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VIG Re posts outstanding 2011 results:

Premium volume of EUR 292.3 million

Pre-tax profit up 11.1 percent to EUR 20.6 million

Combined ratio at 95.8 percent

The founding of the reinsurer VIG Re in Prague in 2008 underscored the importance of CEE as the core region for Vienna Insurance Group, and the focal point for the new company's operations. VIG Re is successfully establishing itself as an expert in regional reinsurance programmes. Thanks to its A+ rating with outlook stable granted by the international rating agency Standard and Poor's, and a prudent underwriting and risk policy, the company is perceived as strong and reliable.

Excellent results in 2011

VIG Re performed strongly in the 2011 financial year. Pre-tax profit surged by 11.1 percent to EUR 20.6 million, and premium volume increased by 4.2 percent to EUR 292.3 million. Property/casualty insurance accounted for 78 percent of gross written premiums, the health segment for 14 percent, and life insurance for 8 percent. The combined ratio for 2011 was 95.8 percent.

"VIG Re is going from strength to strength despite the challenging operating environment we are currently facing," commented VIG Re CEO Karl Fink. "We have seen significant rises in premiums and pre-tax profit. Management is committed to safeguarding the sustainable, long-term stability of VIG Re, and to achieving earnings-driven growth. VIG Re also offers its cedents and partners outstanding service combined with reliability and expertise."

VIG Re recorded a 25 percent increase in the number of cedents in 2011, and now has more than 100 companies as its clients. Prudent risk assessment and an effective protection programme contributed to satisfactory claims results, despite the significant natural catastrophe losses incurred by insurers worldwide. Total underwriting provisions for the year exceeded twice the amount of shareholders' equity.

Outlook for 2012

VIG Re's management is confident that the company will continue to grow in 2012, and is set to break the EUR 350 million barrier in premiums.

VIG RE zajišťovna, a.s., the first reinsurer to obtain a licence in the Czech Republic, is strongly focused on the CEE region. The company started commenced operations on 8 August 2008 and received an A+ rating with a stable outlook from Standard and Poor's in the same year. This rating has been maintained to date and was again confirmed in October 2011. VIG Re pursues a conservative investment strategy and reserving policy. The company's highly effective strategy is reflected in the steadily rising number of cedents, which has now exceeded 100 companies.

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