

10 April 2014

VIENNA INSURANCE GROUP IN 2013

Premiums reach EUR 9.2 billion

Premiums adjusted for special effects increase by 2.8 percent

Profit (before taxes) EUR 355.1 million

Result adjusted for special effects around EUR 570 million

“Remaining markets” pass EUR 1 billion mark in premiums for the first time

Strong capitalization: solvency ratio significantly higher than 200 percent

Managing Board proposes increase in dividend to EUR 1.30 per share

Solid operating performance in a challenging financial year

Vienna Insurance Group earned EUR 9.2 billion in Group premiums in financial year 2013. The intentional reduction of short-term single-premium business in Poland, the decrease in motor business in Italy and currency effects (in particular devaluation of the Czech crown) led to a 4.4 percent reduction in premiums. Excluding these effects, Vienna Insurance Group achieved solid operating premium growth of 2.8 percent.

Property and casualty premiums fell by 1.2 percent. Excluding special effects mentioned above there was an increase of 1.6 percent.

Vienna Insurance Group achieved satisfying performance of around 5 percent in non-motor. The high level of demand in this area shows the long-term potential for modern insurance products in the CEE markets. Vienna Insurance Group companies took advantage of this by increasing distribution to further encourage portfolio diversification and risk spreading.

Adjusted for the reduction in short-term single-premium business in Poland and exchange rate effects, Vienna Insurance Group achieved an operational increase of 4.3 percent in life. The 8.3 percent decrease in premiums that was reported is a result of the effects mentioned above. The successful cooperation with Erste Group continues to have a very positive effect on the life insurance. The Group will use its recent acquisitions in Hungary and Poland to take advantage of these future opportunities in life insurance.

Health premiums grew by 1.6 percent to around EUR 400 million.

Challenging conditions, particularly in the Romanian market, and developments in Italy led Group management to impair goodwill and to take additional precautionary measures that had a dramatic negative effect on the operating profit for the reporting period. The resulting Group profit (before taxes) was EUR 355.1 million (-37.0 percent). The Group result, adjusted for these special effects, was approx. EUR 570 million.

These extraordinary measures also raised the combined ratio to 100.6 percent.

The financial result of the Group remained stable at around EUR 1.2 billion. Vienna Insurance Group investments (including cash and cash equivalents) were close to EUR 30 billion (as of 31 December 2013).

Due to the Group's excellent capitalization, solvency ratio of sustainably more than 200 percent and solid operating result, a proposal will be made to raise the dividend to EUR 1.30 per share (+ EUR 0.10) at the Vienna Insurance Group Annual General Meeting.

Group Embedded Value – continued to increase

Calculated on the basis of international standards, the embedded value is the net asset value of Vienna Insurance Group plus the present value of potential future profits from existing life and health insurance contracts. It was certified by B&W Deloitte GmbH, Cologne.

The long-term viability of the insurance business of Vienna Insurance Group has been evidenced by the fact that the Group embedded value (after taxes) increased by 11.0 percent to EUR 6.2 billion (adjusted value for 2012: EUR 5.5 billion) as of 31 December 2013. With 6.0 percent, the CEE new business margin reached once more an excellent value by international comparison.

VIENNA INSURANCE GROUP AG
Wiener Versicherung Gruppe
1010 Vienna, Schottenring 30
ISIN: AT0000908504

Contact

Vienna Insurance Group
Investor Relations
1010 Vienna, Schottenring 30

Nina Higatzberger	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 Halilovic	Tel.: +43 (0)50 390-21930	E-Mail: emir.halilovic@vig.com

All news releases are also available at <http://www.vig.com/ir> under IR-News/Ad-hoc News.