

28 January 2014

VIENNA INSURANCE GROUP PRELIMINARY PREMIUMS 2013¹

Premiums amount to about EUR 9.4 billion (-4.9 percent) – adjusted for special effects, premiums increased by 2.2 percent

Premiums in the segment “remaining markets” exceed EUR-1-billion threshold

Profit (before taxes)¹: about EUR 350 million

Normalised operating result¹: about EUR 580 million

Managing Board proposes increase in dividend² to EUR 1.30 per share

Sound operating performance in a difficult environment

In the financial year 2013 Vienna Insurance Group earned direct, unconsolidated premiums written of about EUR 9.4 billion; this reflects a decline by 4.9 percent, which is mainly due to the planned reduction of the short-term single-premium business in Poland as well as the targeted downsizing of the motor business in Italy and Romania. About 1 percentage point of this decrease may be attributed to currency effects, especially to the devaluation of the Czech crown. Without these special effects, Vienna Insurance Group achieved a sound premium growth of 2.2 percent.

In the property/casualty insurance premiums went down by 1.2 percent. While the motor insurance failed to grow in many markets due to fierce competition, Vienna Insurance Group has reported very positive increases in other property/casualty lines of businesses. Thus Vienna Insurance Group has achieved a further diversification of its portfolio in the non-life segment.

Life insurance premiums decreased by 9.3 percent. Excluding the effect of the targeted downsizing of the single-premium business in Poland, Vienna Insurance Group reported an increase of 2.0 percent in this segment.

The strategic approach of Vienna Insurance Group of focusing on expanding its life insurance business has therefore proven right. This applies particularly also to the cooperation with Erste Group companies. Moreover, Vienna Insurance Group is continuously taking further steps to strengthen this segment in CEE; this strategy has been reaffirmed through recent investments in Hungary as well as in Poland.

¹ The business figures are based on preliminary data and are unconsolidated as well as unaudited. All data are provided on a euro basis.

² subject to the approval of the corporate bodies

The preliminary profit (before taxes) is expected to amount to about EUR 350 million and is decisively influenced by one-off effects in Italy and Romania. Excluding these effects, Vienna Insurance Group is likely to report a normalised operating result of approximately EUR 580 million, remaining more or less at the same level as the result of the previous year.

Management proposes increase in dividend to EUR 1.30 per share

*“In view of a continuous dividend policy, we want to take advantage of the good operating performance as well as the strong capital base of our Group to offer an attractive dividend to our shareholders. Therefore we plan to propose our corporate bodies to increase the dividend by EUR 0.10 to EUR 1.30 per share in the financial year 2013”, emphasised **Peter Hagen, CEO of Vienna Insurance Group.** “This means that we achieve a remarkable dividend yield of about 3.6 percent.”*

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