

Institutional Investor Conference
Zürs, 12 April 2016

New CEO Elisabeth Stadler with expanded management team

Elisabeth Stadler, CEO



Countries of Responsibilities:

- Austria
- Czech Republic

Judit Havasi



Countries of Responsibilities:

- Slovakia

Roland Gröll



Countries of Responsibilities:

- Bosnia and Herzegovina
- Croatia
- Macedonia
- Romania

Martin Simhandl, CFO



Countries of Responsibilities:

- Germany
- Georgia
- Lichtenstein
- Turkey

Franz Fuchs



Countries of Responsibilities:

- The Baltics
- Moldova
- Poland
- Ukraine

Peter Höfinger



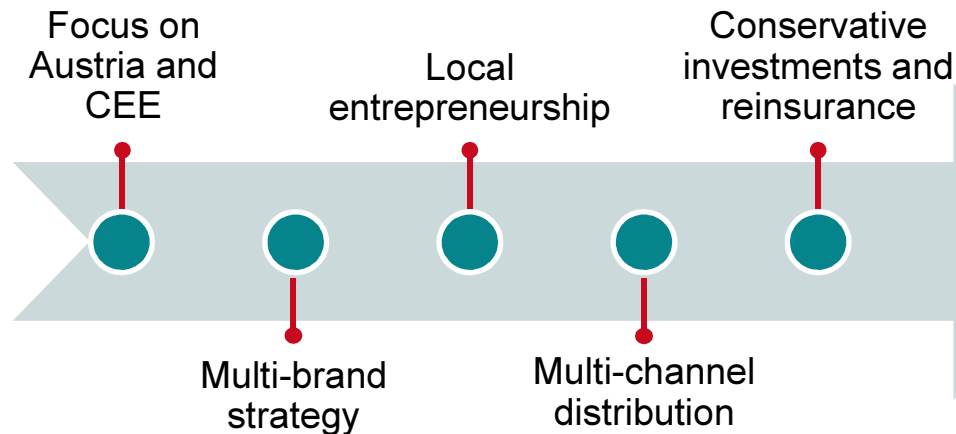
Countries of Responsibilities:

- Albania
- Belarus
- Bulgaria
- Hungary
- Montenegro
- Serbia

Continuing on the path of a well-proven strategy with refinements for the future

Strategy confirmed, refinements

Continuation of proven strategy



Strategy refinement for the future

- Gain market shares with growth in selected markets:
 - Croatia, Hungary, Poland and Serbia
- Digitalisation emphasis in the area of products and services
- Strengthening health insurance

Confirmed dividend policy

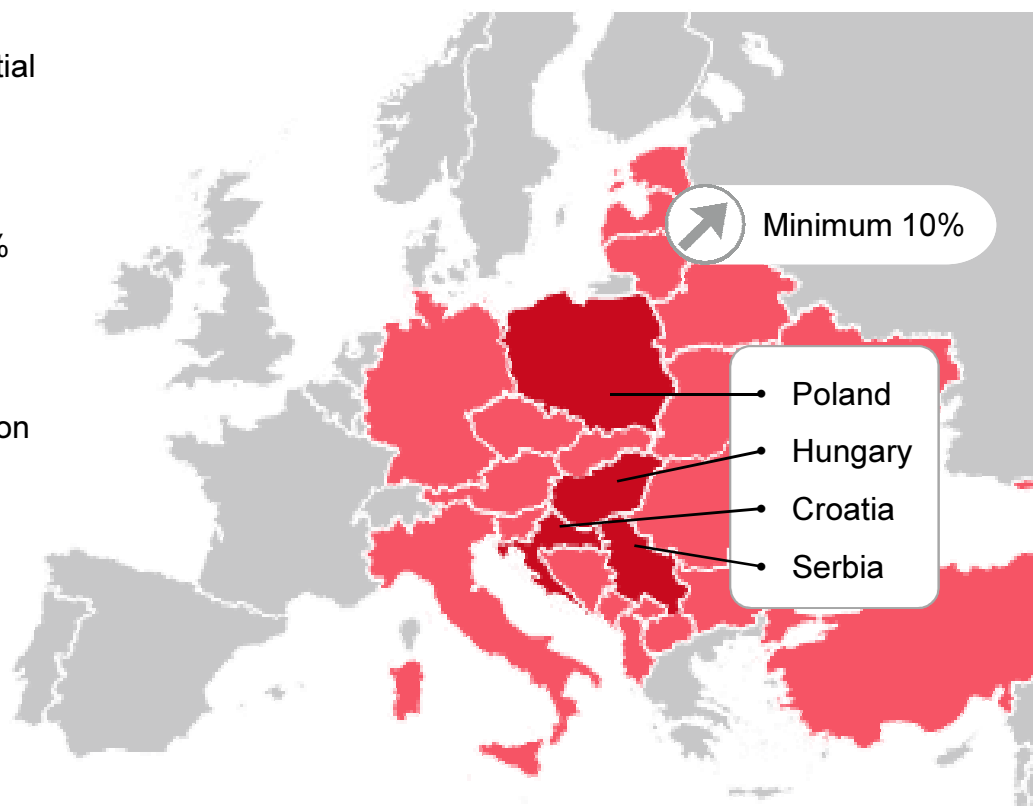
Distribution of at least 30% of Group net profits after minorities

Refinement of strategy (I)

Increase market share in four focus markets to at least 10%

Gaining market shares

- VIG well positioned to exploit growth potential in CEE
- VIG is aiming to grow mid-term in Croatia, Hungary, Poland and Serbia to at least 10% market share
- All of these markets show strong economic potential: GDP growth for the next 3 years on average expected:
 - Croatia: 1.7%
 - Hungary: 2.5%
 - Poland: 3.3%
 - Serbia: 1.8%
- Organic growth and acquisitions
- Focus is on profitable growth



Refinement of strategy (II)

Focus on health insurance and digitalisation in the area of products and services

Stronger focus on health insurance

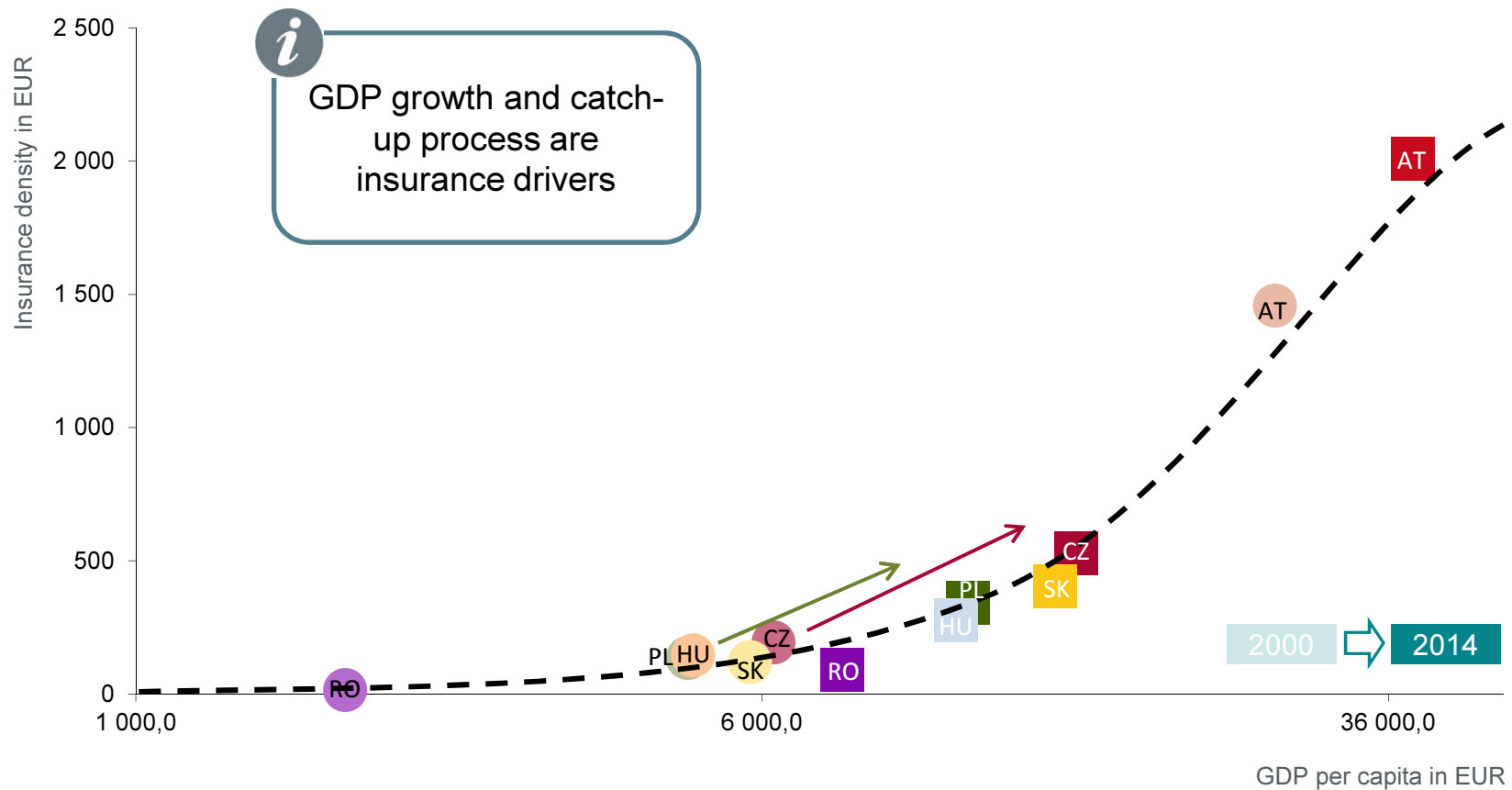
- In many countries: discussions about affordability of public health care systems
 - Life expectancy up → longer time of (chronic) illness and care
 - Medical treatment becoming more expensive
 - Social insurance systems under cost pressure; need for private spending/contribution
 - “Internationality” – treatment abroad
- Growth potential in the health insurance business to be targeted also via health care providers

Digitalisation under way

- Use of digital products and services has become more popular
- VIG already offers many innovative products and services in Group companies
- Based on this potential:
 - Expand existing offering
 - Develop new offers and services
 - Transfer existing products to other markets

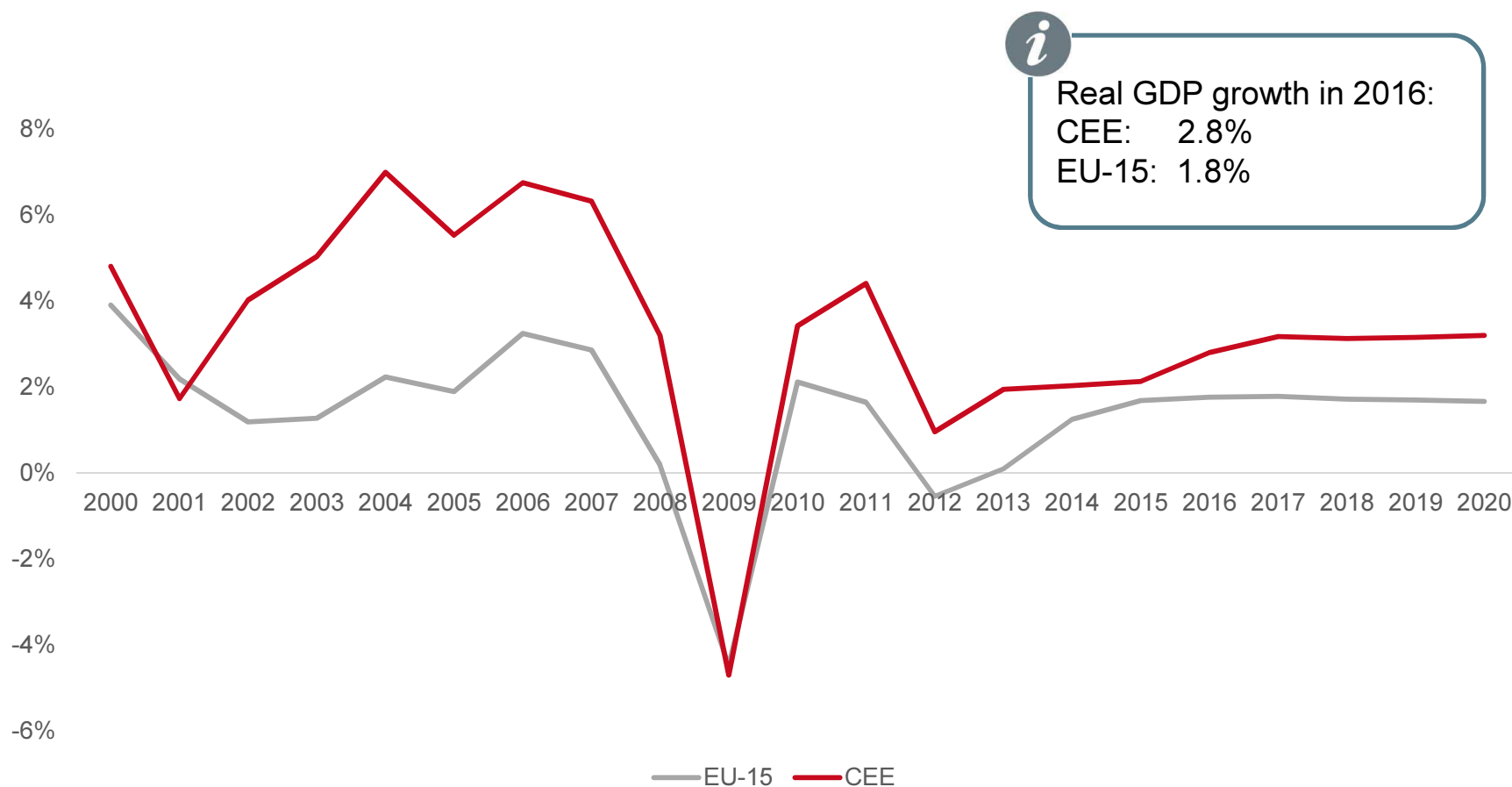
Insurance growth is a catching-up process

Model of insurance demand development still valid



CEE grows faster than the EU-15

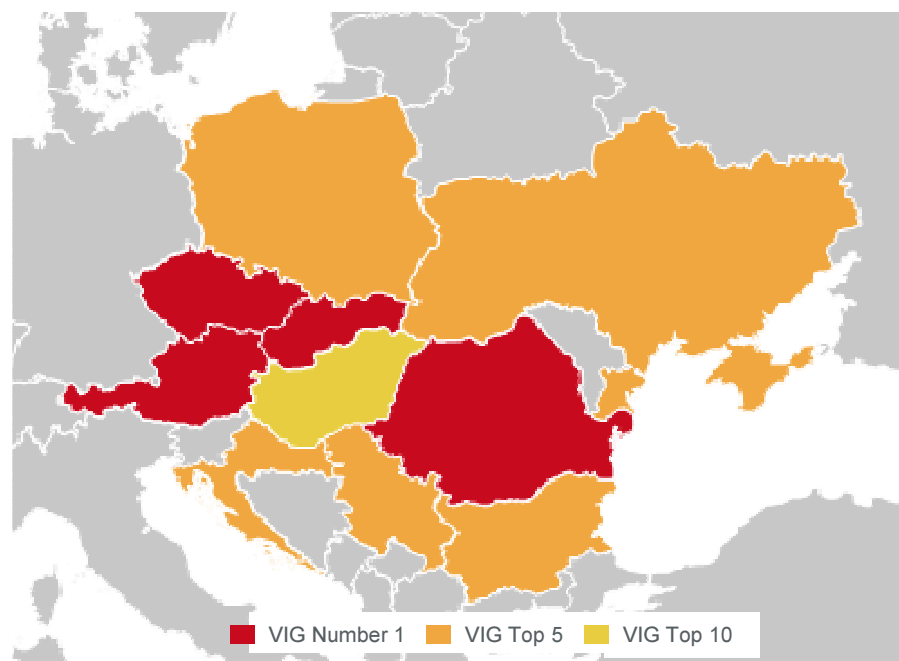
Forecast of economic growth in CEE vs. EU-15



Source: IMF; October 2015; CEE = VIG markets without Austria, Italy, Liechtenstein and Germany

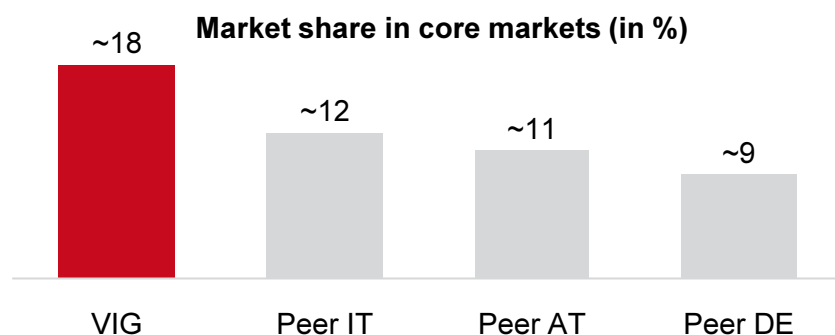
Excellent market positions of VIG

VIG is the clear No 1 in its core markets



Country	Market positions			Total market share
	Total	N-life	Life	
Austria	1	1	1	23.7%
Czech Republic	1	2	1	32.7%
Slovakia	1	2	1	32.7%
Poland	4	4	6	—6.4%
Romania	1	1	2	22.6%
Bulgaria	2	3	2	—13.2%
Croatia	4	6	3	—8.2%
Serbia	4	5	2	—9.3%
Ukraine	3	2	7	—4.3%
Hungary	6	6	6	—7.4%

Source: local insurance authorities;
data as of 4Q15; RS, UA as of 3Q15; SK as of 4Q14



Market share in AT & CEE

VIG clearly ahead of its peers in core markets

Key facts 2015

Strong position & capital base, lower yields, one-off impairments, adapted dividend

CEE proportion

50:50

Roughly 50% of premiums are earned in CEE.

Profits from CEE reach even 55%.

Solvency 2

200%

VIG with approved partial internal model for non-life and real estate from day 1.

Very strong ratio of around 200%.

S&P rating

A+ stable

S&P confirmed the excellent capitalisation of VIG.

Low yields

-95bps

Decrease of 95 basis points in new money yield (NMY) for bond investments in life and non-life in 2015 compared to 2014 in Austria. NMY at 1.9% for 2015.

New business margin

4.0%

Group Embedded Value: Very strong Group profit margin of 4.0% for new business.

Dividend¹

EUR 0.60

Corresponding to a pay-out ratio of 78% of Group net profits.

1: Management proposal and subject to the approval of the annual general meeting

Top and bottom line overview 2015

VIG steers through challenging macroeconomic and competitive environment

€9.0bn
GWP

Premium decrease of 1.4% caused by reduced life single premium business

- Current life premiums up 4.9% but could not compensate for deliberate single premium business reduction of 15.7%
- Corporate business up by ~7% and SME business growth of ~6%

€172.1mn
PBT

PBT burdened by impairments and declined current financial income

- Overall impairments of intangibles of around €285mn
- Decreased financial results in many markets due to low interest rate environment

97.3%
CoR

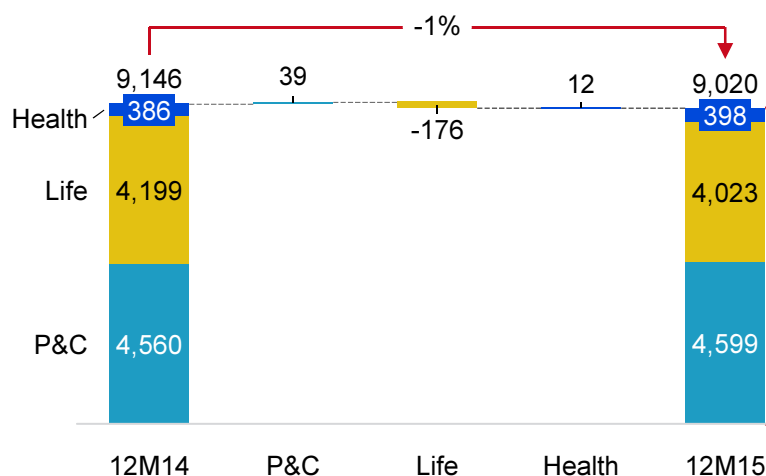
Net combined ratio up by 0.6%p

- CoR development driven by claims ratio increases in Poland and Slovakia
- Overall Combined ratio improvements in Austria and Romania

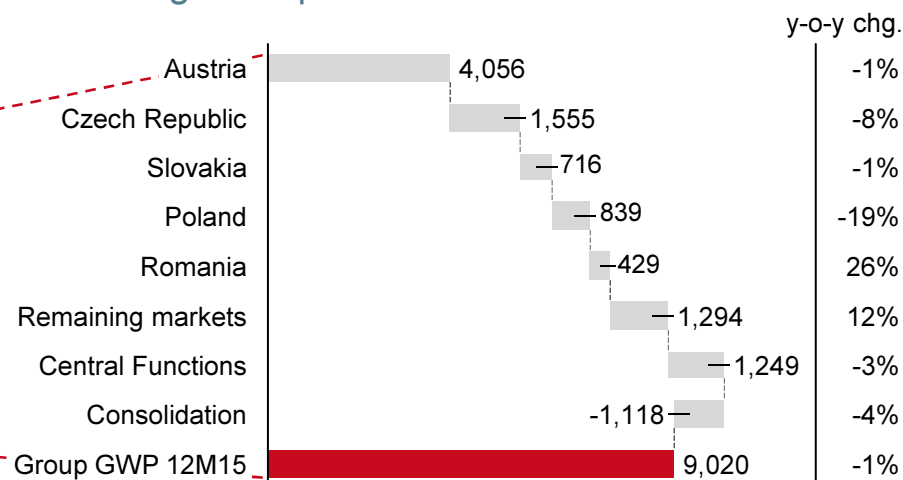
Premiums overall down 1.4% driven by single premium life business decrease

Top-line growth in P&C, health and current premium life business

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



GWP regional split

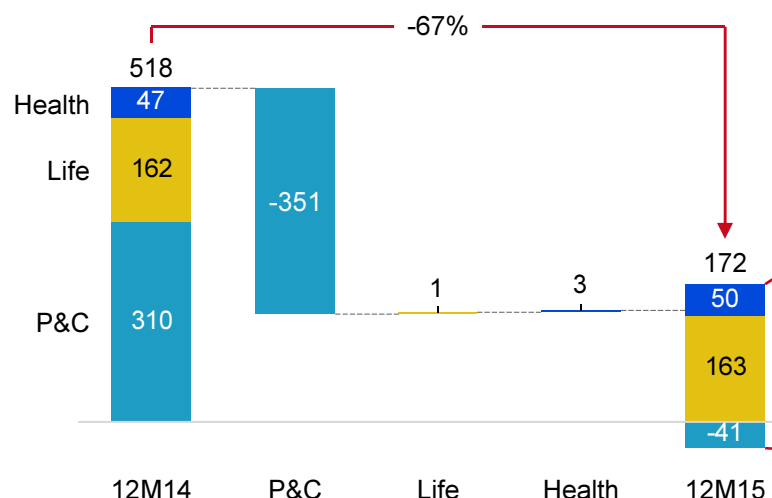


Remarks

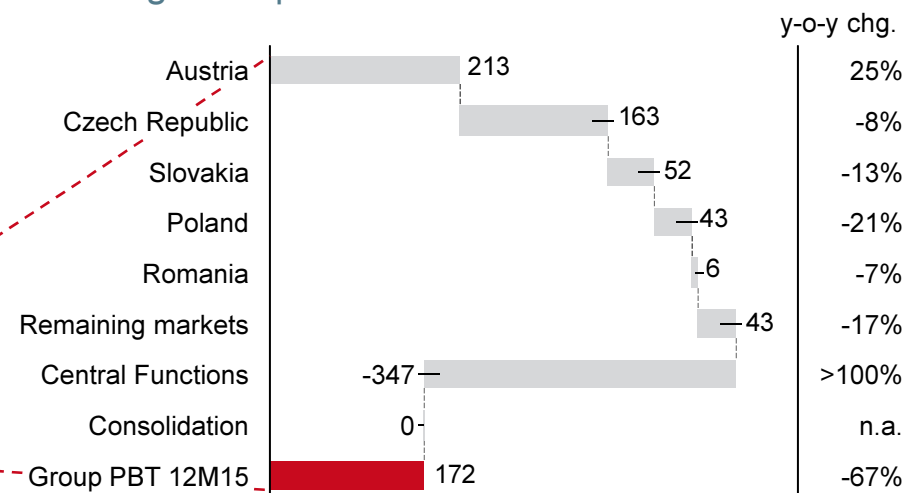
- Premium increases in P&C of 0.8% and in health of 3.0%
- Life premiums decreased by 4.2% due to deliberate reduction of single premium business (-15.7%)
 - Focus on life current premium business (+4.9%)
- In Poland decrease of 14.3% in P&C impacted by ongoing challenging market environment in motor; life premiums down 24.1% due to further reduction of short term single premium business
- In Romania positive premium momentum in P&C of 21.4% and in life of 51.2%
- Double-digit growth rates in the Remaining CEE markets, e.g. Hungary, Serbia, the Baltics, Bulgaria, Turkey

Declining financial result and impairments lowered profit before taxes to €172mn

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



PBT regional split



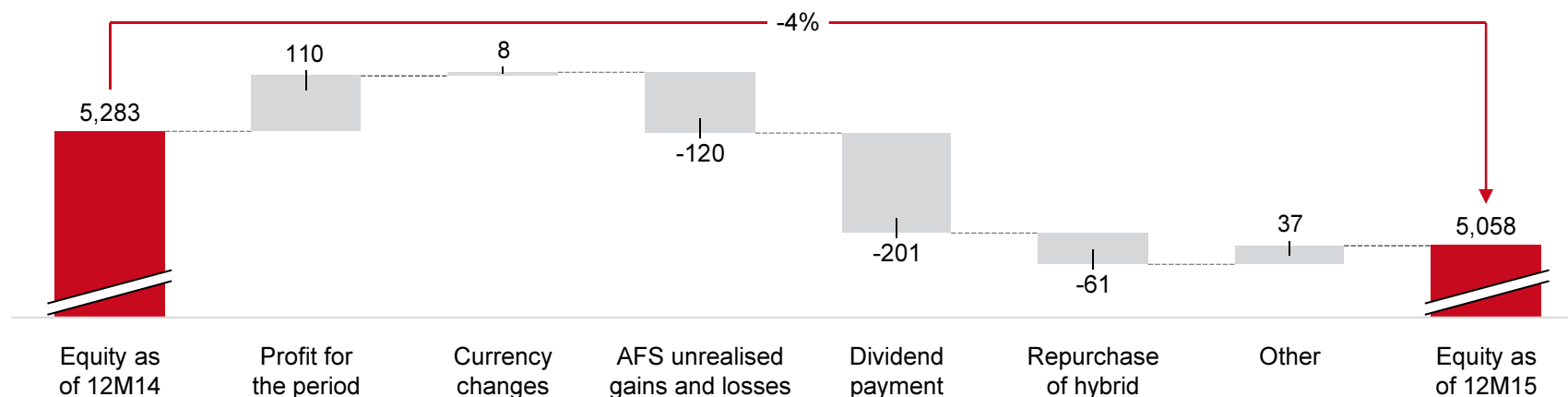
Remarks

- Negative PBT development in P&C mainly driven by impairments and lower financial result; PBT in life kept stable and PBT in health up 7.1%
- Profit development overall impacted by:
 - Low interest rate environment leading to decreased current income
 - IT impairment of €195mn, goodwill impairment in Romania of ~€50mn, insurance portfolio write-off in Poland of ~€25mn and due to changes of the Cash Generating Units ~€15mn additional goodwill impairments overall for Hungary, Albania, Bosnia-Herzegovina and Moldova

12M 2015: Shareholders' equity decreased by 4.3% impacted by hybrid bond repurchase

Strong Solvency 2 ratio in the range of ~200%

Change in Group Shareholders' equity (€mn)



Remarks on partial internal model Solvency 2

- S2 ratio in the range of around 200%
- Partial internal model for non-life business and real estate investments approved as of January 1, 2016
 - The non-life scope on Group level comprises five markets of VIG (AT, CZ, SK, PL, RO)
 - The real estate scope comprises the portfolio of Austrian insurers

Outlook

Short-term / medium-term / general

2016 Outlook

Profit before taxes

Despite that it is expected that the current low-interest rate environment will lead to another decline in the ordinary financial result VIG aims to:

- At least double the profit before taxes 2015 up to €400mn
-

Mid-term goals

- Profitable growth – either organic or via acquisitions
 - Strengthening market leader position in AT, CZ and SK
 - Market share at least 10% in HR, HU, PL, RS
 - Improvement of CoR towards 95%
 - Maintaining sound capital ratios under Solvency 2 regulations
-

General policy

Dividend policy

- Distribution of at least 30% of net profits after minorities
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THE LEADING
INSURANCE
SPECIALIST
IN AUSTRIA
AND CEE.

VIG
VIENNA INSURANCE GROUP
Wiener Versicherung Gruppe



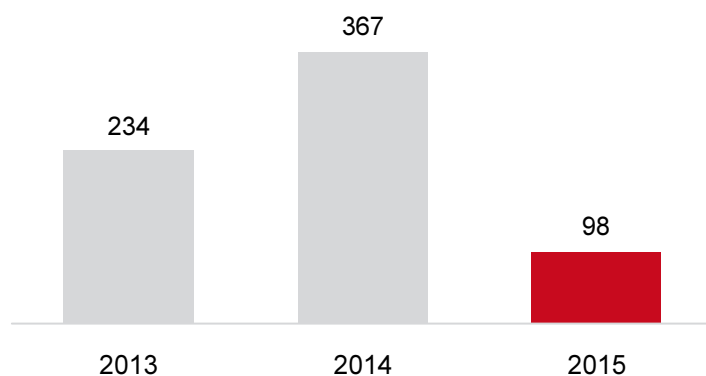
AUSTRIA VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP	SLOVAKIA VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP	BULGARIA VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP	UKRAINE VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP	MOLDOVA VIENNA INSURANCE GROUP	MACEDONIA VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP
ITALY BRANCH VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP	POLAND VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP	CROATIA VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP	GEORGIA VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP	ESTONIA VIENNA INSURANCE GROUP	MONTENEGRO VIENNA INSURANCE GROUP
SLOVENIA BRANCH VIENNA INSURANCE GROUP	HUNGARY VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP	BOSNIA HERZEGOVINA VIENNA INSURANCE GROUP	TURKEY VIENNA INSURANCE GROUP	GERMANY VIENNA INSURANCE GROUP	LIECHTENSTEIN VIENNA INSURANCE GROUP
CZECH REPUBLIC VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP 	ROMANIA VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP	SERBIA VIENNA INSURANCE GROUP	LATVIA VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP	ALBANIA VIENNA INSURANCE GROUP VIENNA INSURANCE GROUP	

Appendix

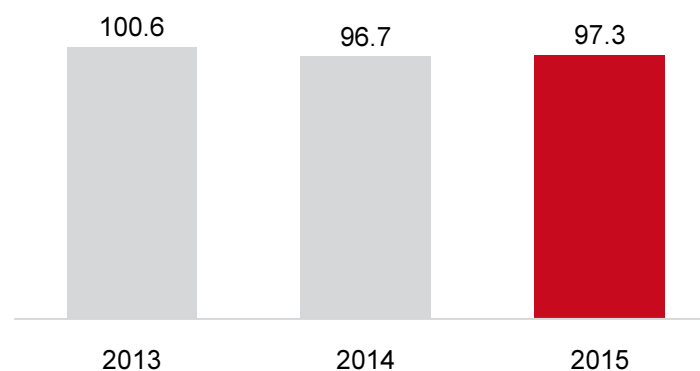
12M 2015 Key financials

Overview of KPIs

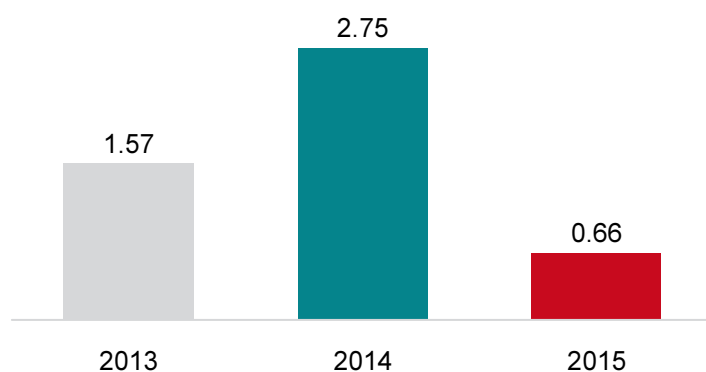
Net Profit after tax and minorities (€mn)



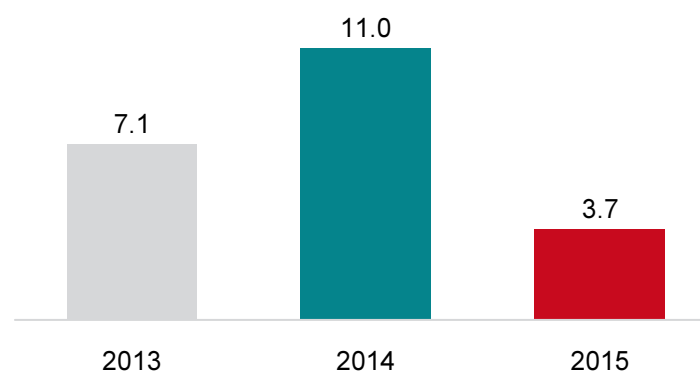
Combined Ratio (net, %)



EPS¹ (€)



ROE before taxes² (%)



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

12M 2015 Income statement

IFRS (€mn)

€mn	12M 2015	12M 2014	+/-%
Gross premiums written	9,019.8	9,145.7	-1.4
Net earned premiums	8,180.5	8,353.7	-2.1
Financial result ¹	1,074.9	1,116.9	-3.8
Other income	150.2	125.5	19.7
Total income	9,405.6	9,596.1	-2.0
Expenses for claims and insurance benefits	-6,748.9	-6,919.9	-2.5
Acquisition and administrative expenses	-1,847.6	-1,874.8	-1.5
Other expenses	-637.1	-283.0	>100
Total expenses	-9,233.5	-9,077.7	1.7
Profit before taxes	172.1	518.4	-66.8
Taxes	-61.8	-127.0	-51.4
Net profit (Profit for the period)	110.3	391.4	-71.8
Non-controlling interests	-12.1	-24.6	-50.7
Net profit after non-controlling interests	98.2	366.8	-73.2

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

12M 2015 Balance sheet

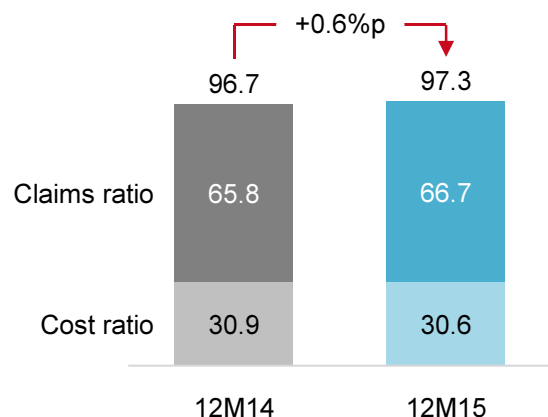
IFRS (€mn)

€mn	31.12.2015	31.12.2014	+/-%
Intangible assets	2,080	2,370	-12.2
Investments	30,709	30,360	1.2
Unit- and index-linked investments	8,144	7,742	5.2
Reinsurers' share in underwriting provisions	1,031	1,106	-6.8
Receivables	1,390	1,502	-7.4
Tax receivables and advance payments out of income tax	217	119	81.9
Deferred tax assets	124	113	9.2
Other assets	350	331	5.6
Cash and cash equivalents	1,103	782	41.1
Total assets	45,148	44,425	1.6
Shareholders' equity	5,058	5,283	-4.3
<i>thereof minorities</i>	198	173	14.2
Subordinated liabilities	1,280	920	39.2
Underwriting provisions	28,145	27,890	0.9
Unit- and index-linked technical provisions	7,777	7,392	5.2
Non-underwriting provisions	663	709	-6.4
Liabilities	1,635	1,679	-2.7
Tax liabilities out of income tax	122	84	44.9
Deferred tax liabilities	295	287	2.8
Other liabilities	173	181	-3.9
Total liabilities and equity	45,148	44,425	1.6

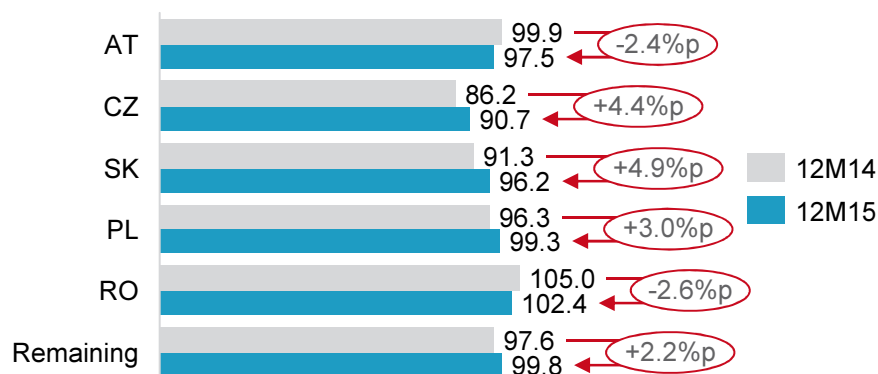
Group combined ratio at 97.3%

Deterioration of 0.6%p y-o-y due to increased claims ratio

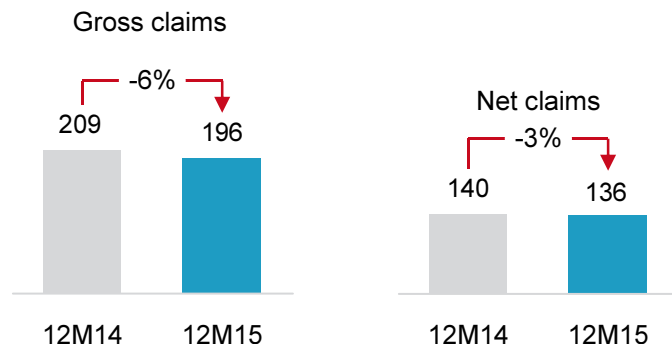
P&C Combined ratio development



P&C CoR 12M y-o-y regional development (net, %)



Weather related claims (€mn)

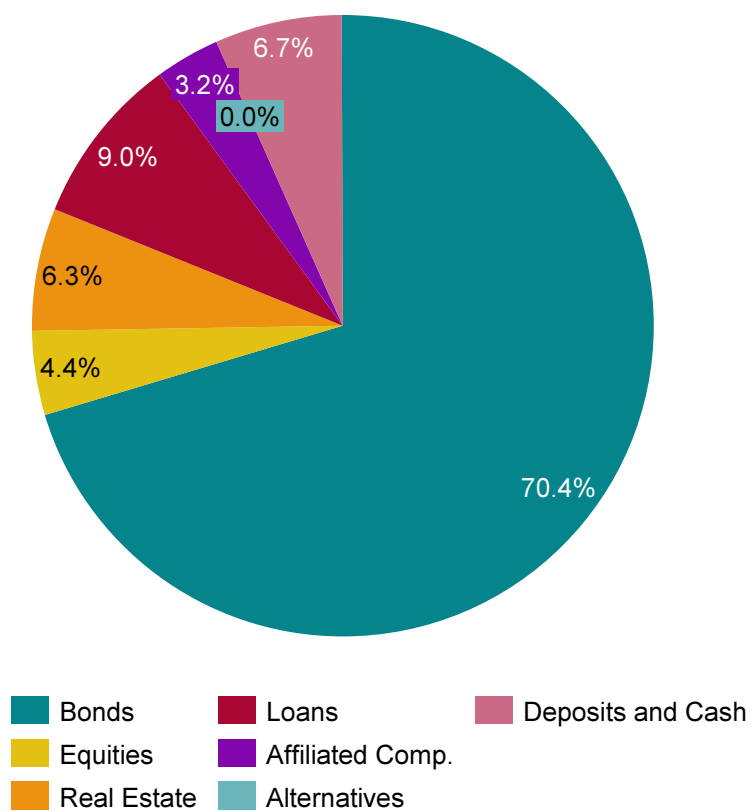


Remarks

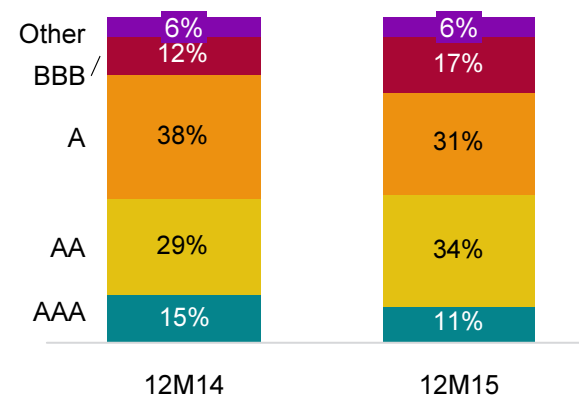
- CoR-improvements in Austria and Romania, but Romania still above 100%
- Increased combined ratios driven by higher claims ratios in
 - SK and PL: reflecting competitive environment in motor
 - CZ: keeping attractive CoR

Unchanged investment strategy

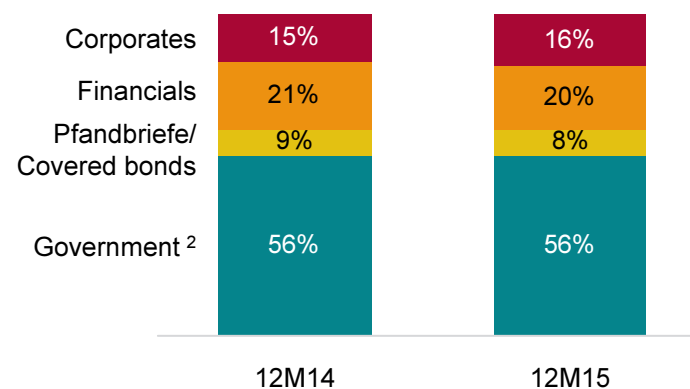
12M 2015: Total €31.8bn



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

12M 2015 Financial result

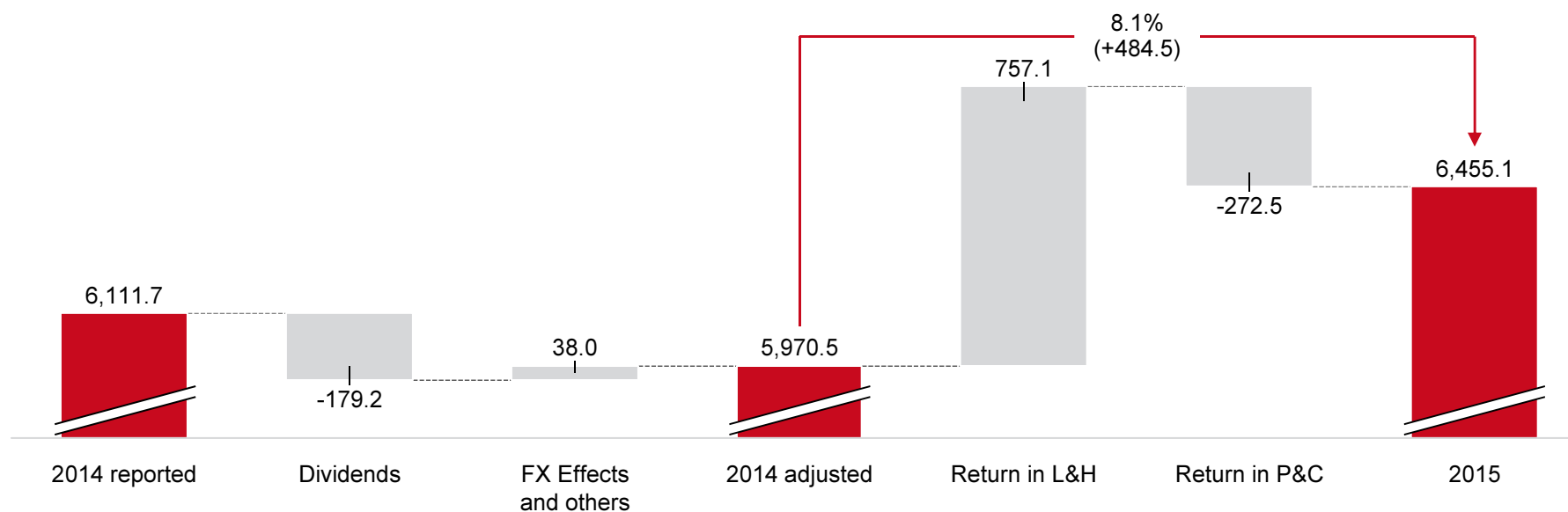
Financial result decreased by more than €40mn

Income	P&C		Life		Health		Total	
in € '000	12M 2015	12M 2014	12M 2015	12M 2014	12M 2015	12M 2014	12M 2015	12M 2014
Current income	278,049	271,935	829,631	858,710	41,799	50,831	1,149,479	1,181,477
Income from appreciations	9,715	62,595	11,065	17,759	286	808	21,066	81,162
Income from the disposal of investments	130,027	86,720	126,455	129,269	3,435	990	259,917	216,980
Other income	25,669	45,783	71,761	59,525	202	440	97,632	105,749
Total Income	443,460	467,033	1,038,912	1,065,264	45,722	53,070	1,528,094	1,585,367
Expenses	P&C		Life		Health		Total	
in € '000	12M 2015	12M 2014	12M 2015	12M 2014	12M 2015	12M 2014	12M 2015	12M 2014
Depreciation of investments	38,749	32,005	38,288	33,375	2,817	2,576	79,854	67,956
Impairment of investments	42,586	12,901	10,906	94,629	2,507	10,589	55,999	118,120
Exchange rate changes	-8,690	-2,877	-2,968	-18,829	-934	-779	-12,592	-22,484
Losses from the disposal of investments	26,207	19,184	32,292	26,729	1,691	461	60,190	46,374
Interest expenses	66,211	58,497	15,680	19,466	724	905	82,615	78,868
Other expenses	125,697	99,794	57,943	74,062	3,490	5,818	187,130	179,674
Total Expenses	290,760	219,505	152,141	229,432	10,295	19,570	453,196	468,508
Total Financial Result	152,700	247,528	886,771	835,832	35,427	33,500	1,074,898	1,116,860

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

Group Embedded Value 2015 development

Return on GEV (€mn)

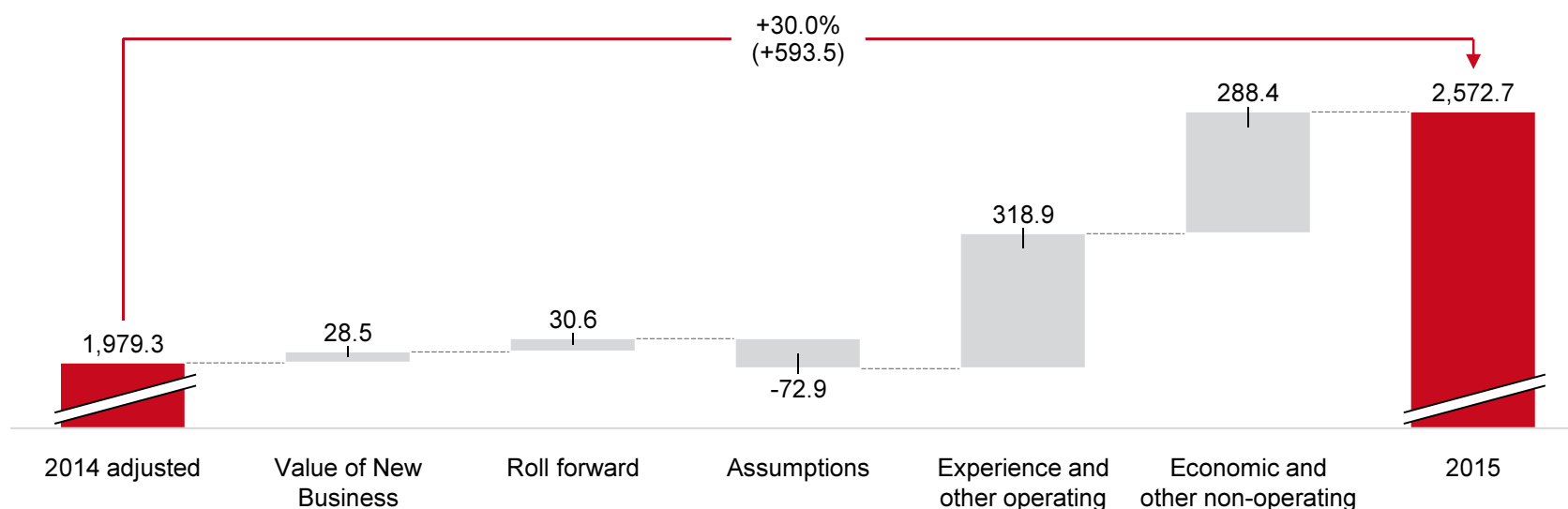


Remarks

- Positive return on GEV of 8.1% amounting to €484.5mn
- High L&H growth with return of 19.9%
- P&C return influenced by depreciations and decreased surpluses in claims and unearned premium reserves

EV 2015 – Analysis of Change

Life & Health MCEV – Austria / Germany (€mn)

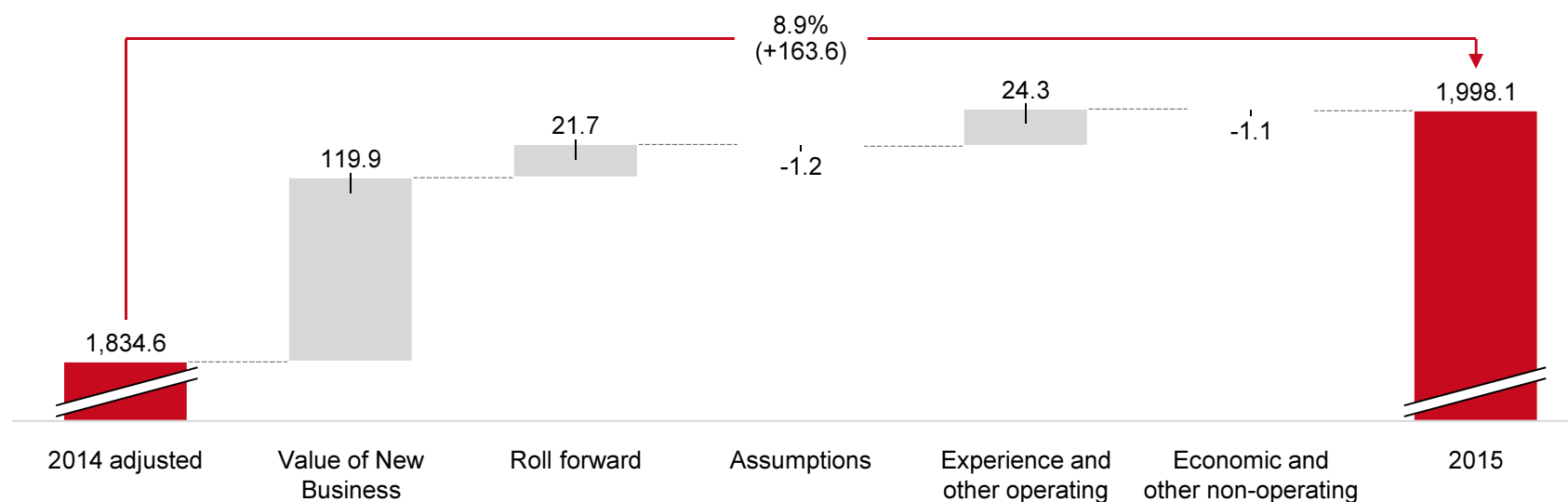


Remarks

- Operating return of 15.4% influenced by refined management rules
- Positive impact of higher projected investment returns on economic variance
- New business profitability of 1.3%

EV 2015 – Analysis of Change

Life & Health MCEV – CEE (€mn)



Remarks

- High growth with return of 8.9%
- Profitability in CEE increased to an excellent level of 7.5%
- New business value of €119.9 mn
- Around 80% of Value of New Business is generated in CEE

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

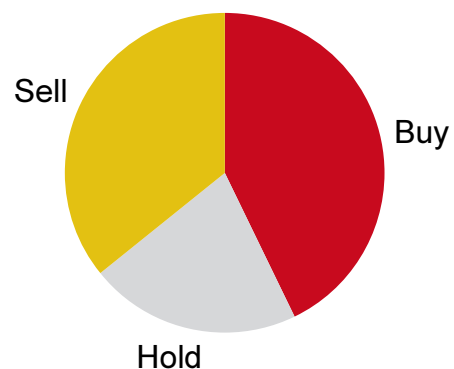
- „VIG will sustain its very strong competitive position in Austria and its leading market position in CEE“



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

VIG share (I)

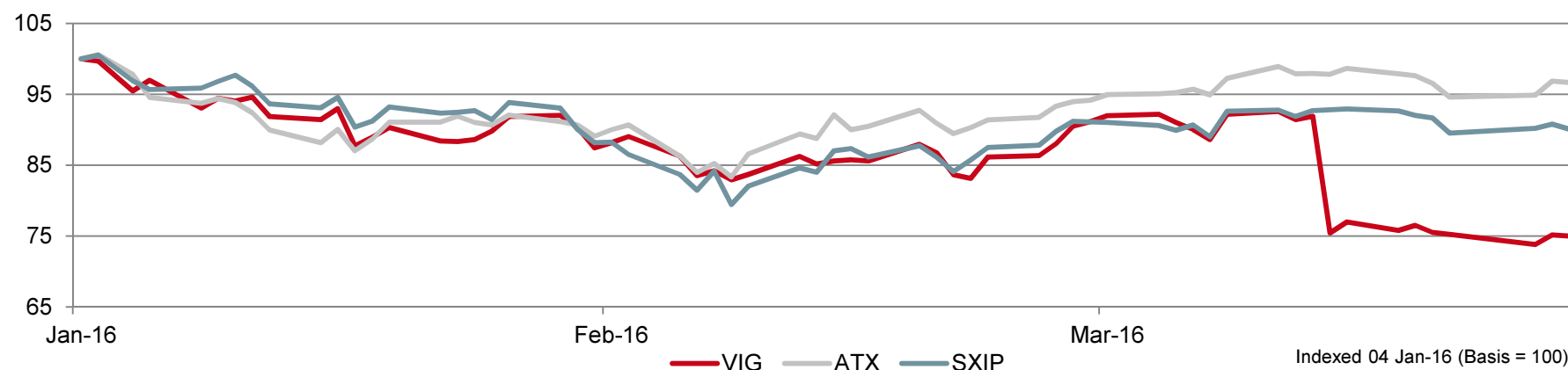
Current analyst recommendation split



Share price development 3M 2016

High	EUR	24.790
Low	EUR	18.300
Price as of 31 March	EUR	18.600
Market cap.	EUR	2.4 bn
Development YTD	%	-26.5

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

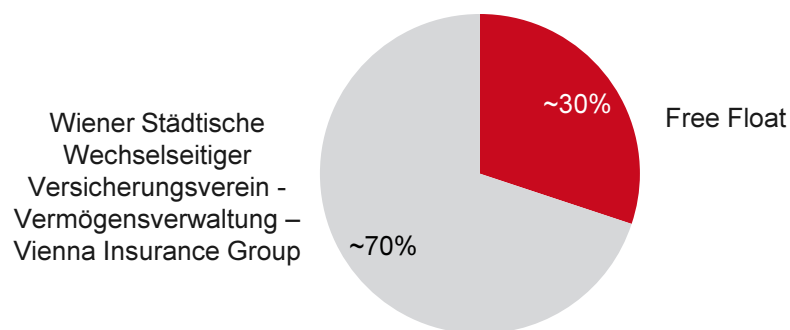
Rating:

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

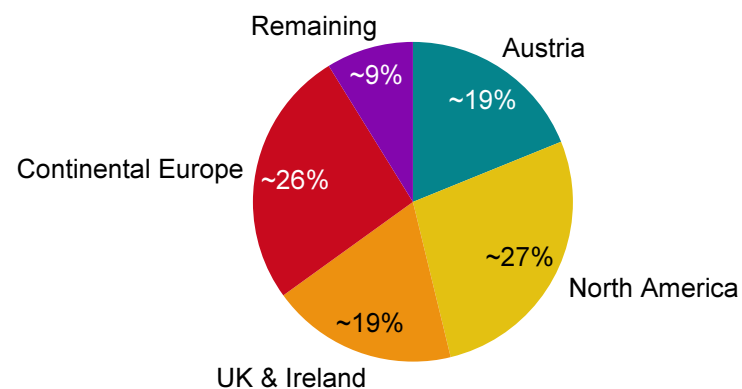
Major Indices:

- 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 2016

Date	Event
26 Jan. 2016	Publication: Preliminary unconsolidated premiums 2015
07 Apr. 2016	Results and Embedded Value 2015
13 May 2016	Annual General Meeting
18 May 2016	Ex-dividend-day
19 May 2016	Record date
20 May 2016	Dividend payment day
24 May 2016	Results for the first quarter 2016
23 Aug. 2016	Results for the first half-year 2016
22 Nov. 2016	Results for the first three quarters 2016



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