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## VIENNA INSURANCE GROUP PRELIMINARY PREMIUMS<sup>1</sup> 2015

### GOOD PERFORMANCE IN A DIFFICULT MARKET ENVIRONMENT

<b>VIG records EUR 9.2 billion in premiums</b>	<b>Solid growth of 2.2 percent in regular premium products</b>	<b>Positive growth momentum in many CEE markets</b>	<b>Restraint in single-premium business</b>
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Vienna Insurance Group as the leading insurance group in Austria and the CEE region recorded good premium growth in 2015. Property and casualty insurance grew by 2.0 percent, and in life insurance regular premium products recorded an increase of 2.3 percent. The decrease in total unconsolidated direct premiums written (-1.5 percent) to around EUR 9.2 billion was primarily due to the ongoing low level of interest rates and the resulting restraint being exercised with respect to sales of single-premium life insurance products. The extensive regional diversification of the Group in the CEE region again proved to be strategically important, as shown by the dynamic growth of roughly 10 percent once again achieved by the countries in the “Remaining Markets”.

#### VIG MAKES TARGETED USE OF AVAILABLE POTENTIAL

The **property/casualty** segment generated around EUR 4.8 billion (+2.0 percent) in premiums.

In Austria, Wiener Städtische showed particular strength in sales in the property business, achieving significant growth of 3.4 percent. Group companies in the Czech Republic and Slovakia, two important CEE markets for VIG, raised property and casualty premiums by 4.8 and 1.5 percent, respectively.

The steady implementation of measures in Romania proved to be successful in the improved market environment. Following initial positive trends in 2014, the VIG group companies in Romania achieved growth of 20.6 percent in the property and casualty segment.

Many CEE markets in the “Remaining Markets” region once again recorded highly dynamic growth. Double-digit increases in property and casualty premiums were achieved, for example, in Bulgaria, Turkey, Albania and Bosnia Herzegovina. The group companies in Hungary and Serbia also recorded significant growth in this region. In Ukraine, VIG continued the strong growth in local currency achieved in the previous year, recording an increase of 30.9 percent.

Motor insurance is experiencing strong competitive pressure in many countries. Vienna Insurance Group therefore targeted other lines of property business and achieved satisfying overall growth of 3.2 percent due to this differentiated approach to markets.

<sup>1</sup>These figures are based on preliminary data and are unconsolidated and unaudited.

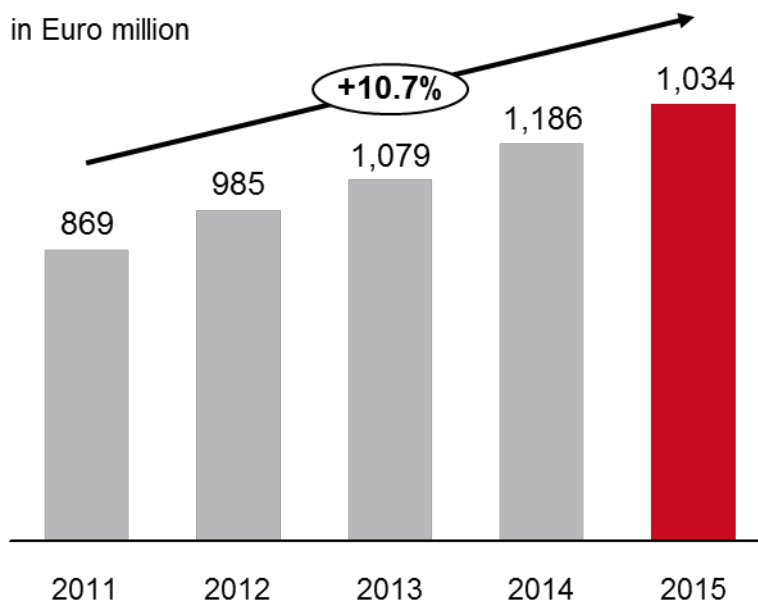
In **life insurance**, VIG recorded good performance for regular premium products with an increase of 2.3 percent. The intentional restraint exercised with respect to single-premium products (-16.3 percent) caused total life premiums to decrease by 5.8 percent.

Many CEE markets nevertheless recorded notable growth in life insurance. The Polish group companies achieved 5.5 percent growth for regular premium products in local currency terms. VIG remained on course in Romania, achieving an increase of 51.8 percent in life premiums.

The “Remaining Markets” also provided outstanding performance again with an increase of 13.6 percent in life insurance premiums. Performance was particularly noteworthy in Serbia (+22.8 percent), Bulgaria (+22.5 percent), the Baltic States (+15.0 percent) and smaller countries like Macedonia and Bosnia Herzegovina.

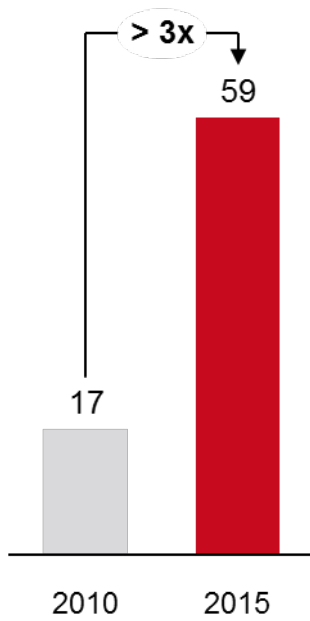
VIG also recorded good performance in life insurance in Ukraine. Premium growth of 54.0 percent in local currency terms underscores the confidence that customers have in the leading insurance group in the CEE region.

#### **REMAINING MARKETS RECORDED COMPOUND ANNUAL GROWTH OF MORE THAN 10 PERCENT**



## THE BALTIC STATES – TOP VIG GROWTH MARKET

Vienna Insurance Group followed a highly focused expansion strategy in the Baltic market in 2015. Strong, steady and sustainable growth was achieved in life insurance in previous years. Premiums tripled in five years to reach a value of almost EUR 60 million.



This encouraged the Group to take measures that would also increase business in the property and casualty segment. In Lithuania, for example, the new company Compensa Non-Life was formed. The company took over the property and casualty business previously operated by the Polish Compensa company in Lithuania, Latvia, and Estonia, and will open further distribution channels using this new organisational structure.

The property and casualty area was also expanded by acquiring the Latvian non-life companies, Baltikums and BTA Baltic<sup>2</sup>, which also distribute their products in Estonia and Lithuania. The premiums from these two companies are not yet included in the Vienna Insurance Group preliminary premiums for 2015.

These were the decisive steps taken to position VIG as one of the leading insurers in the Baltic States.

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<sup>2</sup> Subject to receipt of the official approval of the transaction.

## Preliminary, unconsolidated and unaudited premiums 2015

### Split by lines of business:

in EUR mn	Gross premiums written		
	12M 2015	12M 2014	+/- %
Property&Casualty	4,817.0	4,721.0	2.0
Life	4,017.7	4,266.7	-5.8
Health	397.6	386.2	2.9
<b>Total</b>	<b>9,232.3</b>	<b>9,373.9</b>	<b>-1.5</b>

### Split by regions:

in EUR mn	Austria			Czech Republic			Slovakia		
	12M 2015	12M 2014	+/- %	12M 2015	12M 2014	+/- %	12M 2015	12M 2014	+/- %
Gross premiums written Property&Casualty	1,825.6	1,833.5	-0.4	1,062.1	1,013.4	4.8	344.4	339.3	1.5
Gross premiums written Life	1,843.6	1,870.3	-1.4	716.7	858.2	-16.5	379.5	395.9	-4.1
Gross premiums written Health	380.8	368.1	3.5						
<b>Gross premiums written Total</b>	<b>4,050.0</b>	<b>4,071.9</b>	<b>-0.5</b>	<b>1,778.8</b>	<b>1,871.6</b>	<b>-5.0</b>	<b>724.0</b>	<b>735.1</b>	<b>-1.5</b>

in EUR mn	Poland			Romania			Remaining *)		
	12M 2015	12M 2014	+/- %	12M 2015	12M 2014	+/- %	12M 2015	12M 2014	+/- %
Gross premiums written Property&Casualty	480.1	557.4	-13.9	363.1	301.1	20.6	655.5	612.3	7.1
Gross premiums written Life	364.1	532.3	-31.6	82.5	54.4	51.8	631.3	555.6	13.6
Gross premiums written Health							16.8	18.1	-7.4
<b>Gross premiums written Total</b>	<b>844.2</b>	<b>1,089.7</b>	<b>-22.5</b>	<b>445.7</b>	<b>355.5</b>	<b>25.4</b>	<b>1,303.6</b>	<b>1,186.0</b>	<b>9.9</b>

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

\*) AL, BA, BG, BY, DE, EE, FL, GE, HR, HU, LT, LV, MD, ME, MK, RS, TR, UA

**Vienna Insurance Group** (VIG) is the leading insurance specialist in Austria as well as in Central and Eastern Europe. About 50 companies in 25 countries form a Group with a long-standing tradition, strong brands and close customer relations. VIG looks back on 190 years of experience in the insurance business. With about 23,000 employees, Vienna Insurance Group is the clear market leader in its core markets. It is therefore excellently positioned to take advantage of the long-term growth opportunities in a region with 180 million people. The listed Vienna Insurance Group is the best-rated company of ATX, the leading index of Vienna Stock Exchange; its share is also listed on the Prague Stock Exchange.

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