



Vienna Insurance Group KBW European Financials Conference

London, 16 September 2015



The first half year 2015 at a glance

Focus on profitable non-motor business and regular premium business in life

€4.9bn
GWP

Decrease of 1.5% driven by conservative approach towards single premium business due to current low interest rate environment

- Successful focus on regular premiums in life with growth rate of 6.3%
- Single premiums down 15.7% due to conservative approach
- Overall premium growth of 2.2% excl. single premiums
- Remaining markets continued to grow strongly by 18.4%

€250mn
PBT

PBT within expected range due to low interest rate environment

- Decrease of 16.8% driven by declining financial result
- Record result of €31mn (+11.5%) in Remaining markets segment
- Czech Republic with €88mn (+2.7%) contributing most to Group profits
- EPS up to €2.87 from €2.75 at YE 2014 due to repurchase of hybrid

95.9%
CoR

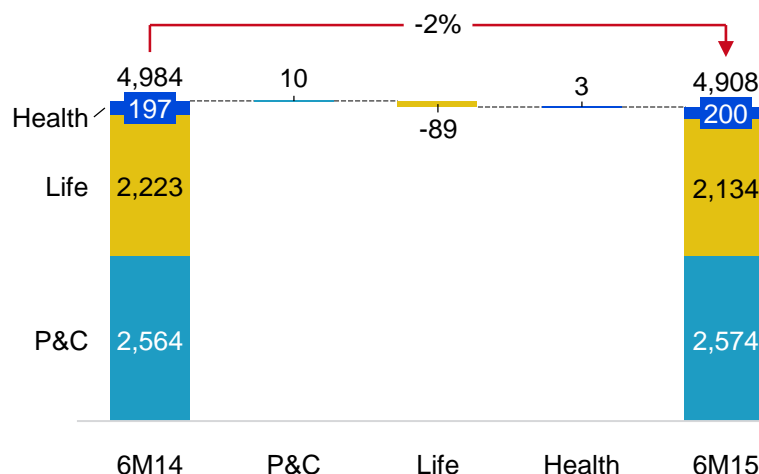
Net combined ratio decreased by 1.2%p

- Combined ratio development benefited from better claims ratio
- Strong improvement in Austria and Romania

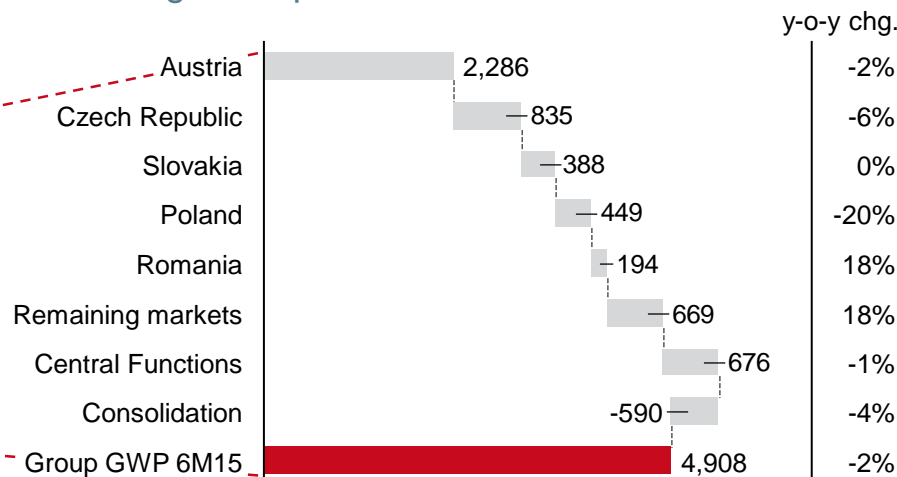
Premiums decreased slightly but many CEE markets with solid top-line growth

Remaining markets premium up by 18.4%

Gross written premiums (€mn; y-o-y chg.)



GWP regional split



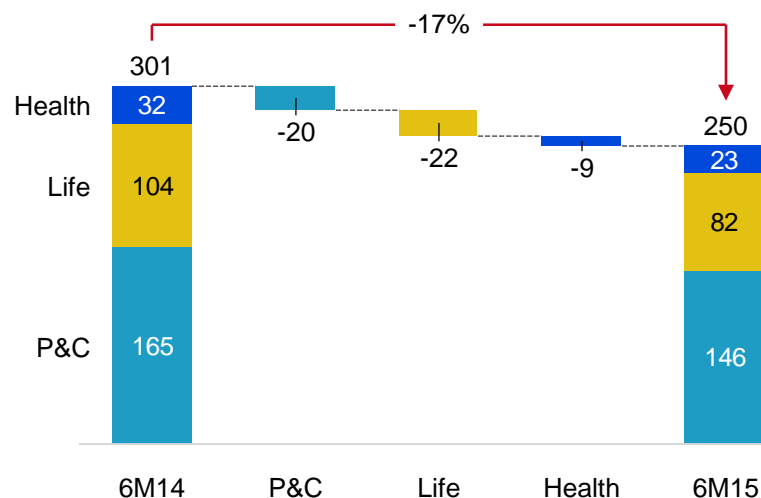
Remarks

- Premium increases in P&C (+0.4%) and in health (+1.5%); life premiums down by 4.0%
- Conservative approach towards single premium business in the current low yield environment out of earnings aspects; single premium business decrease of 15.7% partly off-set by strong growth in regular premiums (up 6.3%)
- Decrease in Poland based on the intentional decrease of the short term single premium business (STEP) in life and on shrinking average premiums due to fierce competition in fleet and leasing business
- Double-digit growth rates in Romania in non-life and life as well as in the Remaining CEE markets (e.g. Hungary, Serbia, the Baltics, Bulgaria, Turkey)

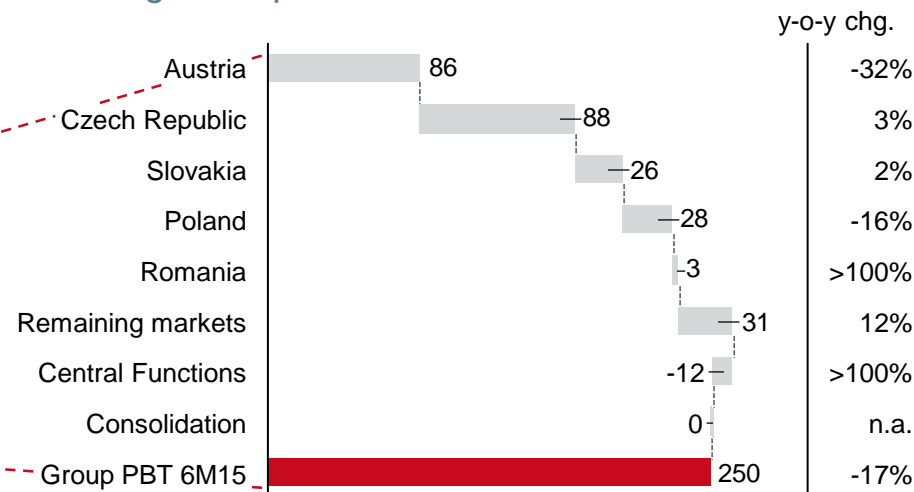
Profit before taxes of €250.5mn, down by 16.8%

Remaining markets PBT up by 11.5% to a new record result

Profit before taxes (€mn; y-o-y change)



PBT regional split



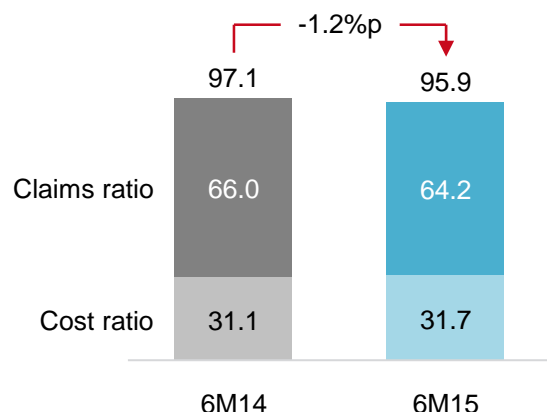
Remarks

- PBT decrease in P&C of 12.0% mainly driven by financial result; PBT in life down 21.1% due to low interest rate impact; PBT in health down 27.9% to €22.8mn driven by decreased net earned premiums
- Impacts to negative profit development overall:
 - low interest rate environment leading to decreased current income and a precaution for personnel provisions in Austria
 - first time consideration of interest expenses of subordinated bond issued in Q1 2015
- Optimization efforts in Romania show further positive effects
- Strong profit growth of 11.5% in Remaining markets to €30.9mn

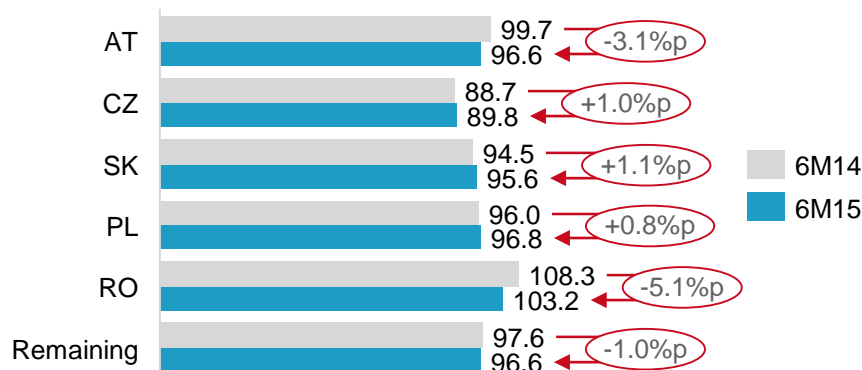
Group combined ratio improved to 95.9%

Best CoR of the last 5 comparison periods

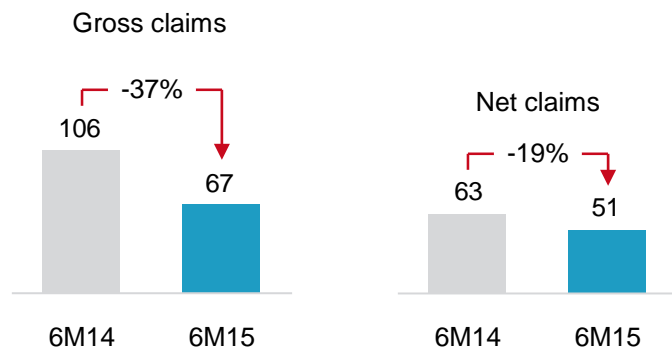
P&C Combined ratio development



P&C CoR 6M y-o-y regional development (net, %)



Weather related claims (€mn)



Remarks

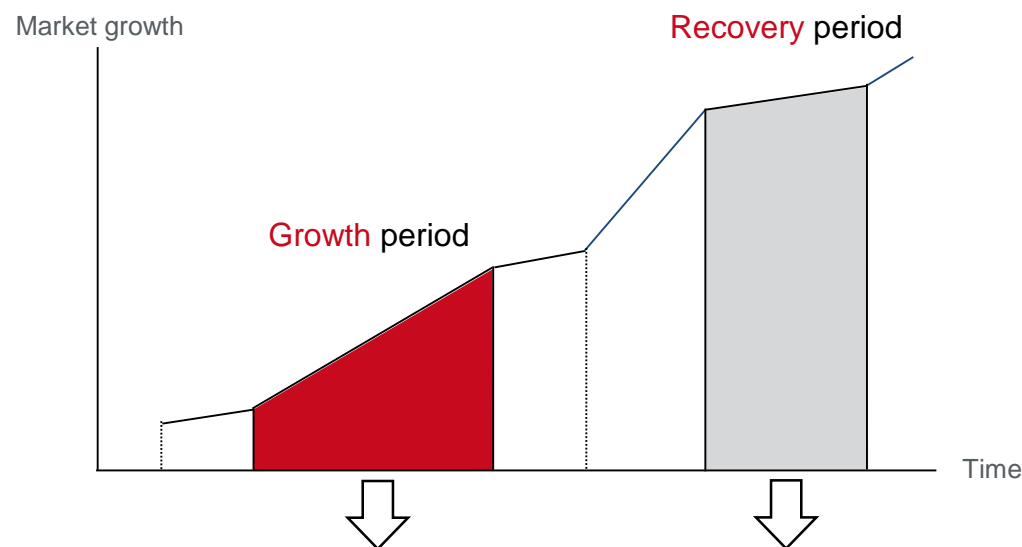
- Combined ratio improvement driven by decreased claims ratio supported by less impact from weather related claims
- Further improvements of CoR in AT and RO
- Focus on further improving underwriting results, but low interest rate environment impact on ordinary financial result not to be overcompensated

Rounding differences may occur when rounded amounts or percentages are added up.



Adaptive growth policy (I)

CEE growth potentials develop in a step function



VIG Strategy

Elevate potential in changing market phases through adaptive growth policy

Accelerated growth

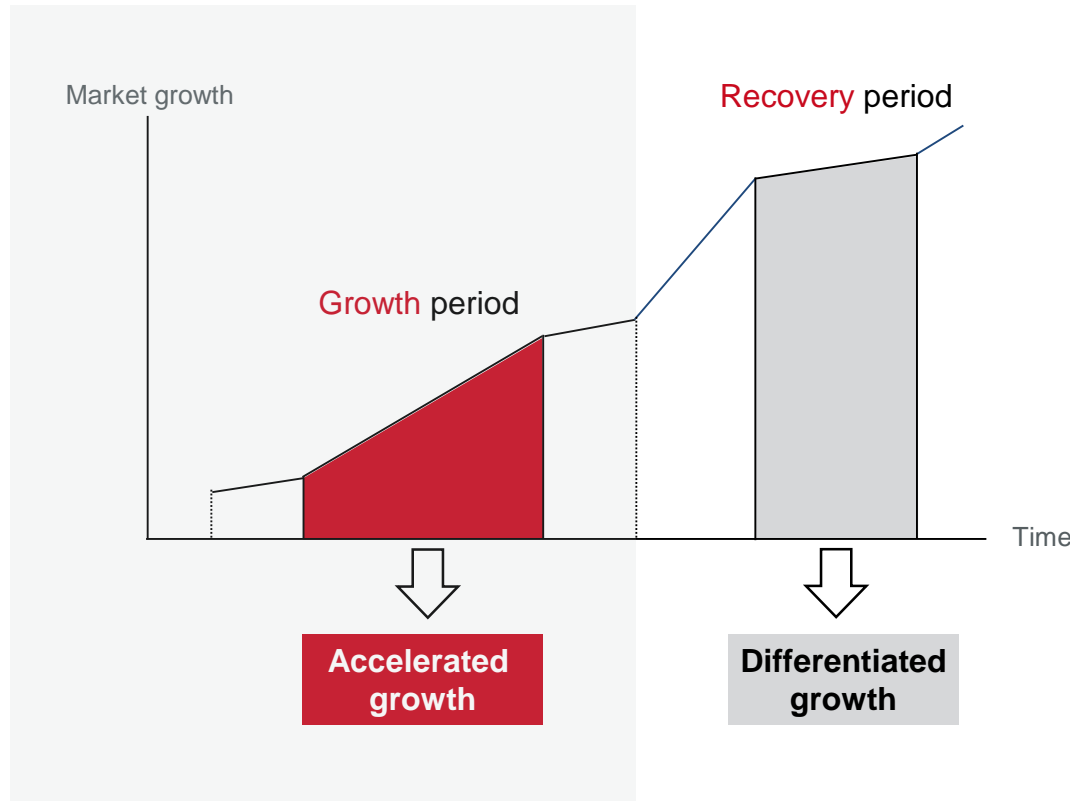
- Accelerate growth in all business lines
- Aggressive sales

Differentiated growth

- Consolidation of high margin business
- Risk selection/revision of low margin business
- Cost management

Adaptive growth policy (II)

Elevate growth potentials correspondingly



VIG Strategy

Elevate potential also during recovery period through differentiated growth policies

Consolidation of high margin business

- Push non-motor business
- SME
- Unit-linked life and term life insurance

Risk selection/revision of low margin business

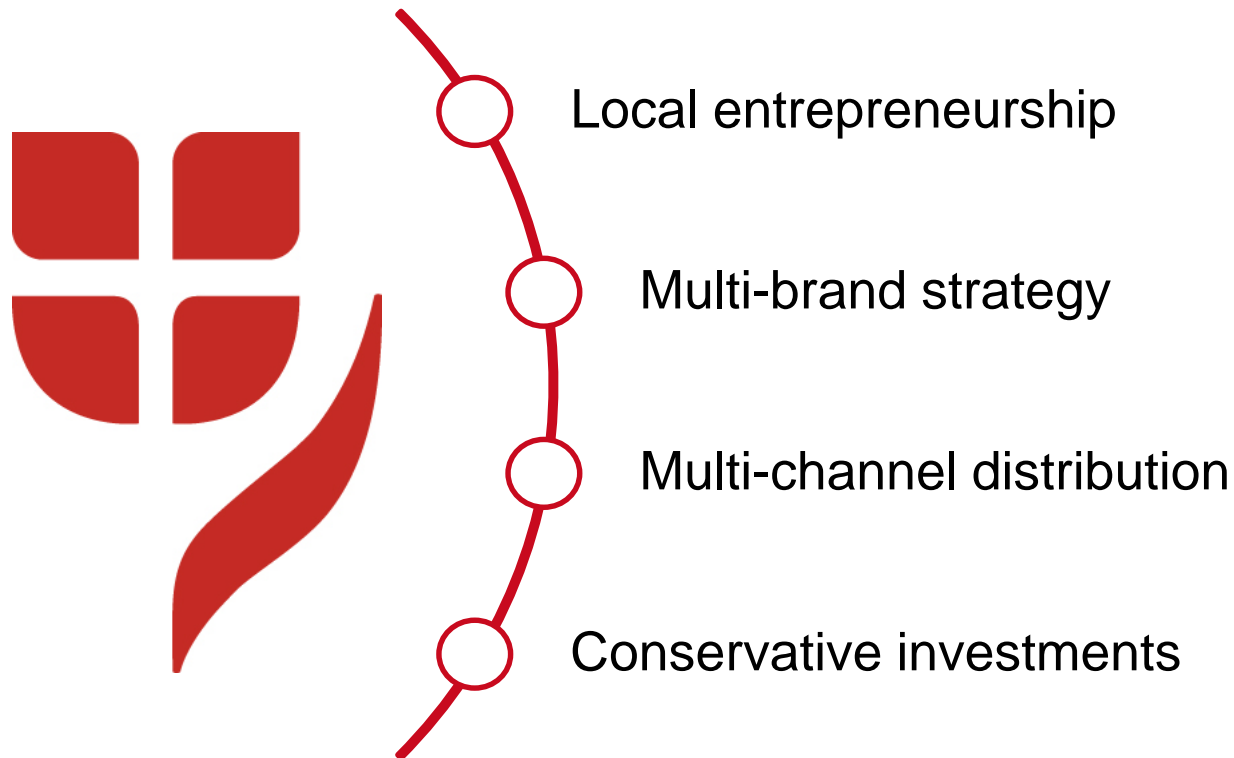
- Selective underwriting BG, RO
- Reduction motor fleet PL
- Reduction single premium business

Cost management

- Reduction administrative costs

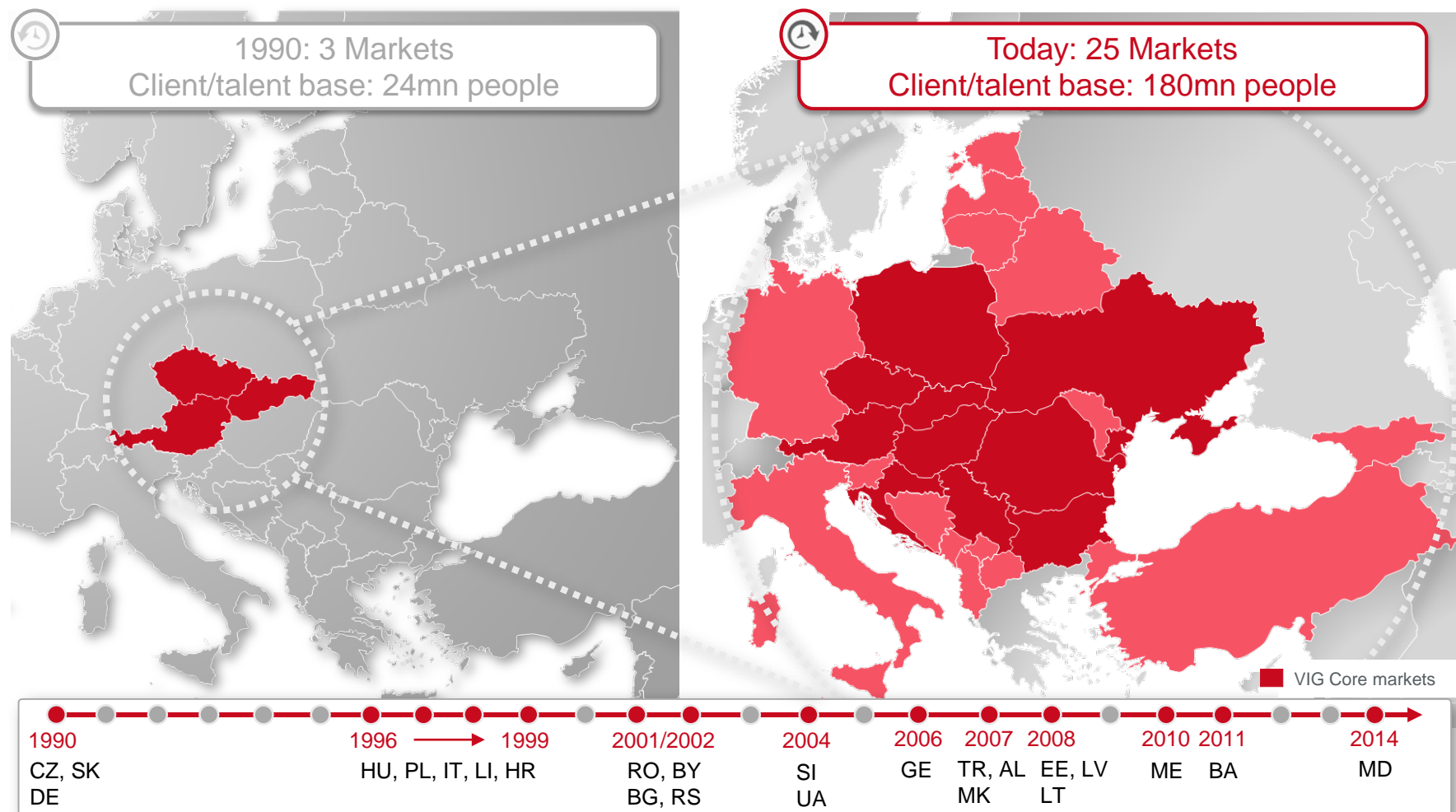
Clear strategy focusing on Austria and the CEE region

Strategic cornerstones of VIG



Dynamic expansion into CEE out of Austria

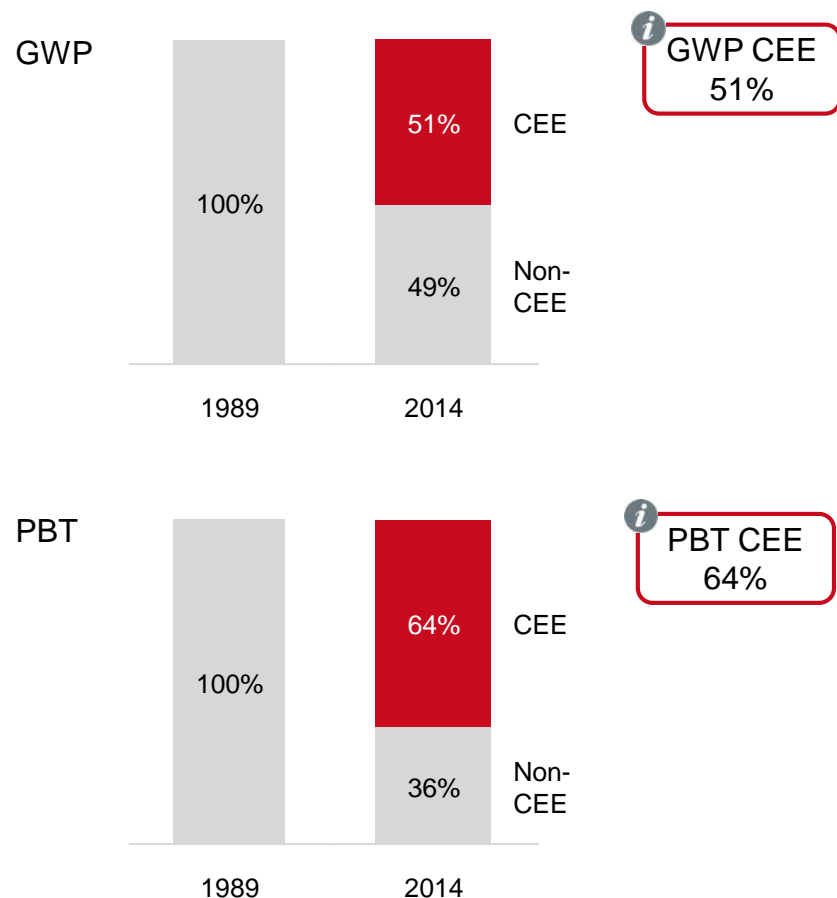
VIG with the most diversified network throughout the region



25 years in Central and Eastern Europe (CEE)

VIG - Value Inspired Growth

Geographical distribution



VIG – established confidence for the future

- First-mover advantage in the region with subsequent outperformance of the market
- From <5 to ~50 insurance companies
- Footprint completed with market entrance in Moldova in 2014
- Gathered local knowledge and experience
- Number 1 market player in the CEE region

VIG – quo vadis?

- Selective growth in a currently subdued market environment to elevate potential for accelerated growth in the future
- Gradual increase of non-motor portfolio in CEE
- Grow further in life (unit- and index-linked; risk) and health business in CEE
- Consolidate market leader position

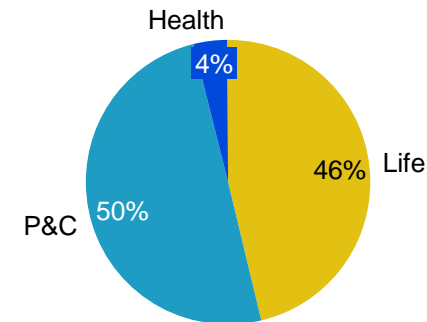
Focus on insurance business

Successful banc-assurance in Austria and CEE

Insurance business is core business of VIG

- Today around 50 insurance companies are part of VIG
- Nearly all lines of retail and commercial business covered – pension fund business being not core
- Focus on technical results (COR below 100%)
- Asset management is done with a very conservative profile to cover life and non-life reserves

Business mix 2014



Cooperation between VIG and Erste Group

- VIG acquired insurance operations of Erste Group in 2008
- At the same time the strategic mutual distribution agreement for 15 years plus renewal for 10 years started
- Bank distribution is key in sale of life insurance



Successful bank cooperation
with Erste Group in 10 common
markets

Local entrepreneurship as basis for success

Clear commitment to local management

Insurance business is local business

- Local management with best understanding of their markets and customer needs
- Members of the management board of VIG all have different country responsibilities and are members in the respective local Supervisory Board
- Close contact between local managers and the members of the board of VIG → lean management structure
- Flexible reaction to changing market environment possible → quick decision taking
- Local managers fully accountable for the performance of their companies

Group Steering

- Group guidelines of VIG to be strictly followed by all Group companies in terms of
 - Asset management
 - Reinsurance
 - Reporting
 - IT Security
 - Calculation of Embedded Value and Solvency



Best risk mitigation given by accountable managers – selecting the right people is key

Unique market approach with long-term focus

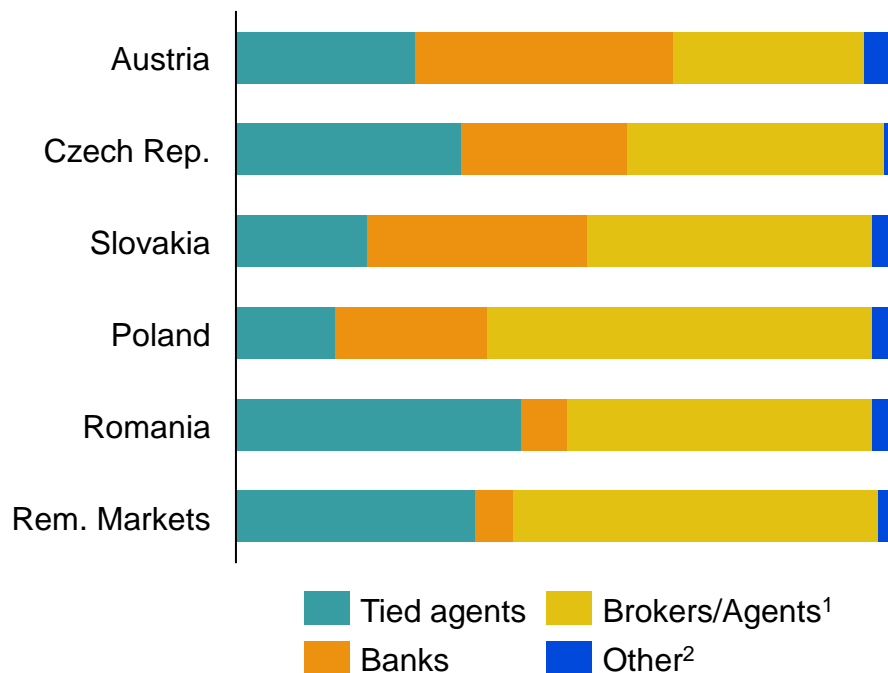
Multi-brand and multi-channel provide best access to customers

Multi-brand

- Local brands with good customer recognition are retained
- Different brands target different client groups
- Multi-brand allows for internal benchmarking
- VIG pushes joint back-office activities and shared services within the markets
- Regular appraisal of brand efficiency → otherwise merger of companies



Multi-channel



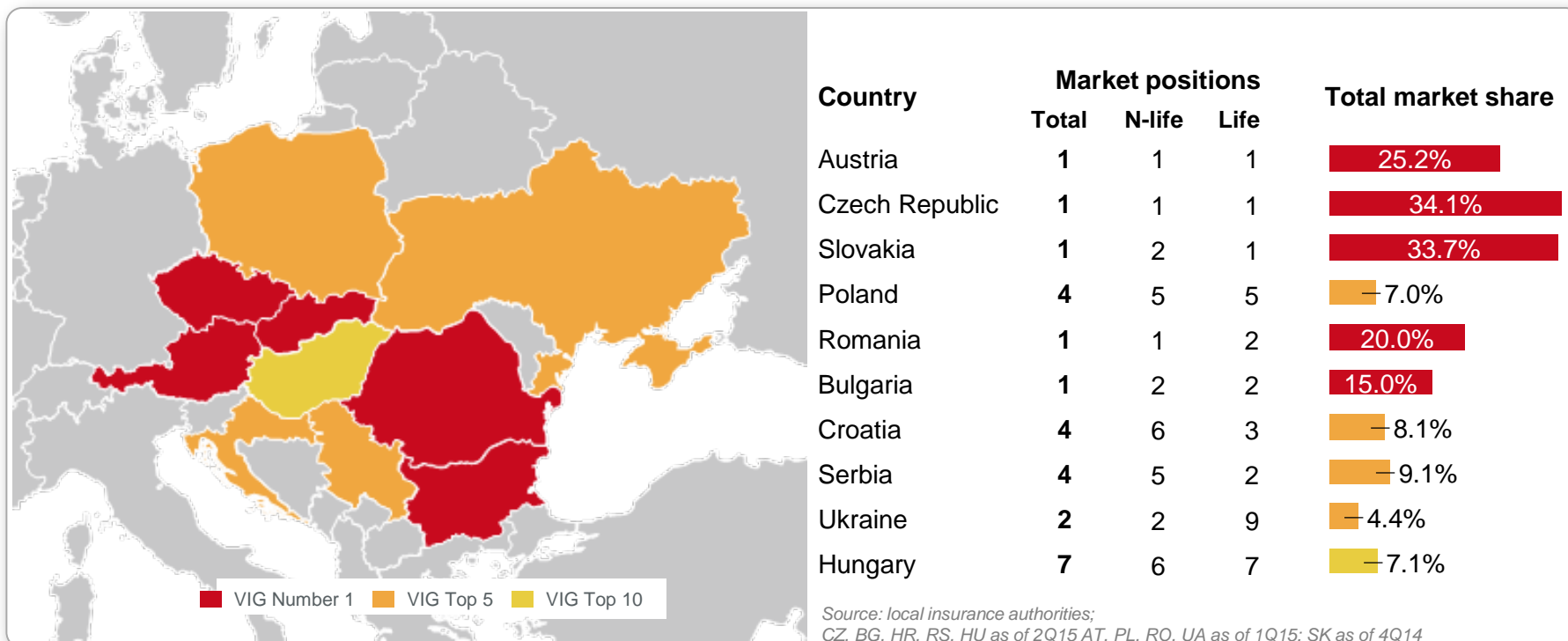
1: Non-exclusive 2: Direct marketing, leasing, car dealers



Multi-brand and multi-channel are paramount for VIG

Excellent market positions of VIG

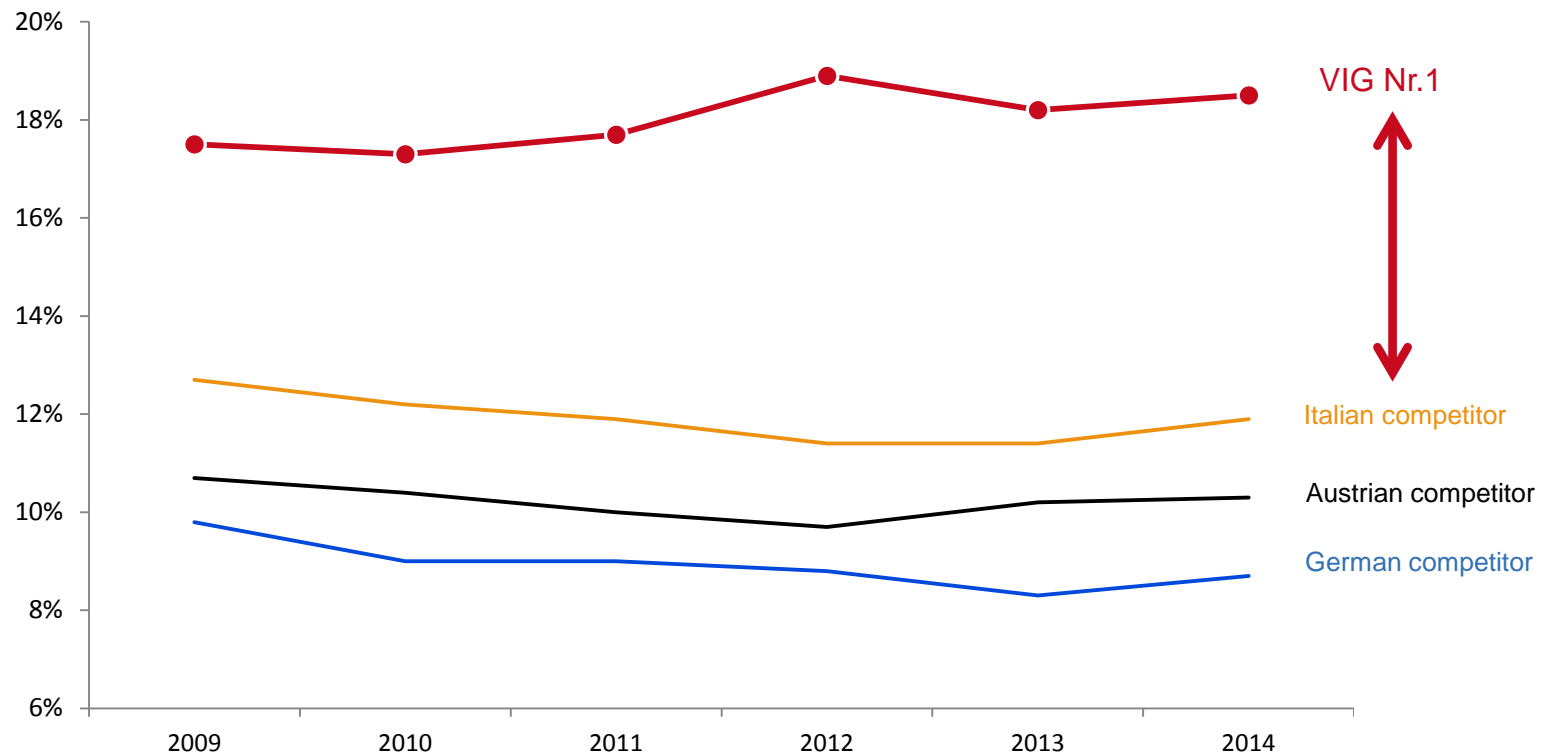
VIG is the clear No 1 in its core markets



VIG is the leading insurance company within the CEE region

VIG strengthens its market position

Very strong market share of 18.5% in its core markets



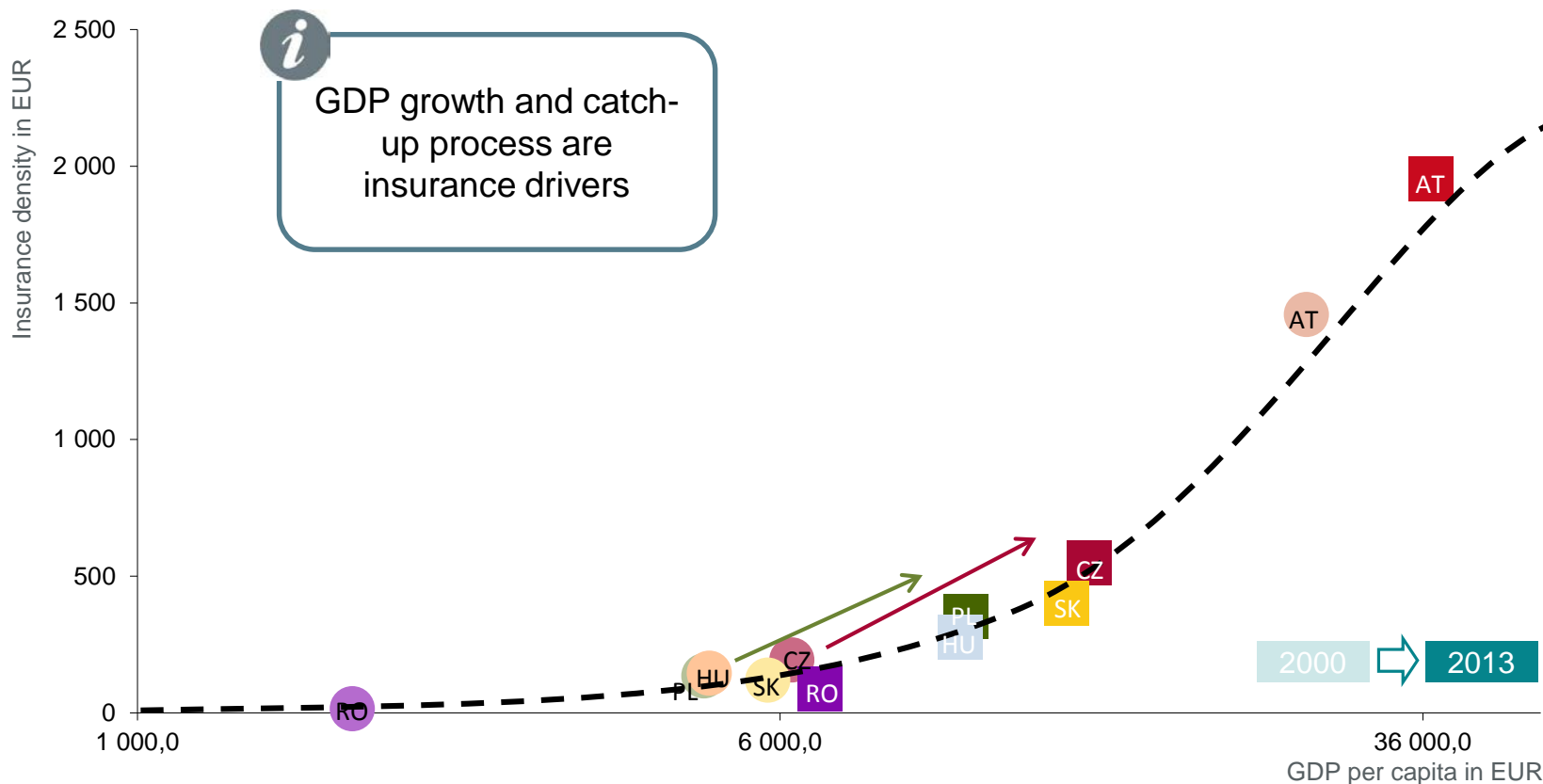
VIG clearly ahead of its peers in core markets

Source: local market reports; market shares according to current composition of insurance groups (ex-post analysis); data as of 4Q14



Insurance growth is a catching-up process

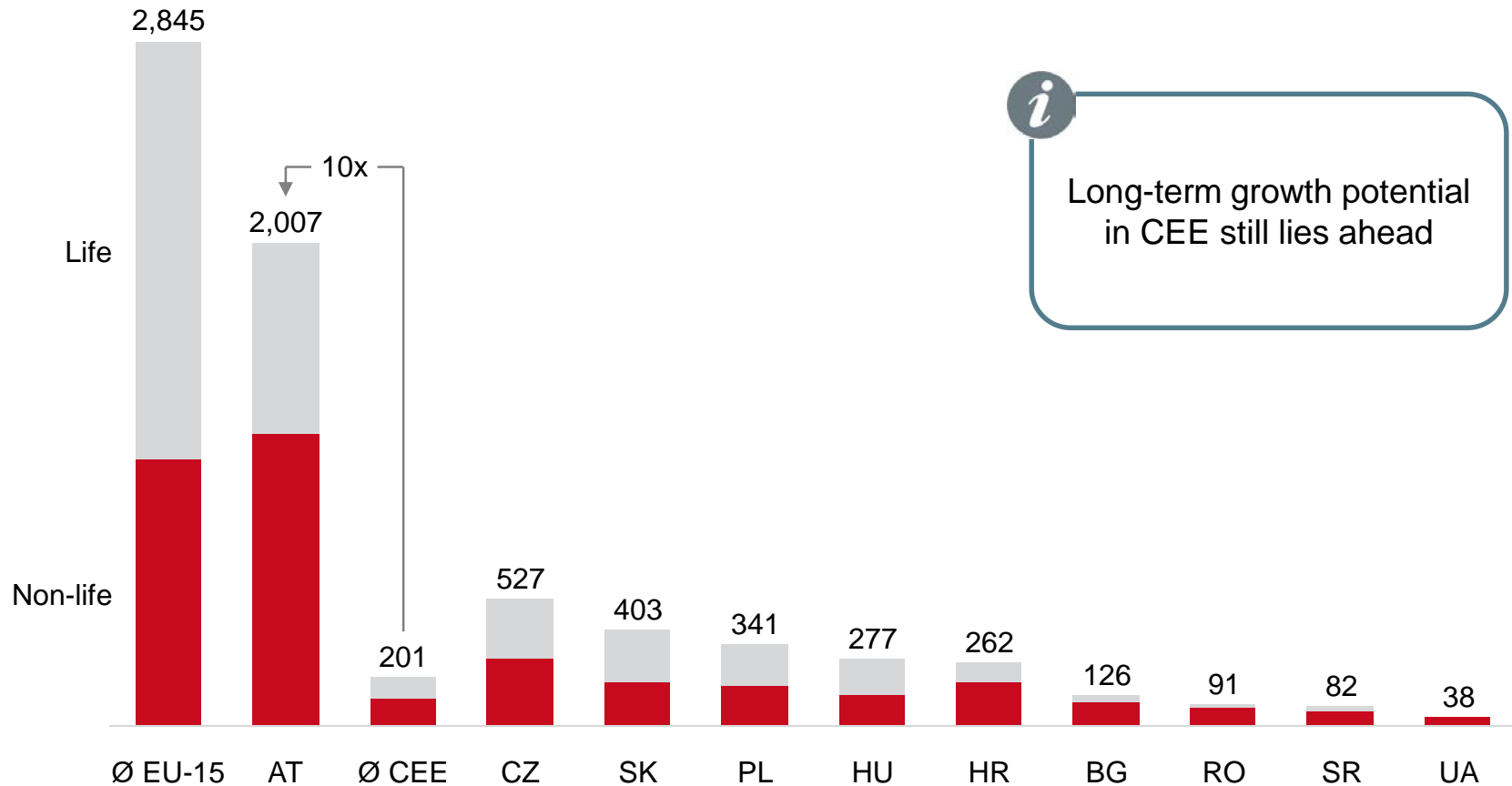
Model of insurance demand development still valid



Source: Swiss Re Sigma, IMF

Striking under-penetration shows potential

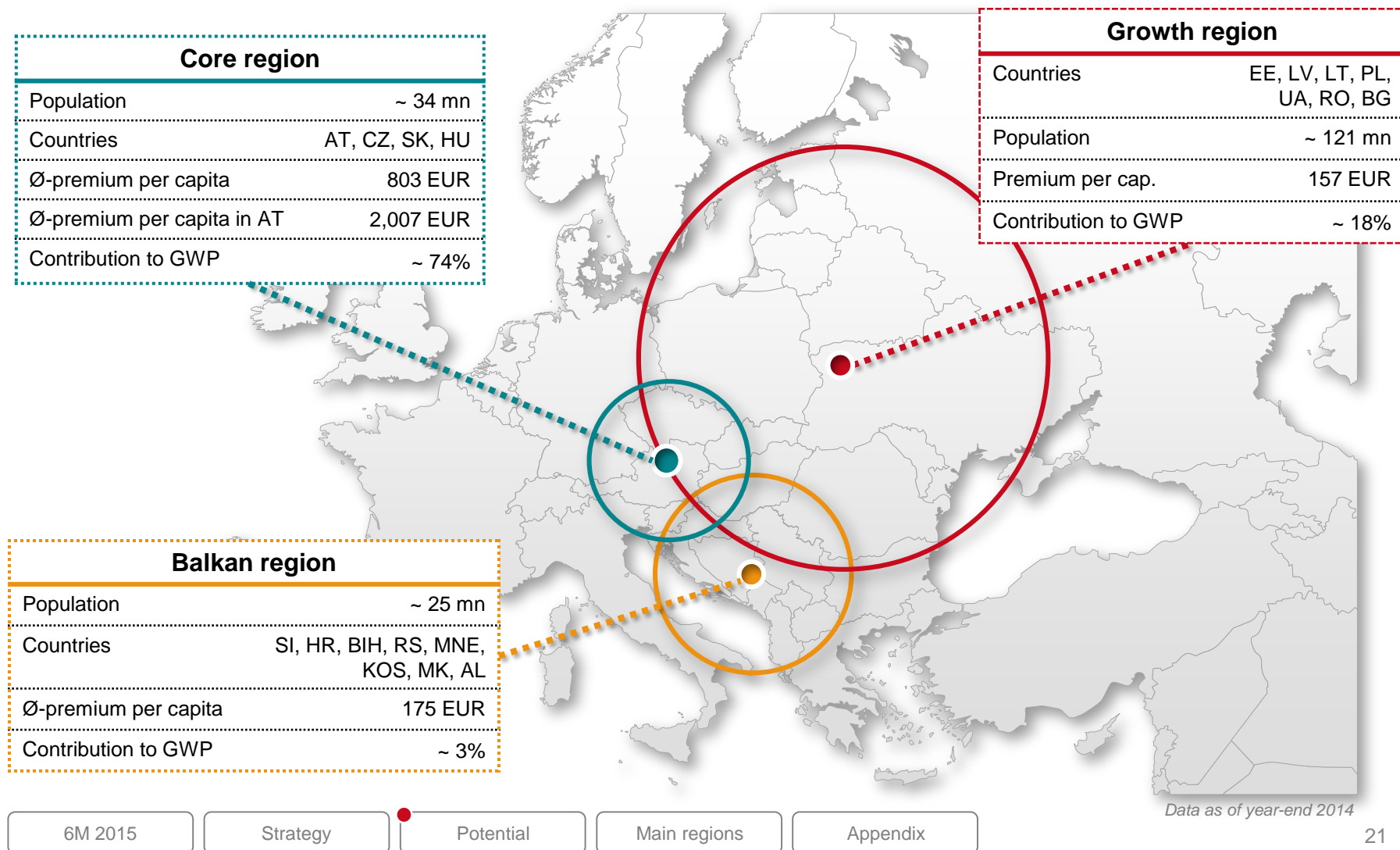
Annual premiums per capita (insurance density), in EUR



Source: Local insurance authorities; IMF; Swiss Re Sigma ; CEE: weighted average of CEE core markets; Data as of year-end 2014

CEE offers access to long-term growth potential

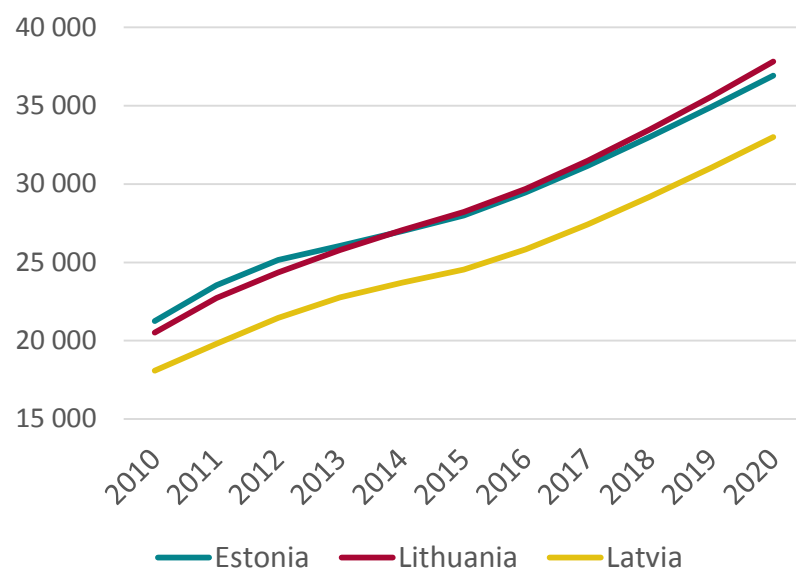
Presence in more mature markets as well as in high growth countries



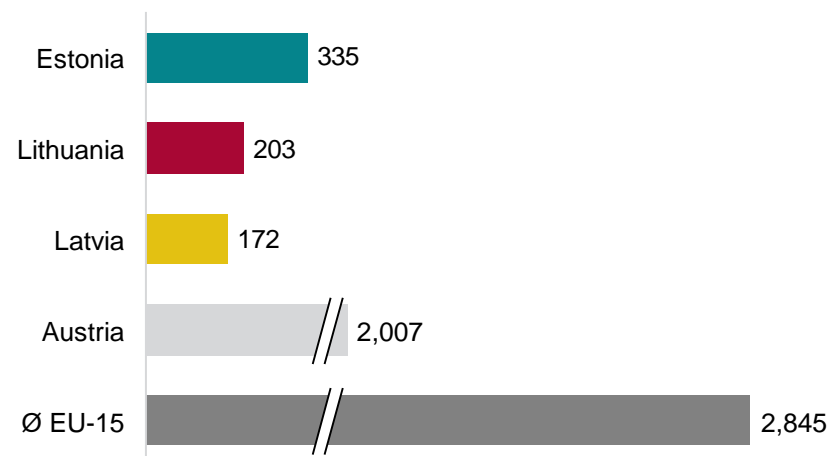
The Baltics: Growing region with a common population of ~6.3mn inhabitants

Three countries with favourable macroeconomic data

GDP per capita (PPP, in USD)



Premium per capita 2014 (in €)



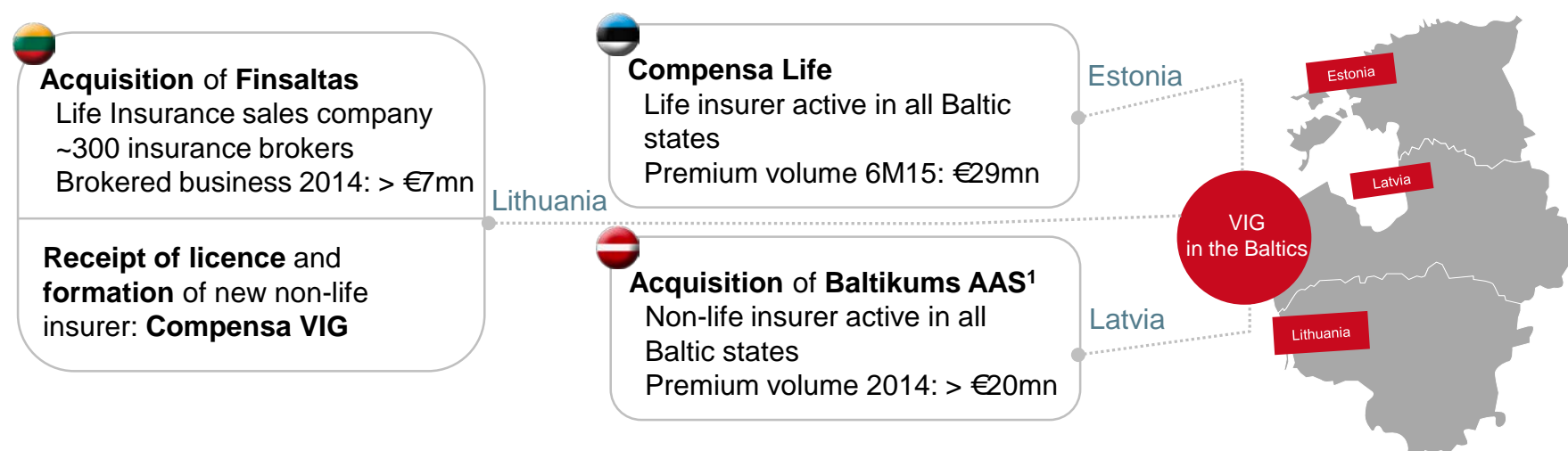
Remarks

- GDP increased over last couple of years with promising forecasted GDP data going forward
- Insurance markets with huge catch-up potential compared to EU-15 average

Source: Local insurance authorities; IMF World Economic Outlook Database, April 2015

The Baltics: VIG further increasing business activities in order to benefit from promising development

Acquisitions and formation of a new insurance company



VIG in the Baltics

- Non-life: Business so far done out of Poland
Steady increase of premium volume to €17mn in 2014 in Lithuania
New "Compensa VIG" in Lithuania to take over Baltic non-life activities from Compensa Poland
- Life: VIG active with Compensa Life in Estonia since 2008; in 2014 premium volume of €52mn
Strong premium and profit development:
 - Premium 6M CAGR10-15 of +28.2%
 - Profit 6M CAGR10-15 of +13.6%

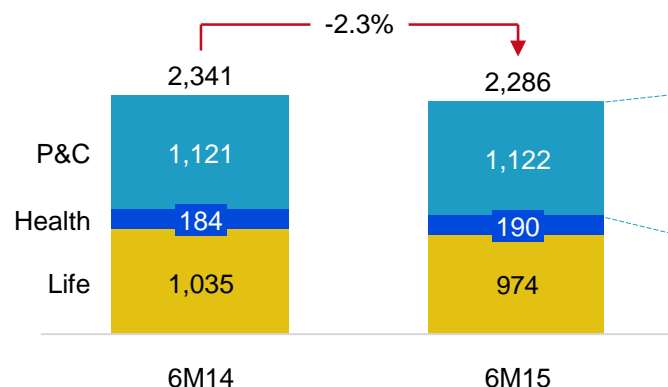
1: subject to the approval of the relevant authorities



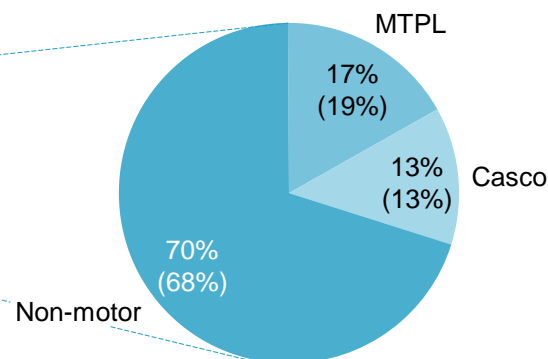
Austria – effected by low interest rate environment

CoR improved to 96.6%

GWP development (€mn)



P&C GWP direct business split¹



P&L: P&C business (€mn)

	6M15	Y-o-Y
Underwriting and financial result	60.1	11.5%
Other non-technical result	-9.3	n.a.
Result (pre tax)	50.8	-13.1%
Claims ratio	67.9%	-4.0%p
Cost ratio	28.7%	0.9%p
Combined ratio	96.6%	-3.1%p

P&L: Life business (€mn)

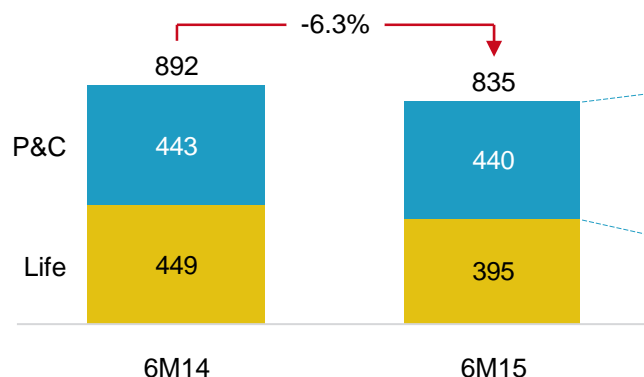
	6M15	Y-o-Y
Underwriting and financial result	25.1	-43.2%
Other non-technical result	-11.1	>100%
Result (pre tax)	14.0	-67.3%

1: Figures in brackets referring to previous year; rounding differences may occur

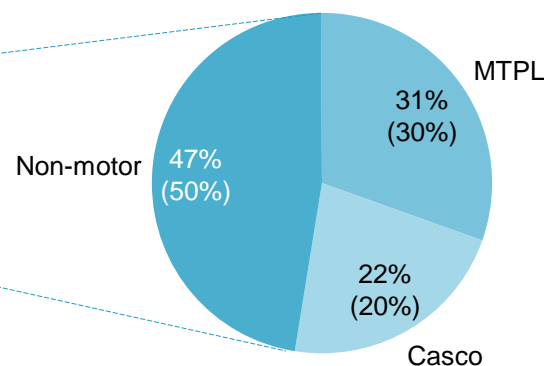
Czech Republic – contributing most to Group profits

CoR maintained at excellent 89.8%

GWP development (€mn)



P&C GWP direct business split¹



P&L: P&C business (€mn)

	6M15	Y-o-Y
Underwriting and financial result	48.7	-15.7%
Other non-technical result	-1.6	-68.6%
Result (pre tax)	47.2	-10.8%
Claims ratio	60.3%	0.1%p
Cost ratio	29.4%	0.9%p
Combined ratio	89.8%	1.0%p

P&L: Life business (€mn)

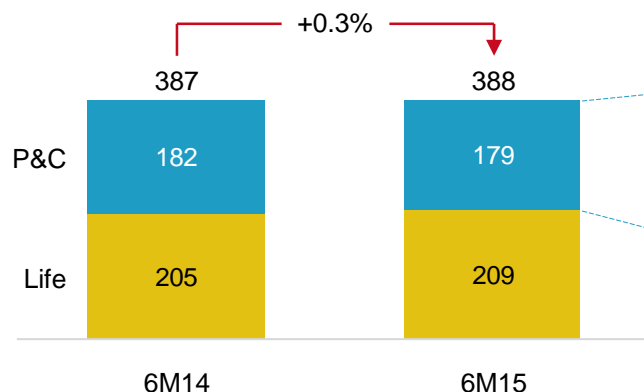
	6M15	Y-o-Y
Underwriting and financial result	40.0	25.2%
Other non-technical result	0.9	-5.7%
Result (pre tax)	40.9	24.3%

1: Figures in brackets referring to previous year; rounding differences may occur

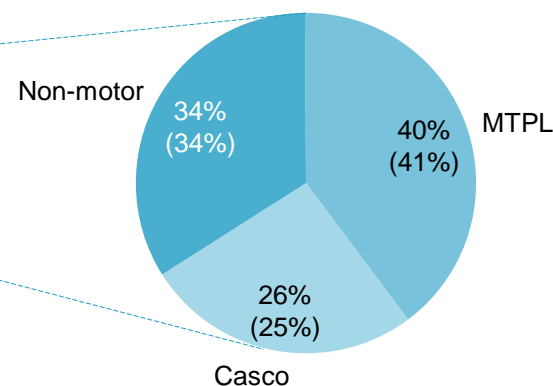
Slovakia – overall positive development

Life business impacted by decreased single premiums

GWP development (€mn)



P&C GWP direct business split¹



P&L: P&C business (€mn)

	6M15	Y-o-Y
Underwriting and financial result	14.2	40.5%
Other non-technical result	-0.1	n.a.
Result (pre tax)	14.2	14.8%
Claims ratio	53.6%	1.5%p
Cost ratio	42.0%	-0.5%p
Combined ratio	95.6%	1.1%p

P&L: Life business (€mn)

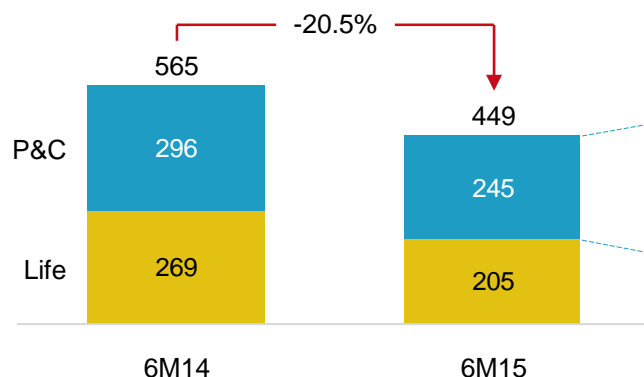
	6M15	Y-o-Y
Underwriting and financial result	11.4	-11.5%
Other non-technical result	0.6	38.4%
Result (pre tax)	12.0	-9.8%

1: Figures in brackets referring to previous year; rounding differences may occur

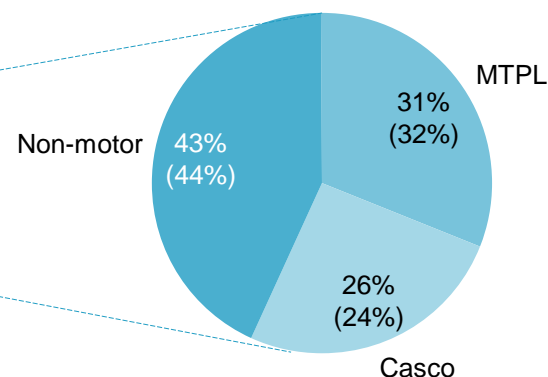
Poland – challenging market environment persists

Increased price competition in fleet and leasing business

GWP development (€mn)



P&C GWP direct business split¹



P&L: P&C business (€mn)

	6M15	Y-o-Y
Underwriting and financial result	23.4	-11.8%
Other non-technical result	-0.1	-80.0%
Result (pre tax)	23.4	-10.8%
Claims ratio	62.9%	6.2%p
Cost ratio	33.9%	-5.4%p
Combined ratio	96.8%	0.8%p

P&L: Life business (€mn)

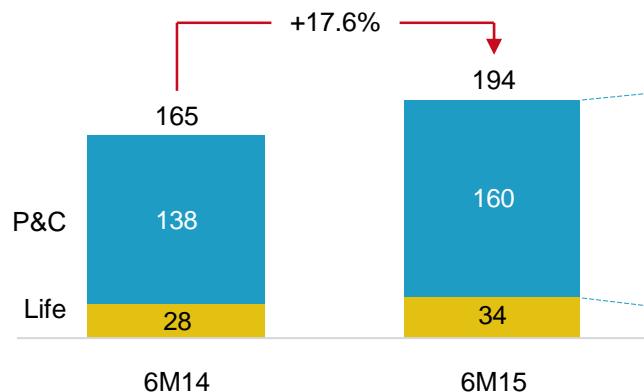
	6M15	Y-o-Y
Underwriting and financial result	4.7	-39.1%
Other non-technical result	0.1	n.a.
Result (pre tax)	4.8	-35.6%

1: Figures in brackets referring to previous year; rounding differences may occur

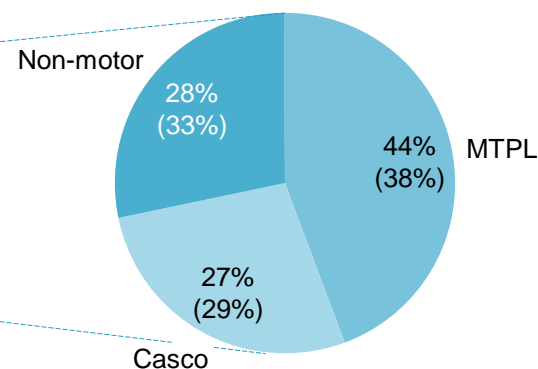
Romania – substantial premium increase

Positive profit contribution from P&C and life

GWP development (€mn)



P&C GWP direct business split¹



P&L: P&C business (€mn)

	6M15	Y-o-Y
Underwriting and financial result	0.8	n.a.
Other non-technical result	-0.2	>100%
Result (pre tax)	0.6	n.a.
Claims ratio	63.1%	-1.2%p
Cost ratio	40.1%	-3.9%p
Combined ratio	103.2%	-5.1%p

P&L: Life business (€mn)

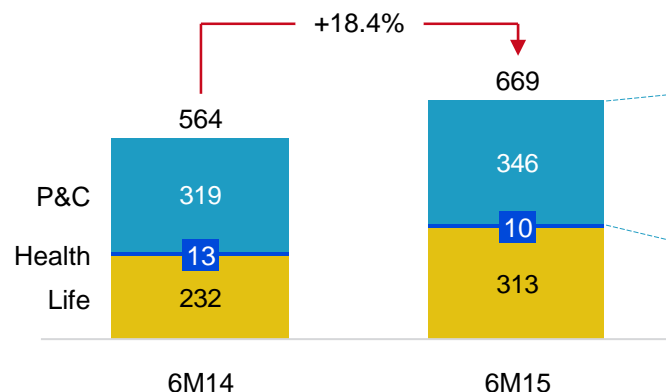
	6M15	Y-o-Y
Underwriting and financial result	2.9	80.8%
Other non-technical result	0.0	-92.2%
Result (pre tax)	2.9	66.2%

1: Figures in brackets referring to previous year; rounding differences may occur

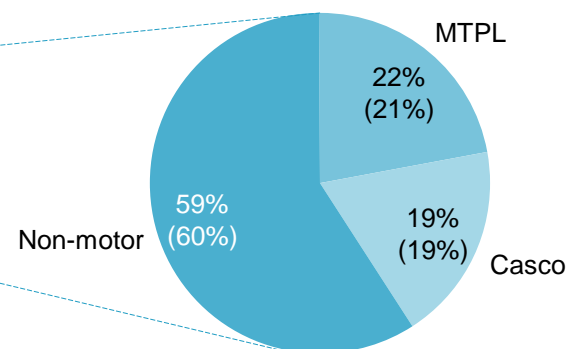
Remaining markets – record result with ongoing top and bottom line growth in P&C and life

Health business of Georgia declining in 6M 2015

GWP development (€mn)



P&C GWP direct business split¹



P&L: P&C business (€mn)

	6M15	Y-o-Y
Underwriting and financial result	23.3	4.7%
Other non-technical result	0.4	n.a.
Result (pre tax)	23.6	14.7%
Claims ratio	61.7%	3.9%p
Cost ratio	35.0%	-4.8%p
Combined ratio	96.6%	-1.0%p

P&L: Life business (€mn)

	6M15	Y-o-Y
Underwriting and financial result	9.2	3.6%
Other non-technical result	-0.5	-64.5%
Result (pre tax)	8.7	16.6%

1: Figures in brackets referring to previous year; rounding differences may occur

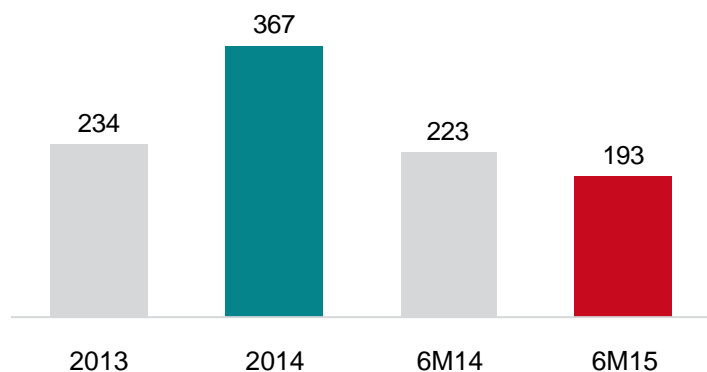


Please note: The figures for 2013 have been restated due to changes in the scope of consolidation.

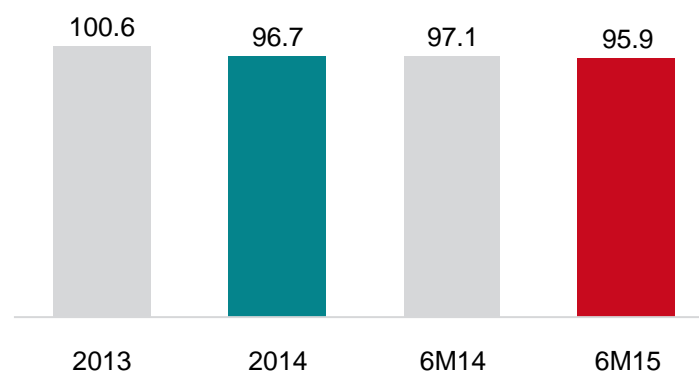
6M 2015 – Key financials

Overview of KPIs

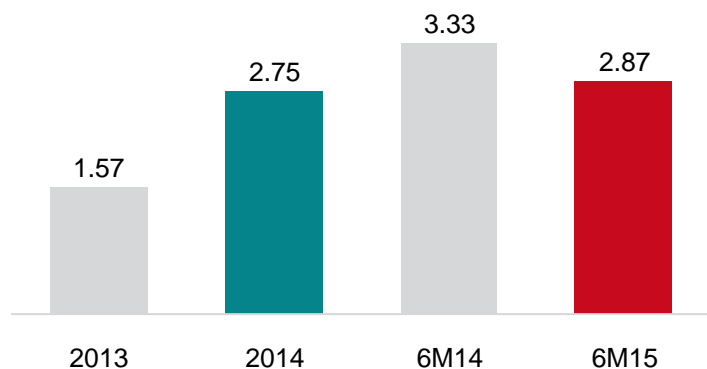
Net Profit after tax and minorities (€mn)



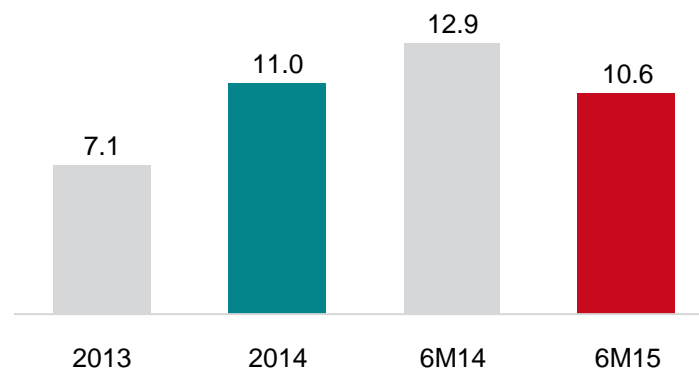
Combined Ratio (net, %)



EPS¹ (€)



ROE before Taxes² (%)



1: EPS net of hybrid interest, annualised figures; 2: Figures for 2013, 2014 have been adjusted for revaluation reserve

6M 2015 – Income statement

IFRS (€mn)

€mn	6M 2015	6M 2014	+/-%
Gross premiums written	4,908.0	4,983.8	-1.5
Net earned premiums	4,208.9	4,321.5	-2.6
Financial result ¹	524.5	565.1	-7.2
Other income	50.2	58.1	-13.6
Total income	4,783.5	4,944.6	-3.3
Expenses for claims and insurance benefits	-3,352.6	-3,602.6	-6.9
Acquisition and administrative expenses	-956.5	-932.1	2.6
Other expenses	-224.0	-108.8	>100
Total expenses	-4,533.0	-4,643.6	-2.4
Profit before taxes	250.5	301.1	-16.8
Taxes	-53.4	-69.5	-23.2
Net profit (Profit for the period)	197.1	231.6	-14.9
Non-controlling interests	-4.6	-8.3	-45.4
Net profit after non-controlling interests	192.5	223.2	-13.7

1: Incl. result from shares in at equity consolidated companies

6M 2015 – Balance sheet

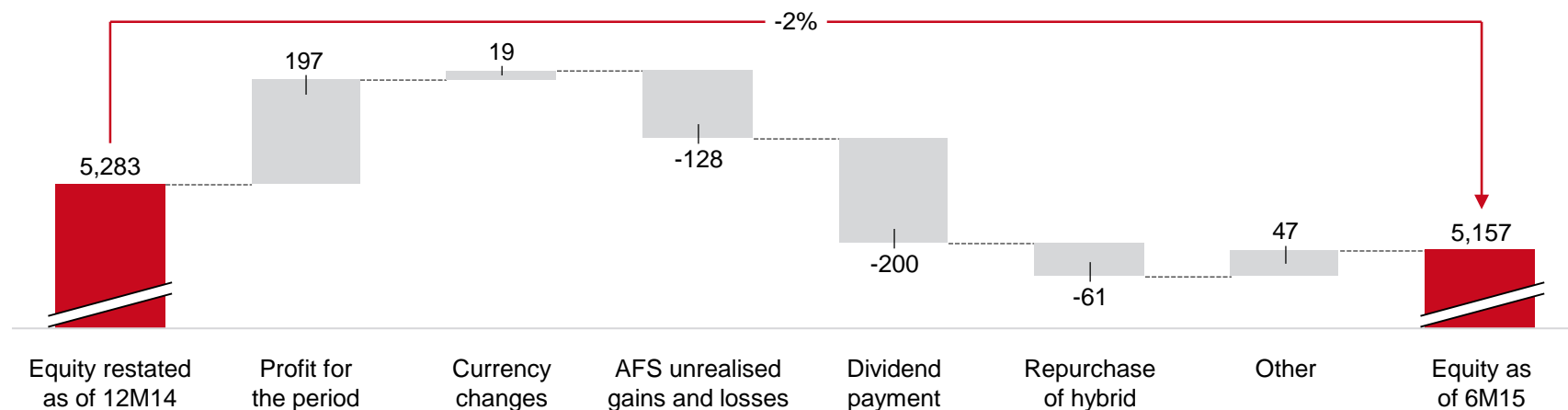
IFRS (€mn)

€mn	30.06.2015	31.12.2014	+/-%
Intangible assets	2,370	2,370	0.0
Investments	30,239	30,360	-0.4
Unit- and index-linked investments	8,185	7,742	5.7
Reinsurers' share in underwriting provisions	1,215	1,106	9.8
Receivables	1,619	1,502	7.8
Tax receivables and advance payments out of income tax	132	119	11.1
Deferred tax assets	118	113	3.9
Other assets	352	331	6.1
Cash and cash equivalents	1,051	782	34.4
Total assets	45,281	44,425	1.9
Shareholders' equity	5,157	5,283	-2.4
<i>thereof minorities</i>	193	173	11.7
Subordinated liabilities	1,284	920	39.6
Underwriting provisions	28,164	27,890	1.0
Unit- and index-linked technical provisions	7,815	7,392	5.7
Non-underwriting provisions	652	709	-8.1
Liabilities	1,683	1,679	0.2
Tax liabilities out of income tax	83	84	-1.8
Deferred tax liabilities	267	287	-6.8
Other liabilities	177	181	-2.0
Total liabilities and equity	45,281	44,425	1.9

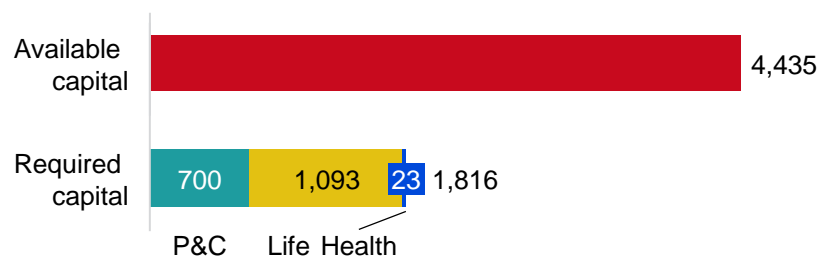
6M 2015 – Strong equity and solvency position

Shareholders' equity decrease impacted by repurchase of hybrid bond

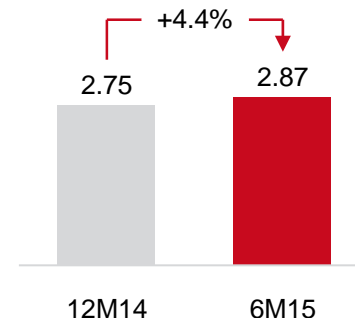
Change in Group Shareholders' Equity (€mn)



Strong Solvency 1 ratio of 244%



EPS¹ (€) increased out of capital optimisation



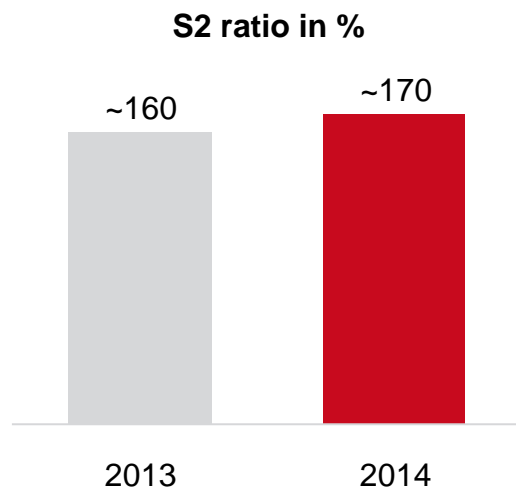
1: EPS net of hybrid interest, annualised figures

VIG strongly capitalised also under Solvency 2: S2 ratio of ~170% at year-end 2014

VIG working on partial internal model for non-life and real estate

VIG is well prepared for Solvency 2

- Process steered out of Austria
- Common guidelines, calculation and reporting implemented
- Work on a partial internal model for non-life business and real estate investments
 - Submitted model for approval to market authority in June 2015
 - Approval anticipated not before the year-end 2015



- EIOPA Stress Test 2014 based on YE 2013 numbers:
 - Under standard formula and excluding internal model VIG included in median S2 ratio of 159% from European peers as reported in the baseline scenario of the core module
- Based on YE 2014 balance sheet VIG with very strong S2 ratio of ~170% under standard formula
 - Increase compared to YE13 numbers driven by i.a. changes of EIOPA standard formula for interest rates
- Including internal model the S2 ratio would improve substantially

S&P rating confirmed in July 2015: A+/stable/--

VIG remains the best rated company in the ATX

Anchor: aa-

Business Risk Profile: Very Strong

- „Very strong competitive position, based on leading market positions in Austria and CEE“
- „Sound diversification by business line and a well-established multichannel distribution strategy“

Financial Risk Profile: Very Strong

- „Capital adequacy is excellent, exceeding the benchmark for the ‘AAA’ level“
- „Conservative investment portfolio“ and „comprehensive reinsurance coverage“

Modifiers: -1

ERM and Management: 0

- „Enterprise risk management is adequate with strong risk controls“
- „Management and governance are strong“ reflecting the „clear and credible strategic planning and its conservative financial management “

Holistic Analysis: -1

- „Lower geographic earnings diversifications“ than higher rated European peers „although geographic diversification is improving“

Rating: A+/Stable

Outlook: Stable

- „VIG will sustain its very strong competitive position in Austria and its leading market position in CEE“



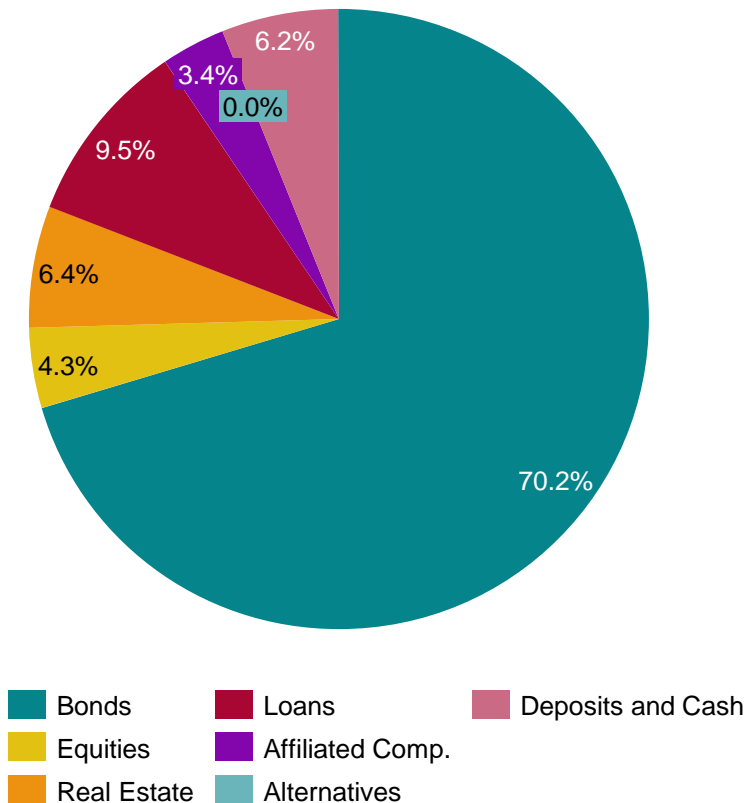
VIG management committed to maintaining strong capitalisation
which supports S&P rating of A+ or above

Source: S&P Rating Report July 2015

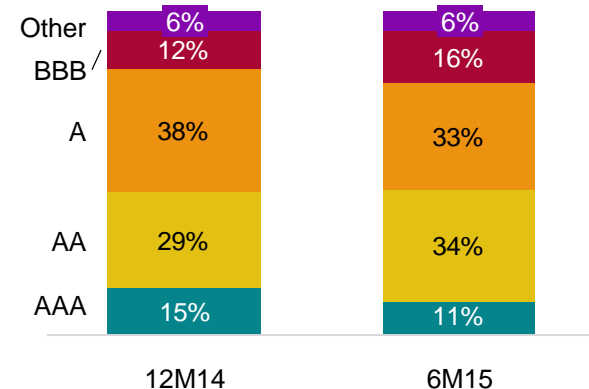
Conservative investment strategy to be maintained

Bond rating split impacted by rating downgrades of Austrian banks

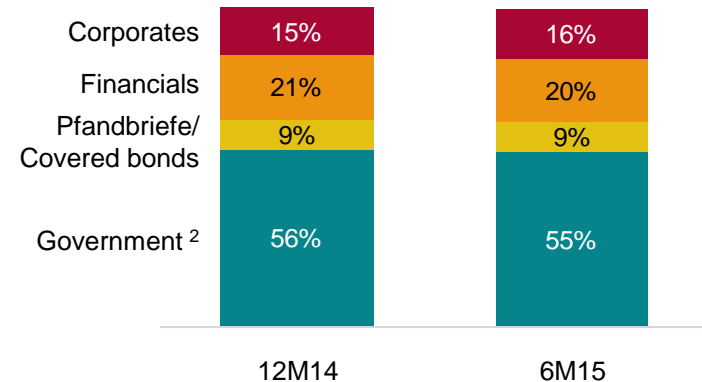
6M 2015: Total €31.3bn



Bond portfolio by rating¹



Bond portfolio by issuer



Note: Rounding differences may occur 1: Based on second best rating 2: Government, government guaranteed and gov.agencies

6M 2015 – Financial result

Current income decreased by more than €40mn

Income	P&C		Life		Health		Total	
in €'000	6M 2015	6M 2014	6M 2015	6M 2014	6M 2015	6M 2014	6M 2015	6M 2014
Current income	143,494	151,182	403,733	436,219	20,869	21,279	568,096	608,680
Income from appreciations	7,024	17,282	6,308	9,656	58	525	13,390	27,463
Income from the disposal of investments	50,181	42,210	58,989	73,199	3,103	649	112,273	116,058
Other income	14,170	15,933	30,128	23,334	36	41	44,334	39,308
Total Income	214,869	226,607	499,158	542,408	24,066	22,494	738,093	791,509
Expenses	P&C		Life		Health		Total	
in €'000	6M 2015	6M 2014	6M 2015	6M 2014	6M 2015	6M 2014	6M 2015	6M 2014
Depreciation of investments	17,295	13,279	19,818	18,139	1,418	1,215	38,531	32,633
Impairment of investments	10,782	3,472	3,279	26,365	960	116	15,021	29,953
Exchange rate changes	-8,613	-2,098	-3,381	-1,214	-790	-78	-12,784	-3,390
Losses from the disposal of investments	16,680	8,527	19,793	13,419	63	352	36,536	22,298
Interest expenses	30,865	30,215	6,696	9,580	155	440	37,716	40,235
Other expenses	64,778	61,395	31,263	40,755	2,543	2,572	98,584	104,722
Total Expenses	131,787	114,790	77,468	107,044	4,349	4,617	213,604	226,451
Total Financial Result	83,082	111,817	421,690	435,364	19,717	17,877	524,489	565,058

Note: Financial result incl. result from shares in at equity consolidated companies

6M 2015 – P&L Property & Casualty

IFRS (€mn)

€mn	6M 2015	6M 2014	+/-%
Gross premiums written	2,573.7	2,563.5	0.4
Net earned premiums	1,907.7	1,926.7	-1.0
Financial result	83.1	111.8	-25.7
Other income	28.2	38.4	-26.6
Total income	2,018.9	2,076.9	-2.8
Expenses for claims and insurance benefits	-1,223.8	-1,272.5	-3.8
Acquisition and administrative expenses	-576.5	-573.0	0.6
Other expenses	-73.0	-66.0	10.6
Total expenses	-1,873.3	-1,911.5	-2.0
Profit before taxes	145.6	165.5	-12.0

6M 2015 – P&L Life

IFRS (€mn)

€mn	6M 2015	6M 2014	+/-%
Gross premiums written	2,134.4	2,223.2	-4.0
Net earned premiums	2,105.9	2,195.6	-4.1
Financial result	421.7	435.4	-3.1
Other income	21.6	19.6	9.9
Total income	2,549.2	2,650.5	-3.8
Expenses for claims and insurance benefits	-1,963.8	-2,168.8	-9.5
Acquisition and administrative expenses	-354.6	-335.9	5.6
Other expenses	-148.7	-41.8	>100
Total expenses	-2,467.1	-2,546.5	-3.1
Profit before taxes	82.1	104.0	-21.1

6M 2015 – P&L Health

IFRS (€mn)

€mn	6M 2015	6M 2014	+/-%
Gross premiums written	200.0	197.1	1.5
Net earned premiums	195.2	199.2	-2.0
Financial result	19.7	17.9	10.3
Other income	0.5	0.1	>100
Total income	215.4	217.2	-0.8
Expenses for claims and insurance benefits	-165.1	-161.3	2.3
Acquisition and administrative expenses	-25.3	-23.3	8.6
Other expenses	-2.3	-0.9	>100
Total expenses	-192.6	-185.6	3.8
Profit before taxes	22.8	31.6	-27.9

6M 2015 – P&L regions (I)

IFRS (€mn)

	Austria			Czech Republic			Slovakia		
€mn	6M 2015	6M 2014	+/-%	6M 2015	6M 2014	+/-%	6M 2015	6M 2014	+/-%
Gross premiums written	2,286.2	2,340.6	-2.3	835.2	891.5	-6.3	388.5	387.3	0.3
Net earned premiums	1,729.7	1,788.5	-3.3	638.6	713.0	-10.4	311.1	308.7	0.8
Financial result	387.1	406.9	-4.9	56.5	61.6	-8.4	28.5	24.1	17.9
Other income	7.6	16.7	-54.7	15.7	16.2	-3.6	7.1	4.0	75.3
Total income	2,124.3	2,212.1	-4.0	710.7	790.8	-10.1	346.6	336.9	2.9
Expenses for claims/benefits	-1,692.8	-1,754.4	-3.5	-449.3	-519.4	-13.5	-253.5	-250.8	1.1
Acquisition and administrative expenses	-312.2	-314.6	-0.8	-155.2	-164.3	-5.5	-52.5	-46.9	12.0
Other expenses	-33.6	-16.2	>100	-18.1	-21.3	-14.9	-14.5	-13.5	7.4
Total expenses	-2,038.6	-2,085.2	-2.2	-622.6	-705.0	-11.7	-320.4	-311.2	3.0
Profit before taxes	85.7	126.9	-32.5	88.1	85.8	2.7	26.2	25.7	2.0
Combined Ratio	96.6%	99.7%		89.8%	88.7%		95.6%	94.5%	

6M 2015 – P&L regions (II)

IFRS (€mn)

€mn	Poland			Romania			Remaining		
	6M 2015	6M 2014	+/-%	6M 2015	6M 2014	+/-%	6M 2015	6M 2014	+/-%
Gross premiums written	449.4	565.3	-20.5	194.2	165.2	17.6	668.6	564.5	18.4
Net earned premiums	386.2	453.1	-14.8	122.0	87.9	38.8	486.1	409.9	18.6
Financial result	25.9	27.8	-7.0	6.6	6.5	1.0	41.8	44.7	-6.5
Other income	3.6	3.5	3.7	3.7	9.7	-61.4	12.0	7.7	57.2
Total income	415.8	484.4	-14.2	132.3	104.1	27.1	539.9	462.3	16.8
Expenses for claims/benefits	-265.0	-319.0	-16.9	-77.9	-58.3	33.7	-273.7	-298.6	-8.3
Acquisition and administrative expenses	-117.1	-125.3	-6.5	-42.5	-35.7	19.0	-102.7	-101.7	1.0
Other expenses	-5.5	-6.4	-13.9	-8.4	-9.0	-7.5	-132.7	-34.4	>100
Total expenses	-387.6	-450.7	-14.0	-128.8	-103.1	25.0	-509.1	-434.6	17.1
Profit before taxes	28.2	33.7	-16.3	3.5	1.0	>100	30.9	27.7	11.5
Combined Ratio	96.8%	96.0%		103.2%	108.3%		96.6%	97.6%	

6M 2015 – P&L regions (III)

IFRS (€mn)

€mn	Central Functions			Consolidation			TOTAL		
	6M 2015	6M 2014	+/-%	6M 2015	6M 2014	+/-%	6M 2015	6M 2014	+/-%
Gross premiums written	675.8	684.8	-1.3	-589.8	-615.4	n.a.	4,908.0	4,983.8	-1.5
Net earned premiums	534.0	563.4	-5.2	1.2	-2.9	n.a.	4,208.9	4,321.5	-2.6
Financial result	-21.8	-6.6	>100	0.0	-0.1	n.a.	524.5	565.1	-7.2
Other income	0.5	0.9	-44.0	0.0	-0.6	n.a.	50.2	58.1	-13.6
Total income	512.7	557.7	-8.1	1.2	-3.6	n.a.	4,783.5	4,944.7	-3.3
Expenses for claims/benefits	-340.5	-402.2	-15.3	0.1	0.1	n.a.	-3,352.6	-3,602.6	-6.9
Acquisition and administrative expenses	-170.9	-147.8	15.7	-3.4	4.1	n.a.	-956.5	-932.1	2.6
Other expenses	-13.1	-7.8	68.3	1.9	-0.3	n.a.	-224.0	-108.8	>100
Total expenses	-524.5	-557.8	-6.0	-1.5	4.0	n.a.	-4,533.0	-4,643.6	-2.4
Profit before taxes	-11.8	-0.1	>100	-0.3	0.4	n.a.	250.5	301.1	-16.8
Combined Ratio							95.9%	97.1%	

6M 2015 – Results by country (I)

IFRS (€mn)

	GWP P&C			GWP Life			GWP Health			GWP Total		
	6M 2015	6M 2014	+/-%	6M 2015	6M 2014	+/-%	6M 2015	6M 2014	+/-%	6M 2015	6M 2014	+/-%
Austria	1,122.4	1,121.4	0.1%	973.7	1,035.1	-5.9%	190.2	184.1	3.3%	2,286.2	2,340.6	-2.3%
Czech Rep.	440.4	442.7	-0.5%	394.7	448.8	-12.1%	-	-	-	835.2	891.5	-6.3%
Slovakia	179.3	182.3	-1.6%	209.2	205.0	2.0%	-	-	-	388.5	387.3	0.3%
Poland	244.5	296.2	-17.4%	204.9	269.2	-23.9%	-	-	-	449.4	565.3	-20.5%
Romania	160.2	137.7	16.4%	34.0	27.5	23.5%	-	-	-	194.2	165.2	17.6%
Remaining	345.9	319.1	8.4%	312.8	232.4	34.6%	9.9	13.0	-23.9%	668.6	564.5	18.4%
Hungary	47.3	43.2	9.5%	54.0	42.1	28.2%	-	-	-	101.2	85.3	18.7%
Croatia	17.8	19.7	-9.9%	32.1	28.0	14.7%	-	-	-	49.9	47.7	4.5%
Serbia	25.9	22.9	12.9%	14.2	12.2	17.0%	-	-	-	40.1	35.1	14.3%
Bulgaria	52.6	46.9	12.2%	20.7	15.9	29.7%	-	-	-	73.3	62.8	16.7%
Bosnia&Herz.	6.1	5.5	10.2%	0.5	0.3	48.6%	-	-	-	6.6	5.9	12.4%
Ukraine	23.9	30.4	-21.3%	1.0	1.4	-28.3%	-	-	-	24.9	31.8	-21.6%
Turkey	74.8	62.7	19.3%	-	-	-	-	-	-	74.8	62.7	19.3%
Georgia	10.3	10.4	-0.8%	-	-	-	9.9	13.0	-23.9%	20.2	23.3	-13.6%
Baltics	-	-	-	29.4	26.4	11.4%	-	-	-	29.4	26.4	11.4%
Albania	18.0	15.0	19.8%	-	-	-	-	-	-	18.0	15.0	19.8%
Macedonia	14.7	15.5	-4.9%	0.0	0.0	-100.0%	-	-	-	14.7	15.5	-5.0%
Moldova	3.8	-	-	-	-	-	-	-	-	3.8	-	-
Liechtenstein	-	-	-	124.1	62.4	99.1%	-	-	-	124.1	62.4	99.1%
Germany	50.8	46.9	8.1%	36.7	43.6	-15.7%	-	-	-	87.5	90.5	-3.3%

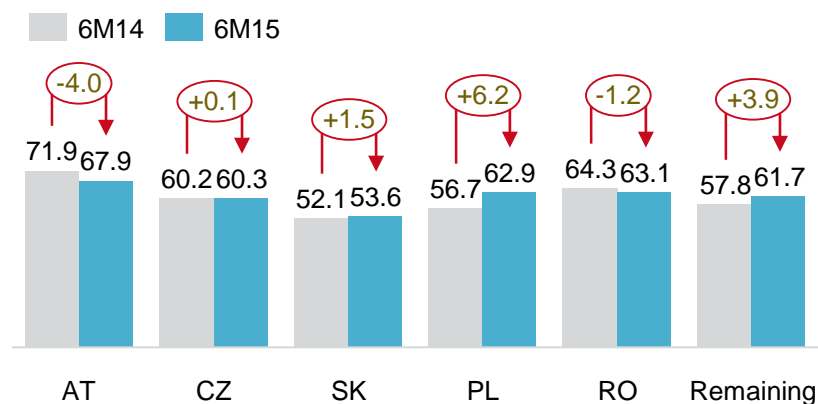
6M 2015 – Results by country (II)

IFRS (€mn)

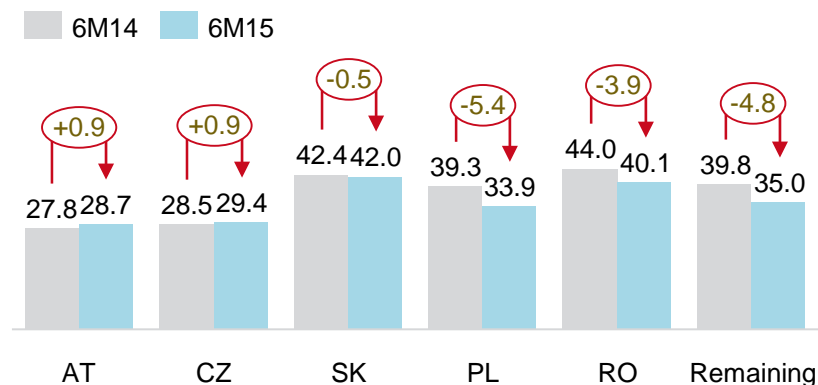
	Profit before Taxes			Net Combined Ratio		
	6M 2015	6M 2014	+/-%	6M 2015	6M 2014	+/-%p
Austria	85.7	126.9	-32.5%	96.6%	99.7%	-3.1
Czech Rep.	88.1	85.8	2.7%	89.8%	88.7%	1.0
Slovakia	26.2	25.7	2.0%	95.6%	94.5%	1.1
Poland	28.2	33.7	-16.3%	96.8%	96.0%	0.8
Romania	3.5	1.0	>100%	103.2%	108.3%	-5.1
Remaining	30.9	27.7	11.5%	96.6%	97.6%	-1.0
<i>Hungary</i>	1.7	1.6	5.8%	106.5%	107.0%	-0.6
<i>Croatia</i>	4.2	3.6	18.8%	93.6%	99.8%	-6.2
<i>Serbia</i>	1.1	0.4	>100%	109.9%	78.7%	31.2
<i>Bulgaria</i>	5.5	5.0	10.8%	101.5%	101.8%	-0.4
<i>Bosnia & Herzegovina</i>	0.2	-0.1	n.a.	104.3%	208.3%	-104.0
<i>Ukraine</i>	3.0	1.4	>100%	95.4%	100.6%	-5.2
<i>Turkey</i>	0.0	1.3	-96.4%	110.5%	102.3%	8.2
<i>Georgia</i>	1.6	1.5	4.8%	54.3%	66.9%	-12.6
<i>Baltics</i>	0.9	0.4	>100%	-	-	-
<i>Albania</i>	0.6	1.0	-42.7%	94.1%	90.0%	4.1
<i>Macedonia</i>	1.7	1.6	7.9%	76.9%	85.5%	-8.6
<i>Moldova</i>	0.1	-	-	112.2%	-	-
<i>Liechtenstein</i>	0.0	0.2	-75.3%	-	-	-
<i>Germany</i>	10.1	9.8	2.6%	83.7%	84.2%	-0.6

6M 2015 – P&C Claims and cost ratio details

Claims ratio 6M y-o-y regional development (net, %)



Cost ratio 6M y-o-y regional development (net, %)



Remarks for claims incurred

- Austria: claims ratio down 4.0%p driven by development of Donau Versicherung (less business volume in Italy)
- Stable claims ratios in the Czech Republic
- Developments in Slovakia (+1.5%p) impacted by higher weather related claims
- Romania: claims ratio decrease (-1.2%p) due to improved portfolio
- Poland: claims ratio up by 6.2%p reflecting higher expenditures for pain and suffering claims
- Remaining markets: claims ratio up by 3.9%p driven by Turkey and Serbia

Remarks for acquisition and admin. expenses

- Slight cost ratio increases in Austria and Czech Republic
- Slovakia: stable cost ratio
- Poland: cost ratio down 5.4% due to less commissions paid
- Romania: cost ratio decrease of 3.9%p supported by increased net earned premiums
- Remaining markets: cost ratio decreased by 4.2%p driven by Croatia and Ukraine

2Q 2015 – Income statement

IFRS (€mn)

€mn	2Q 2015	2Q 2014	+/-%
Gross premiums written	2,152.1	2,252.6	-4.5
Net earned premiums	1,998.2	2,109.0	-5.3
Financial result ¹	251.1	289.3	-13.2
Other income	21.9	30.5	-28.2
Total income	2,271.3	2,428.8	-6.5
Expenses for claims and insurance benefits	-1,622.8	-1,768.8	-8.3
Acquisition and administrative expenses	-447.1	-462.4	-3.3
Other expenses	-81.8	-50.8	61.0
Total expenses	-2,151.7	-2,282.0	-5.7
Profit before taxes	119.5	146.7	-18.5
Taxes	-22.9	-37.3	-38.6
Net profit (Profit for the period)	96.7	109.4	-11.7
Non-controlling interests	-3.0	-6.9	-57.1
Net profit after non-controlling interests	93.7	102.6	-8.6

1: Incl. result from shares in at equity consolidated companies

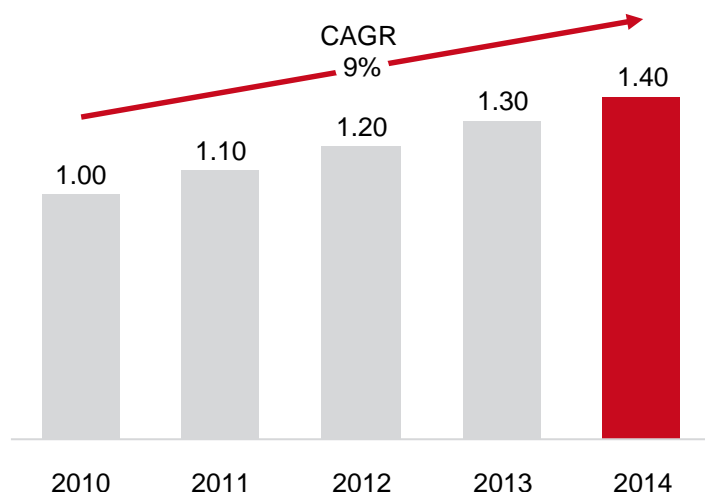
6M 2015 – Exchange rates

Country	Currency	6M 2015		6M 2014	
		Balance Sheet EUR	P & L EUR	Balance Sheet EUR	P & L EUR
Albania	EUR/ALL	140.2900	140.2398	140.2600	140.2106
Belarus	EUR/BYR	16,974.0000	16,408.1492	13,890.0000	13,529.0055
Bosnia	EUR/BAM	1.9558	1.9558	1.9558	1.9558
Bulgaria	EUR/BGN	1.9558	1.9558	1.9558	1.9558
Croatia	EUR/HRK	7.5948	7.6277	7.5760	7.6247
Czech Republic	EUR/CZK	27.2530	27.5021	27.4530	27.4439
Georgia	EUR/GEL	2.4992	2.3650	2.4081	2.4084
Hungary	EUR/HUF	314.9300	307.5057	309.3000	306.9310
Latvia	EUR/LVL	-	-	1.0000	1.0000
Liechtenstein	EUR/CHF	1.0413	1.0567	1.2156	1.2215
Lithuania	EUR/LTL	1.0000	1.0000	3.4528	3.4528
Macedonia	EUR/MKD	61.6958	61.5004	61.6850	61.6509
Moldova	EUR/MDL	20.8008	20.1914	0.0000	0.0000
Poland	EUR/PLN	4.1911	4.1409	4.1568	4.1755
Romania	EUR/RON	4.4725	4.4479	4.3830	4.4643
Serbia	EUR/RSD	120.6042	121.1766	115.7853	115.6421
Turkey	EUR/TRY	2.9953	2.8626	2.8969	2.9678
Ukraine	EUR/UAH	23.5414	23.7448	16.0868	13.9697

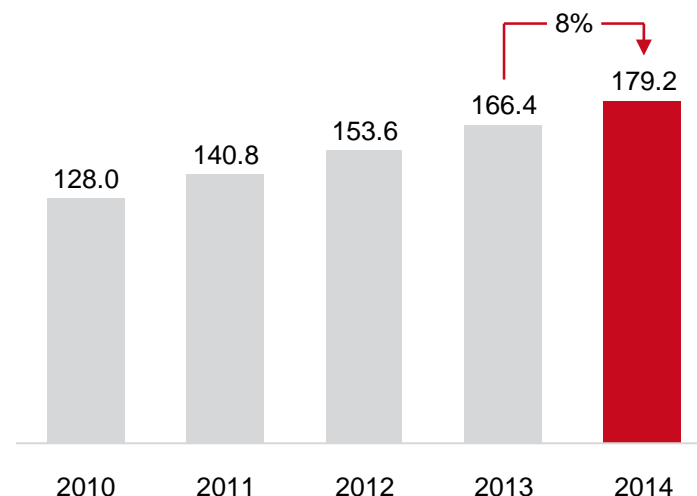
Maintaining steady dividends – DPS of €1.40

Dividend yield amounting to 3.8%¹ for 2014

Dividend per share (€)



Dividend pay-out (€mn)



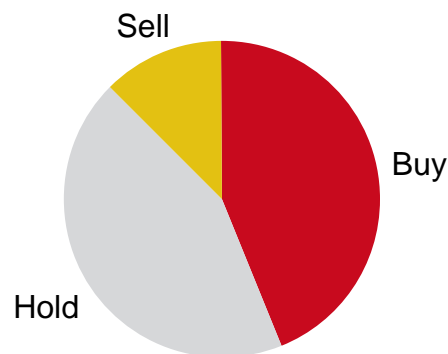
Dividend policy

- Unchanged dividend policy with a pay-out ratio of minimum 30% of Group net profit
- Based on strong operating performance and sound capitalisation the management of VIG proposed an increase of the DPS to €1.40 (+ €0.10) corresponding to a dividend yield of 3.8%¹
- Consistent growth of dividend pay-outs to shareholders with a CAGR10-14 of 9%

¹: based on YE14 share price

VIG share (I)

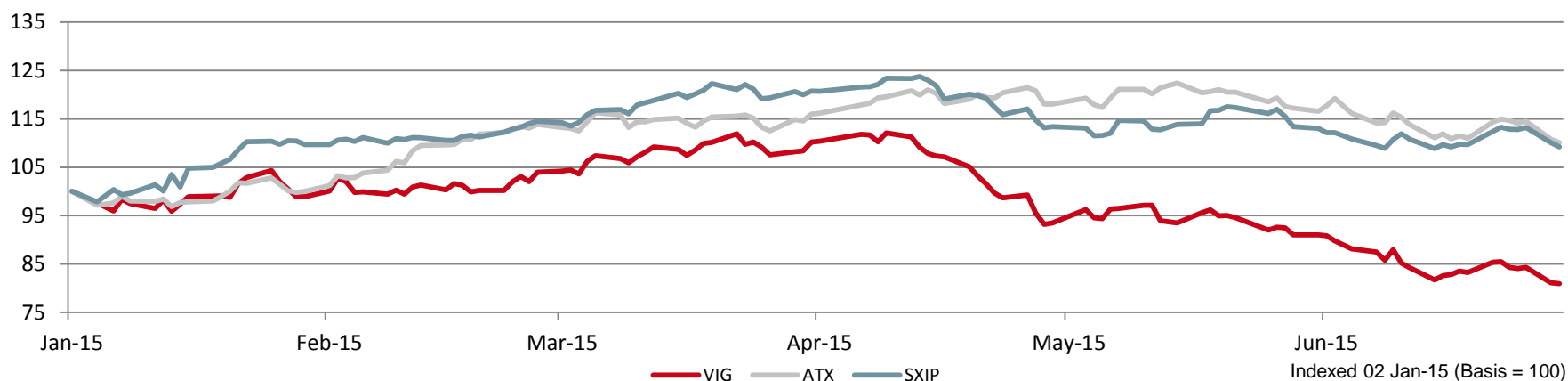
Current analyst recommendation split



Share price development 6M 2015

High	EUR	42.620
Low	EUR	30.775
Price as of 30 June	EUR	30.775
Average daily volume	EUR	8.2 mn
Market cap.	EUR	3.9 bn
Development YTD	%	-17.0

VIG compared to ATX and Stoxx Europe 600 Ins.



VIG share (II)

General information

Number of common shares: 128mn

ISIN: AT0000908504

Listings:

- Vienna – since 17 Oct. 1994
- Prague – since 5 Feb. 2008

Ticker:

- Vienna Stock Exchange: VIG
- Bloomberg: VIG AV / VIG CP
- Reuters: VIGR.VI / VIGR.PR

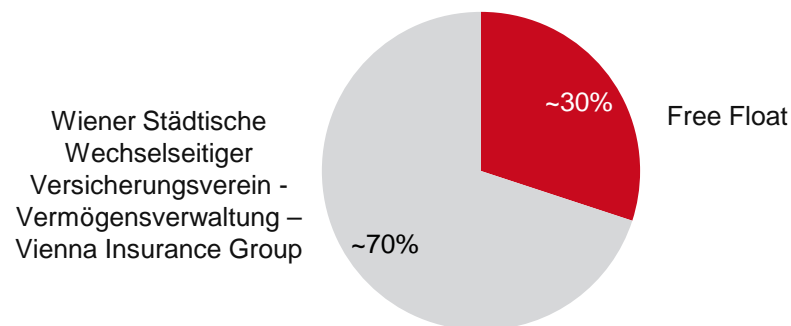
Rating:

- Standard & Poor's: A+, stable outlook

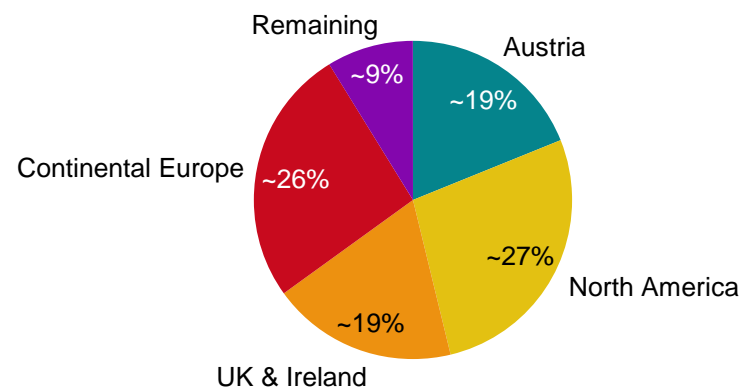
Major Indices:

- ATX, ATX Prime, PX

Shareholder structure



Free float split by region¹



1) Split of identified shares as of May 2015

Contact details

Investor Relations



Financial calendar 2015

Date	Event
27 Jan. 2015	Publication: Preliminary unconsolidated premiums 2014
14 April 2015	Results and Embedded Value 2014
20 May 2015	Results for the first quarter 2015
29 May 2015	Annual General Meeting
03 June 2015	Ex-dividend-day
08 June 2015	Dividend payment day
25 Aug. 2015	Results for the first half-year 2015
24 Nov. 2015	Results for the first three quarters 2015



Investor Relations Team

Vienna Insurance Group
Schottenring 30, 1010 Vienna
E-Mail: investor.relations@vig.com
www.vig.com/ir

- Nina Higatzberger (Head of IR)
Tel. +43 (0)50 390 - 21920
E-Mail: nina.higatzberger@vig.com
- Claudia Hartl
Tel. +43 (0)50 390 - 21969
E-Mail: claudia.hartl@vig.com
- Emir Halilović
Tel. +43 (0)50 390 - 21930
E-Mail: emir.halilovic@vig.com
- Daniela Lemmel-Seedorf
Tel. +43 (0)50 390 - 21919
E-Mail: daniela.lemmel-seedorf@vig.com

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