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## Vienna Insurance Group reports significant profit increase in first quarter of 2021 VIG Group result sees return to pre-crisis levels

- Premiums at previous year's level at EUR 3.11 billion
- Profit (before taxes) increases by 5% to EUR 128 million
- Net result climbs by 15% to EUR 99 million
- Combined ratio stable at 95.2%

Vienna Insurance Group demonstrates strong resilience with its results for the first quarter of 2021. Compared with the first quarter of the previous year, which saw VIG Group start the year with considerable premium increases before the first wave of COVID-19 infections began from mid-March 2020, the Group is reporting very solid performance for the first quarter of 2021, despite the pandemic still being a factor. Premiums and the combined ratio are at the same level as in the previous year, and a clear increase in profit before and after taxes was achieved. *“With this positive development, we are firmly delivering on our promise to be a stable and reliable partner. We were very successful before the start of the pandemic, have so far made it through this unique global situation very solidly and are already seeing a return to the levels achieved in the first quarter of 2019. We owe this resilience primarily to our employees, our customers and our partners, who have shown enormous commitment, understanding and, above all, trust in the companies of our Group during this universally challenging period. We were able to continue and implement all the projects that had been planned or were in progress before the crisis hit. Our customers have been extremely loyal and we have received fantastic support from our partners, and none of these things should be taken for granted under the current circumstances”*, says Elisabeth Stadler, CEO of Vienna Insurance Group, thanking the stakeholders for their support. This makes her optimistic for the further development in the remainder of the financial year: *“Although economic recovery in most countries within the CEE region will be delayed due to the rising rates of infection we have seen since autumn 2020, we are confident that we will achieve our targets for 2021. Vaccination rates will be pivotal to securing tangible economic improvements, and we are currently seeing significant progress in this area in many of our markets.”*

### Non-life and health insurance report premium increases

The total premium volume reached EUR 3.11 billion in the first three months of 2021. Despite the pandemic, in the first quarter of 2021 the motor, other property and casualty, and health insurance sectors improved on the very strong results achieved in the same quarter of the previous year. Only in life insurance, and single premium life insurance in particular, were there strategic premium decreases. In some segments, premium development was also influenced by currency effects. Adjusted for exchange rate effects, the premium would have increased by 1.6% overall. The Romania, Czech Republic and Poland segments recorded the highest absolute premium increases.

### Clear increase in results

At EUR 128 million, profit before taxes was up by around 5% compared to the same period of the previous year. This result puts VIG Group firmly on track to achieve the targeted profit range between EUR 450 million and EUR 500 million for 2021. Net result improved by around 15% to EUR 99 million. The segments with the highest profit contribution are Austria, the Czech Republic and Slovakia. Earnings per share (annualised) amounted to EUR 3.09, which is an increase of 15.3% on the previous year.

**Combined ratio remains stable**

The combined ratio remains strong at 95.2% and is almost unchanged compared to the same quarter of the previous year (Q1 2020: 95.1%). The biggest improvements in the combined ratio were achieved in the Slovakia, Remaining CEE and Austria segments. The financial result (excl. the result from at-equity consolidated companies) amounted to EUR 175.8 million in the first quarter of 2021, which is 29% more than in the same period in the previous year. This is primarily due to lower depreciation and impairments of investments as well as increased realised gains. Group investments including cash and cash equivalents were EUR 37.1 billion as of 31 March 2021.

## Consolidated Income Statement (IFRS)

(in EUR mn)	3M 2021	3M 2020	+/- %
<b>Gross premiums written</b>	<b>3,106.8</b>	<b>3,118.2</b>	<b>-0.4</b>
Net earned premiums	2,416.3	2,488.3	-2.9
Financial result incl. at equity consolidated companies	173.5	140.8	23.2
Other income	58.4	86.2	-32.2
Expenses for claims and insurance benefits	-1,822.6	-1,883.6	-3.2
Acquisition and administrative expenses	-627.6	-609.0	3.1
Other expenses	-70.1	-100.7	-30.4
<b>Result before taxes</b>	<b>128.0</b>	<b>121.9</b>	<b>5.0</b>
Taxes	-27.9	-33.1	-15.7
<b>Result of the period</b>	<b>100.1</b>	<b>88.8</b>	<b>12.7</b>
Non-controlling interests	-1.1	-2.9	-63.5
<b>Net result after non-controlling interests</b>	<b>99.0</b>	<b>85.9</b>	<b>15.3</b>
<b>Earnings per share in EUR (annualized)</b>	<b>3.09</b>	<b>2.68</b>	<b>15.3</b>
<b>Combined Ratio (net in %)</b>	<b>95.2</b>	<b>95.1</b>	<b>0.1pp</b>

## Consolidated Balance Sheet (IFRS)

Assets (in EUR mn)	31.03.2021	31.12.2020	+/- %
A. Intangible assets (incl. Right-of-Use Assets)	1,906	1,918	-0.6
B. Investments	34,597	34,901	-0.9
C. Investments of unit- and index-linked life insurance	8,364	7,968	5.0
D. Reinsurers' share in underwriting provisions	1,456	1,396	4.2
E. Receivables	1,912	1,699	12.5
F. Tax receivables and advance payments out of income tax	196	275	-28.9
G. Deferred tax assets	213	137	55.5
H. Other assets	400	388	3.1
I. Cash and cash equivalents	2,466	1,745	41.3
<b>Total Assets</b>	<b>51,508</b>	<b>50,428</b>	<b>2.1</b>
<b>Liabilities and Shareholders' Equity (in EUR mn)</b>	<b>31.03.2021</b>	<b>31.12.2020</b>	<b>+/- %</b>
A. Shareholders' equity	5,262	5,286	-0.5
B. Subordinated liabilities	1,460	1,464	-0.3
C. Underwriting provisions	32,363	32,230	0.4
D. Unit- and index-linked underwriting provisions	7,970	7,617	4.6
E. Non-underwriting provisions	863	877	-1.6
F. Liabilities	2,879	2,254	27.7
G. Tax liabilities out of income tax	327	291	12.2
H. Deferred tax liabilities	240	268	-10.3
I. Other liabilities	145	141	2.4
<b>Total Liabilities and Shareholders' Equity</b>	<b>51,508</b>	<b>50,428</b>	<b>2.1</b>

## Segment Reporting (IFRS)

in EUR mn	Austria			Czech Republic			Slovakia		
	3M 2021	3M 2020	+/- %	3M 2021	3M 2020	+/- %	3M 2021	3M 2020	+/- %
Gross premiums written Total	1,334.1	1,364.8	-2.2	479.6	465.8	3.0	191.8	219.7	-12.7
Result before taxes	54.4	41.4	31.4	47.4	45.5	4.3	16.1	13.0	23.5
Combined Ratio (net in %)	94.2	95.5	-1.3pp	94.4	94.6	-0.1pp	83.5	91.3	-7.9pp

in EUR mn	Poland			Romania			The Baltic		
	3M 2021	3M 2020	+/- %	3M 2021	3M 2020	+/- %	3M 2021	3M 2020	+/- %
Gross premiums written Total	325.3	313.5	3.8	146.2	125.9	16.1	130.6	131.0	-0.3
Result before taxes	15.7	13.6	15.3	4.6	2.1	>100	4.1	3.1	31.8
Combined Ratio (net in %)	93.7	93.8	0pp	100.5	100.1	0.5pp	97.0	92.1	4.9pp

in EUR mn	Hungary			Bulgaria			Turkey/Georgia		
	3M 2021	3M 2020	+/- %	3M 2021	3M 2020	+/- %	3M 2021	3M 2020	+/- %
Gross premiums written Total	96.9	98.7	-1.8	57.6	62.2	-7.5	68.3	71.7	-4.8
Result before taxes	2.7	2.2	22.2	6.2	5.4	16.1	2.7	2.4	16.1
Combined Ratio (net in %)	96.6	97.6	-1pp	90.2	91.4	-1.2pp	99.8	93.7	6.1pp

in EUR mn	Remaining CEE			Other Markets			Central Functions		
	3M 2021	3M 2020	+/- %	3M 2021	3M 2020	+/- %	3M 2021	3M 2020	+/- %
Gross premiums written Total	123.8	126.8	-2.4	77.3	77.4	-0.1	526.8	483.9	8.9
Result before taxes	7.1	8.2	-13.3	8.2	8.1	1.4	-42.0	-26.2	60.4
Combined Ratio (net in %)	93.8	100.2	-6.4pp	76.9	76.0	0.9pp	-	-	-

in EUR mn	Consolidation			Total		
	3M 2021	3M 2020	+/- %	3M 2021	3M 2020	+/- %
Gross premiums written Total	-451.4	-423.2	6.7	3,106.8	3,118.2	-0.4
Result before taxes	0.7	3.1	-77.2	128.0	121.9	5.0
Combined Ratio (net in %)	-	-	-	95.2	95.1	0.1pp
Net result after non-controlling interests	-	-	-	99.0	85.9	15.3

Calculation differences may arise when rounded amounts and percentages are summed automatically.

### Information on reporting

The quarterly figures for net assets, financial position and results of operations for the 1<sup>st</sup> and 3<sup>rd</sup> quarters were prepared in accordance with the International Financial Reporting Standards (IFRS). However, reporting for the 1<sup>st</sup> and 3<sup>rd</sup> quarters does not constitute interim reporting within the meaning of international accounting standard IAS 34.

IR news and a results presentation are available at [www.vig.com/events](http://www.vig.com/events).

**Vienna Insurance Group** (Wiener Versicherung Gruppe) is the leading insurance group in Central and Eastern Europe (CEE). Around 50 insurance companies in 30 countries form a Group with a long-standing tradition, strong brands and close customer relations. The more than 25,000 employees in the Vienna Insurance Group (Wiener Versicherung Gruppe) take care of the day-to-day needs of more than 22 million customers. VIG shares have been listed on the Vienna Stock Exchange since 1994. The company has an A+ rating with stable outlook by the internationally recognised rating agency Standard & Poor's. That is the best rating of all companies in the ATX, the leading index of the Vienna Stock Exchange. Vienna Insurance Group (Wiener Versicherung Gruppe) cooperates closely with the Erste Group, the largest retail bank in Central and Eastern Europe.

**Disclaimer**

This press release contains forward-looking statements that concern future developments in Vienna Insurance Group (Wiener Versicherung Gruppe). These statements are based on current assumptions and forecasts made by the management of Vienna Insurance Group (Wiener Versicherung Gruppe). Changes in general economic developments, future market conditions, capital markets and other circumstances could result in actual events or results differing significantly from these forward-looking statements. The Vienna Insurance Group AG Wiener Versicherung Gruppe assumes no obligation to update these forward-looking statements or modify them based on future events or developments.

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