

Vienna Insurance Group:

"The future is based on strong foundations"

Ten years of success in Central and Eastern Europe

The Board of the **Vienna Insurance Group AG Wiener Versicherung Gruppe** invited numerous guests from the worlds of politics and business, as well as business partners, major clients and the media, to an event at the Vienna Hofburg to mark the occasion of next year's planned change to the Group's Management Board.

"The future is based on strong foundations" – this was the motto used in the presentation on the fascinating development of Wiener Städtische from a leading Austrian insurer to the Vienna Insurance Group, the leading insurance group in Central and Eastern Europe.

Ten years of successful expansion in Central and Eastern Europe

In the last ten years, the Vienna Insurance Group has engaged in significant expansion measures. Since 2000, the volume of premiums has tripled from around EUR 2.6 billion to a total of EUR 8.6 billion. The profit (before taxes) is 25 times higher, having increased from EUR 20 million to EUR 508 million at the last count. Similarly, the number of employees in the 25 countries where the Group now operates has grown from more than 10,000 to a total of around 25,000. These impressive figures clearly illustrate the Vienna Insurance Group's successful expansion strategy. The Group's equity capitalisation also increased significantly from EUR 500 million to EUR 5 billion today.

Focus on continuity – the future Management Board team

At the same time, **CEO Günter Geyer** introduced the future Management Board team which, under the leadership of **Peter Hagen**, will manage the Group from **1 June 2012**. This strategic direction will ensure the Vienna Insurance Group's further continued development to meet the challenges of the future.

Prominent guests at the event

Günter Geyer and Peter Hagen welcomed the numerous invited guests of honour. In particular **the President of Austria Heinz Fischer** and his wife **Margit Fischer**, **Federal Minister Doris Bures**, **State Secretary Josef Ostermayer**, the **city councilman Michael Ludwig** as well as members of the Vienna Regional Government.

Erste Group CEO, Andreas Treichl, emphasised in his speech the exceptional nature and constructive intensity of the partnership between Erste Group and Vienna Insurance Group. Treichl stressed that, particularly in such volatile economic times in the financial services sector, it is invaluable to have such a successful and reliable partner as the Vienna Insurance Group. By selling s Versicherung to Vienna Insurance Group at that time, Erste Bank and the Austrian Savings Banks were able to give the greatly expanding banking insurance market a significance that was not necessarily in line with the market definition of the time, said Treichl, who "is looking forward to many more joint activities with his friend Günter Geyer over the next few years."

In his speech, **CEO Günter Geyer** stressed: *"I am optimistic about the future of the Vienna Insurance Group, even in economically challenging times. The future Management Board team is composed of successful managers associated with the company, who have many years of experience. Peter Hagen will lead a performance-oriented, committed team, who are very familiar with the Group's thinking and traditions and will, therefore, continue with its constant development."*

"A success story in the heart of Europe – From Wiener Städtische to the Vienna Insurance Group"

On occasion of the event, a book was published telling the company's success story and describing how the Austrian Wiener Städtische went on to become the international Vienna Insurance Group. The story starts with the beginnings of the Austrian insurance industry almost 200 years ago and continues through the difficult years of reconstruction after 1945 to the building of the Ringturm, which was revolutionary for Vienna at the time.

The role of the first pioneers from the western insurance industry to move into Central and Eastern Europe after the fall of the Iron Curtain is key to the extraordinary expansion of the Vienna Insurance Group.

In addition to the successful capital increases and the excellent partnership with the Erste Group, there is – beyond premiums and policies – also information on the Vienna Insurance Group's cross-border social and cultural commitment.

The book illustrates the events of the last 20 years and includes some remarkable anecdotes. In addition to CEO Günter Geyer and his colleagues from the Managing Board, numerous friends, associates and business partners also had their say.

With a Standard & Poor's rating of A+ (with a stable outlook), the Vienna Insurance Group is the best ranked company on the Vienna Stock Exchange's ATX index of leading companies. The Vienna Insurance Group (VIG) is one of the leading insurance groups in CEE headquartered in Vienna. Outside of its home base in Austria, Vienna Insurance Group is also active, through subsidiaries and insurance holdings, in Albania, Bosnia-Herzegovina, Bulgaria, Germany, Estonia, Georgia, Croatia, Latvia, Liechtenstein, Lithuania, Macedonia, Montenegro, Poland, Romania, Russia, Serbia, Slovakia, the Czech Republic, Turkey, Hungary, Ukraine and Belarus. Moreover, Wiener Städtische Versicherung has branches in Italy and Slovenia; Donau Versicherung has a branch in Italy.

On the Austrian market, the Vienna Insurance Group (VIG) positions itself with Wiener Städtische Versicherung, Donau Versicherung and Sparkassen Versicherung.

Contact:

VIENNA INSURANCE GROUP (VIG)
Alexander Jedlicka
Head of Public Relations
Schottenring 30, 1010 Vienna
Tel.: +43 (0)50 350-21029
Fax: +43 (0)50 350 99-21029
E-Mail: alexander.jedlicka@vig.com

You will also find this press release on <http://www.vig.com>