

26 August 2014

TOP PERFORMANCE IN FIRST HALF-YEAR OF 2014

- **Profit increased by 41.4% to EUR 290.9 million – strong profit contribution from the CEE region**
- **Premiums stable at around EUR 5.0 billion – 1.0% increase, adjusted for exchange rate effects**
- **Combined ratio reduced to 97.1% – following 99.8% in 1st half of 2013**
- **Administrative expenses reduced a further 4.2% – significant reduction of around 20% since 2008**
- **Outstanding Standard & Poor's rating of “A+” with stable outlook confirmed**

Vienna Insurance Group had an excellent performance in terms of profit (before taxes) in the first half-year 2014, which rose strongly by 41.4 percent to EUR 290.9 million. Around 55 percent of these profits were in the CEE region, where also the Romanian Group companies further improved their performance.

Despite the clear earnings-oriented underwriting policy, Vienna Insurance Group generated stable premiums in a difficult economic environment of around EUR 5.0 billion. The Group even achieved a solid increase of 1.0 percent after adjusting for foreign exchange effects.

The combined ratio fell by 2.7 percentage points to a very good 97.1 percent. Vienna Insurance Group made the significant improvement despite the ongoing conservative reserving policy for the Italian business of Donau Versicherung and severe weather claims, particularly in Austria, Serbia and Bosnia-Herzegovina.

The Group's financial result was EUR 551.6 million. Vienna Insurance Group investments (including cash and cash equivalents) were around EUR 30.5 billion (as of 30 June 2014).

Efficient cost management helped reduce Group administrative expenses by another 4.2 percent in the first half-year 2014.

Vienna Insurance Group is working to increase efficiency throughout the Group. Ongoing actions have reduced administrative expenses by around one fifth since 2008. Net earned premiums rose around 25 percent in the same period.

The international rating agency Standard & Poor's confirmed the outstanding “A+” rating with stable outlook making Vienna Insurance Group the best-rated company in the ATX. The Group's excellent capital resources exceed S&P's defined standard for AAA, once again proving VIG's financial stability.

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