a Group with a long-standing tradition, strong brands and close customer relations. VIG has close to 200 years of experience in the insurance business. With more than 25,000 employees, Vienna Insurance Group is the clear market leader in its Austrian and CEE markets. It is therefore excellently positioned to take advantage of the long-term growth opportunities in a region with 180 million people. The listed Vienna Insurance Group is the best-rated company of ATX, the leading index of Vienna Stock Exchange; its share is also listed on the Prague Stock Exchange.

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