

# What unites us?



**The passion to be number 1.**



# Letter from the chairman of the Managing Board

**Dear Shareholders,  
ladies and gentlemen!**

What unites us as the Vienna Insurance Group (VIG) group of companies is the passion to be number 1. We were the first Western company in our industry to recognise the opportunities presented by the political change in Central and Eastern Europe (CEE) 25 years ago. Since then, we have been working with respect for regional needs and differences, fairness and a pioneering spirit to be the first choice for our insurance customers in this region. Our customers have confidence in us because of our stability and continuity, which is based on our geographical presence in 25 markets. Our market share of around 20% in our core markets in Austria and Central and Eastern Europe makes VIG number 1 in these markets.



We also want to be number 1 as an employer. In order to be the employer of choice, we create a working environment in which diversity plays a central role. Our employees have a wide range of experience, cultural backgrounds and expectations – and we offer many opportunities for development in VIG.

The strengths above are also reflected in VIG's business development in the first three quarters of 2014. Group premiums written were stable at EUR 7,038.6 million, and rose by 1.7% when adjusted for exchange rate effects. This due to multiple, and in some cases offsetting, trends. Life insurance premiums rose by 1.7%, in spite of an intentional reduction in short-term single-premium products in Poland. The Remaining markets region saw particularly strong growth in total premiums of 6.7%, with two-digit growth rates achieved in the Baltic states and Serbia. Business was good enough in Austria to almost fully compensate for the premium losses in Italy due to the earnings-oriented underwriting policy of the Donau Branch.

We also reduced our combined ratio from 100.6% to 97.2% and increased our profit before taxes by 36.4% year-on-year to EUR 430.8 million – in spite of the write-down of Hypo Alpe Adria bonds of around EUR 24 million in the 1<sup>st</sup> half of the year. In our opinion, the special legisla-

tion declaring these subordinated bonds, which had been guaranteed by the provincial government of Carinthia, to be worthless is unconstitutional. The Austrian Group companies Wiener Städtische und Donau Versicherung affected by the legislation therefore filed an individual constitutional complaint (*Individualantrag*) against the legislation with the Austrian Constitutional Court at the end of October 2014.

The path of VIG share prices mainly reflected the volatile movements of international capital markets in the 3<sup>rd</sup> quarter of 2014. VIG shares did, however, significantly outperform the ATX leading index of the Vienna Stock Exchange, recording only a small drop of 1.3% to EUR 35.755 as of 30 September 2014, compared to a loss of around 13.5% in the ATX index over the reporting period.

We and our approximately 23,000 employees will continue working hard to further strengthen the leading position enjoyed by VIG so that you, too, can share in our passion to be number 1.

A handwritten signature in black ink, appearing to read 'Peter Hagen'.

Peter Hagen

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# Management report

## BUSINESS DEVELOPMENT (IN ACCORDANCE WITH IFRS)

In spite of the difficult economic environment, the good performance achieved by Vienna Insurance Group allowed it to increase its market share to around 20%\* in its core markets. VIG premiums remained stable at EUR 7,038.6 million in the 1<sup>st</sup>–3<sup>rd</sup> quarter of 2014, in spite of its strict earnings-oriented underwriting policy. This corresponds to a 1.7% increase in premiums when adjusted for exchange rate effects.

\* Market data for the 1<sup>st</sup> half of 2014

Vienna Insurance Group further increased Group efficiency by reducing expenses for claims and insurance benefits less reinsurers' share by 1.8% to EUR 5,297.4 million and acquisition and administrative expenses less reinsurance commissions received by 0.3% to EUR 1,374.3 million in the first nine months of the current year.

Group profit before taxes was EUR 430.8 million in the first three quarters of 2014, representing a year-on-year increase of 36.4%. The result in the same period of the previous year was burdened by negative effects in Romania and Italy. In the 1<sup>st</sup>–3<sup>rd</sup> quarter of 2014, however, around EUR 20 million in interest expenses for the subordinated bond issued in the autumn of 2013 was included in the calculation of profit before taxes for the first time. Profit was further decreased by the write-down of around EUR 24 million for subordinated Hypo Alpe Adria bonds in the 1<sup>st</sup> half of 2014. Earnings per share rose year-on-year by 65.5% to EUR 3.26. The Group's combined ratio (after reinsurance, not including investment income) improved compared to the previous period to 97.2%.

On 30 September 2014, total investments including cash and cash equivalents amounted to EUR 31.1 billion. The financial result was EUR 844.1 million. The decrease of 5.4% is mainly resulted from an increase in interest expenses due to the subordinated bond issued in the autumn of 2013 and the write-down of Hypo Alpe Adria bonds.

## VIG in the 1<sup>st</sup>–3<sup>rd</sup> quarter:

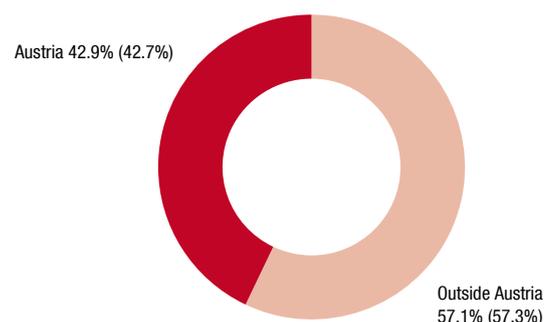
- > Profit before taxes rises to EUR 430.8 million
- > Premium volume stable at EUR 7,038.6 million
- > Combined ratio of 97.2%
- > Earnings per share increase to EUR 3.26 (+65.5%)

## BUSINESS DEVELOPMENT BY LINES OF BUSINESS

### Property and casualty insurance

Premiums written in the property and casualty insurance segment totalled EUR 3,563.5 million in the first nine months of 2014. In addition to the earnings-oriented underwriting policy and associated reduction in motor vehicle business in Italy, and the ongoing difficult market environment in Romania, particularly in the area of motor vehicle own-damage insurance, this decrease of 1.5% is also due to the negative exchange rate effects mentioned above. When adjusted for exchange rate effects, this segment recorded an increase of 0.8%. Profit before taxes increased to EUR 229.3 million in the 1<sup>st</sup>–3<sup>rd</sup> quarter of 2014.

### PERCENTAGE OF PREMIUMS BY REGION IN PROPERTY/CASUALTY INSURANCE IN 1<sup>ST</sup>–3<sup>RD</sup> QUARTER 2014

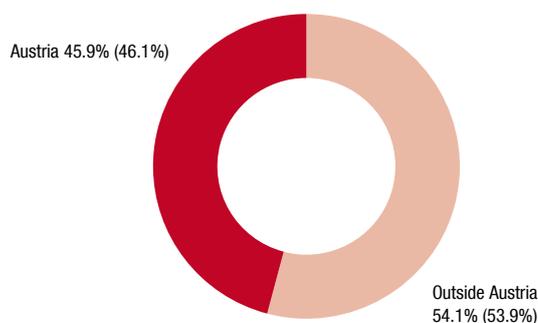


1<sup>st</sup>–3<sup>rd</sup> quarter 2013 values in parentheses

## Life insurance

VIG companies generated premiums of EUR 3,184.0 million in the 1<sup>st</sup>-3<sup>rd</sup> quarter of this year in the life insurance segment, representing a year-on-year increase of 1.7%. The increase was 4.4% when adjusted for the intentional reduction in short-term single-premium business in Poland. Profit before taxes declined to EUR 154.7 million in the 1<sup>st</sup>-3<sup>rd</sup> quarter of 2014 due to the decrease in the financial result, and in particular due to the write-down of Hypo Alpe Adria bonds in the 1<sup>st</sup> half of 2014.

### PERCENTAGE OF PREMIUMS BY REGION IN LIFE INSURANCE IN 1<sup>ST</sup>-3<sup>RD</sup> QUARTER 2014



1<sup>st</sup>-3<sup>rd</sup> quarter 2013 values in parentheses

## Health insurance

In health insurance, the Group wrote premiums of EUR 291.1 million in the first nine months of 2014, representing a decrease of 4.2% compared to the same period in the previous year. Profit before taxes rose to EUR 46.8 million.

### Segment reporting by lines of business

in EUR million	Premiums written		Profit before taxes	
	1.1.-30.9.2014	1.1.-30.9.2013	1.1.-30.9.2014	1.1.-30.9.2013
Property/Casualty	3,563.5	3,617.0	229.3	52.2
Life	3,184.0	3,129.4	154.7	239.1
Health	291.1	303.7	46.8	24.6
<b>Total</b>	<b>7,038.6</b>	<b>7,050.1</b>	<b>430.8</b>	<b>315.9</b>

## BUSINESS DEVELOPMENT BY REGION

### Segment reporting by region

in EUR million	Premiums written		Profit before taxes	
	1.1.-30.9.2014	1.1.-30.9.2013	1.1.-30.9.2014	1.1.-30.9.2013
Austria	3,222.3	3,229.3	151.2	136.7
Czech Republic	1,280.6	1,318.0	127.6	144.9
Slovakia	549.0	548.3	43.1	42.8
Poland	809.2	840.8	48.7	48.6
Romania	243.8	274.6	2.6	-36.1
Remaining markets*	833.7	781.5	37.3	37.1
Central functions**	989.6	996.7	20.0	-58.2
Consolidation	-889.8	-939.1	0.3	0.1
<b>Total</b>	<b>7,038.6</b>	<b>7,050.1</b>	<b>430.8</b>	<b>315.9</b>

\* Remaining markets: Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Estonia, Georgia, Germany, Hungary, Latvia, Liechtenstein, Lithuania, Macedonia, Serbia, Turkey, Ukraine

\*\* Central Functions include the following companies: BIAC, Central Point, ELVP, LVP Holding, Neue Heimat Holding, Progress, TBIH, VIG Fund, VIG Holding, VIG RE and the non-profit housing societies

### Austria

The Austrian Vienna Insurance Group companies wrote premiums of EUR 3,222.3 million in the 1<sup>st</sup>-3<sup>rd</sup> quarter of 2014, a year-on-year decrease of 0.2%. As a result, the decrease in premiums due to the earnings-oriented underwriting policy of the Donau branch in Italy was offset by strong premium growth in Austria itself, particularly for Wiener Städtische.

Premiums written fell by 2.3% to EUR 1,490.0 million in the property and casualty segment. Life insurance recorded an increase of 1.3% in premiums to EUR 1,457.4 million. In health insurance, the Austrian Vienna Insurance Group companies wrote premiums of EUR 274.8 million, an increase of 3.1%.

Profit before taxes was EUR 151.2 million, and increased by 10.6% in spite of the write-down of Hypo Alpe Adria bonds in the 1<sup>st</sup> half of the year and the negative effects from the Donau branch in Italy. As before, the combined ratio of 100.8% was depressed by the large reserve rate for Italy.

### **Czech Republic**

The Group companies in the Czech Republic wrote premiums of EUR 1,280.6 million in the first three quarters of 2014. When adjusted for exchange rate effects the Czech Group companies achieved a premium increase of 3.8%.

Premiums written in the property and casualty segment were greatly affected by negative exchange rate effects and fell by 7.9% to EUR 635.2 million in the 1<sup>st</sup>-3<sup>rd</sup> quarter of 2014. Premiums written in the life insurance segment increased by 2.7% to EUR 645.4 million.

Profit before taxes fell to EUR 127.6 million (-11.9% year-on-year) in the 1<sup>st</sup>-3<sup>rd</sup> quarter of 2014, primarily due to exchange rate effects. The combined ratio was an outstanding 88.8%.

### **Slovakia**

In the 1<sup>st</sup>-3<sup>rd</sup> quarter of 2014, the Slovakian Vienna Insurance Group companies increased their premiums written by 0.1% year-on-year to EUR 549.0 million.

Premiums written for property and casualty insurance rose 0.5% to EUR 252.3 million. In life insurance, premiums written fell slightly by 0.2% to EUR 296.7 million.

Profit before taxes rose by 0.6% year-on-year to EUR 43.1 million. The combined ratio was a very good 93.1%.

### **Poland**

The Polish Vienna Insurance Group companies wrote premiums of EUR 809.2 million in the first three quarters of 2014, a drop of 3.7% compared to the same period in the previous year. When adjusted for the intentional reduction in low-margin short-term single-premium life insurance products, however, premiums written recorded an increase of 6.9%.

The property and casualty insurance segment generated premiums written of EUR 426.7 million, representing a 0.7% increase compared to the same period in the previous year.

Premium volume in the life insurance segment declined by 8.2% in the 1<sup>st</sup>-3<sup>rd</sup> quarter of this year to EUR 382.6 million due to the intentional reduction in short-term single-premium products.

Profit before taxes rose by 0.3% year-on-year to EUR 48.7 million. The combined ratio also improved in the 1<sup>st</sup>-3<sup>rd</sup> quarter of 2014 to a very good 94.6%, the lowest value achieved in previous years.

### **Romania**

The Romanian Group companies wrote premiums totalling EUR 243.8 million in the first nine months of this year, representing a year-on-year decrease of 11.2%.

The property and casualty segment recorded a decrease of 4.8% in premiums written to EUR 208.6 million, due to the ongoing restructuring of the product portfolio. In life insurance, premiums written fell by 36.5% to EUR 35.3 million in the 1<sup>st</sup>-3<sup>rd</sup> quarter of 2014. The decline was primarily due to the elimination of a high sales volume group insurance product during the realignment of BCR Life.

Profit before taxes rose to EUR 2.6 million in the first three quarters of 2014, thereby continuing the positive trend of previous quarters, although it is still too early to talk of a sustainable change. The combined ratio also improved from the previous year, although at a level of 109.3% it is still above the 100% mark.

### **Remaining markets**

The Remaining markets region includes Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Estonia, Georgia, Germany, Hungary, Latvia, Liechtenstein, Lithuania, Macedonia, Serbia, Turkey and Ukraine.

In spite of negative exchange rate effects, Group companies recorded premiums written of EUR 833.7 million in the countries of the Remaining markets region, a year-on-year increase of 6.7%.

The property and casualty segment saw premiums written decline by 0.3% to EUR 458.9 million. In life insurance, premiums written rose by 26.3% to EUR 358.6 million. In the CEE region, the strong growth in regular and single-premium business in the Baltic states, Bulgaria and Hungary are particularly noteworthy.

Profit before taxes increased 0.5% year-on-year to EUR 37.3 million. The combined ratio also improved compared to the previous year to 96.8%.

#### **Central functions**

Premiums written in the Central functions area decreased 0.7% in the 1<sup>st</sup>–3<sup>rd</sup> quarter of 2014 to EUR 989.6 million.

Profit before taxes rose in the first nine months of this year to EUR 20.0 million. The loss reported in the same period of the previous year was primarily due to the goodwill impairment recognised in the Romanian non-life segment in the 1<sup>st</sup> half of 2013.

#### **EMPLOYEES**

In the 1<sup>st</sup>–3<sup>rd</sup> quarter of 2014, Vienna Insurance Group had a total of 22,777 employees, which was 362 fewer than in 2013 as a whole.

#### **BUSINESS DEVELOPMENT IN THE 3<sup>RD</sup> QUARTER 2014**

In the 3<sup>rd</sup> quarter of 2014, Vienna Insurance Group wrote consolidated premiums totalling EUR 2,054.8 million, an increase of 1.7% compared to the same period in the previous year.

Expenses for claims and insurance benefits less reinsurers' share were EUR 1,694.8 million in the 3<sup>rd</sup> quarter of 2014, an increase of 2.0% compared to the 3<sup>rd</sup> quarter of 2013.

Acquisition and administrative expenses less reinsurance commissions received were EUR 442.2 million in the 3<sup>rd</sup> quarter of this year, which was the same level as the same period in the previous year.

Profit before taxes rose to EUR 140.0 million in the 3<sup>rd</sup> quarter of 2014, an increase of 27.0% compared to the 3<sup>rd</sup> quarter of the previous year.

The financial result for the 3<sup>rd</sup> quarter of this year was EUR 292.5 million. The year-on-year decrease of 2.2% resulted from the increase in interest expenses of around EUR 7 million due to the subordinated bond issued in the autumn of 2013.

#### **RELATED PARTY TRANSACTIONS**

Information on related party transactions is provided in the notes to the consolidated financial statements on page 24.

#### **SIGNIFICANT EVENTS AFTER THE FINANCIAL STATEMENTS WERE PREPARED**

In Albania, VIG successfully completed the merger of the two Group companies Sigma and Inter Albanian at the beginning of October 2014. The two companies will operate in the Albanian market under the Sigma Inter Albanian brand in the future.

At the end of October, the Austrian Group companies Wiener Städtische and Donau Versicherung filed an individual constitutional complaint (*Individualantrag*) with the Austrian Constitutional Court against the federal government's special legislation for winding down Hypo Alpe Adria International AG. The reason is the provision in the legislation for participation by subordinated creditors, which led to VIG performing a write-down of EUR 24 million in the 1<sup>st</sup> half of 2014.

Parliamentary elections were held in the Ukraine on 26 October 2014. Around 13% of the population in the eastern part of the country was unable to participate in the elections. The parties of President Petro Poroshenko and former Prime Minister Arsenij Jazenjuk received the most votes, each receiving around 21%. The separatists then held their own elections in Eastern Ukraine in which they claimed victory. In the natural gas dispute between Russia and the Ukraine, an agreement was signed on 30 October 2014 by the Russian and Ukrainian energy ministers and

the head of Gazprom that ensures that all of the Ukraine will be supplied through the winter. VIG is represented by four insurance companies in Ukraine that operate primarily in Western Ukraine and the Kiev area. These include the three non-life insurers UIG, Kniazha and Globus, and the life insurance company Jupiter. VIG wrote premiums of EUR 47.6 million in Ukraine in the 1<sup>st</sup>–3<sup>rd</sup> quarter of 2014, corresponding to a year-on-year increase of 16.4% after adjusting for exchange rate effects. Profit before taxes was EUR 3.0 million.

Turkey is a focus of political attention due to the flood of refugees from Syria. It is still difficult to estimate the duration of the conflict and its economic effects on Turkey.

## OUTLOOK

The Managing Board of Vienna Insurance Group continues to follow its proven management principles and remains convinced of the high potential offered by the CEE region. The Group will be guided by the opportunities and conditions existing in its 25 markets in Austria and Central and Eastern Europe. During growth phases, the focus is on the above-average exploitation of potential. Phases of calm in the market, on the other hand, are used to promote profit optimisation and efficiency improvements. In addition, Group-wide optimisation measures based on market- and product-specific initiatives will be used to strengthen the organisation and make it more efficient

## CURRENT TOPICS IN THE 1<sup>ST</sup>–3<sup>RD</sup> QUARTER OF 2014

### Mergers and acquisitions

#### Merger of Polish life insurance companies

Successful completion of the merger of the two life insurance companies Compensa and Benefia at the end of September 2014 strengthened VIG's market presence in Poland.

The two Group companies will market their products under the Compensa Life brand in the future.

#### Successful integration of Vienna Life Biztosító

The Hungarian life insurance company AXA Biztosító Zrt. was successfully integrated into Vienna Insurance Group in September of this year and its name changed to "Vienna Life Vienna Insurance Group Biztosító Zrt."

Vienna Insurance Group's acquisition of the company was announced in December of the previous year and regulatory approval was granted in June 2014.

#### Acquisition of life insurer Skandia Poland completed

Vienna Insurance Group acquired 100% of the shares of the Polish life insurance company Skandia Zycie TU S.A. (Skandia Poland) in May of this year. The transaction was concluded after receipt of official approval. Skandia Poland has been operating in the Polish market for more than 14 years and sells its products – primarily unit-linked life insurance – through financial intermediaries such as banks, insurance brokers and insurance platforms.

#### Acquisition of the Moldovan insurance company Donaris completed

In April of this year, VIG acquired around 94% of the shares of the insurance company Societatea de Asigurări-Reasigurări "Donaris Group" S.A. (Donaris), which is headquartered in the Republic of Moldova. The transaction was concluded after receipt of official approval. Donaris was established in 1998 and its market share of 8.4% puts it in fourth place in the Moldovan non-life insurance market. The company focuses on the motor vehicle lines of business.

The new name Compania de Asigurari "Donaris Vienna Insurance Group" S.A. (Insurance Company "Donaris Vienna Insurance Group" SA) was registered in the middle of October 2014.

## Awards

### **Hungarian Union Biztosító and Vienna Life Biztosító companies competing for the "Best Investment Fund of 2014" award**

The financial consultant Money Moon elects the best investment products of Hungarian insurers every year. This year, Hungarian Group companies Union Biztosító and Vienna Life Biztosító were awarded in the competition "Best investment funds 2014".

### **VIG 2013 Group Annual Report receives multiple awards**

The business magazine "trend" selected the VIG 2013 Group Annual Report as one of the best in the country in a number of categories. The 2013 Annual Report received first place in the "Economic Informativeness" category, third place for "Sustainability" and fourth place for graphic presentation. VIG's Group Annual Report received 5<sup>th</sup> place in the overall rating to become the best-rated financial service provider.

# Capital markets & investor relations & share

## CAPITAL MARKETS

### International overview

International stock market performance in the 3<sup>rd</sup> quarter of 2014 was affected by the major uncertainty felt by investors and the wide range of variation among analyst forecasts of future price movements. The policies of the major central banks continue to have a dominating effect on price movements, as the ongoing low interest rate environment is a central driver of stock exchange performance. Political crises and an unclear economic outlook add to the complexity of the market situation. Prices on the major stock exchanges show nervous sideways movement for the 3<sup>rd</sup> quarter of 2014, as well as the entire year to date.

Due to good economic conditions in the 3<sup>rd</sup> quarter, the US Dow Jones Industrial (DJI) Index in USD rose by 1.3% thereby raising the total increase since the end of the previous year to 2.8%. The Eurozone Eurostoxx 50 Index experienced a volatile 3<sup>rd</sup> quarter and ended the quarter at almost the same index level as the beginning. The increase of 3.8% achieved in the 1<sup>st</sup> half of 2014 is also the increase achieved over the first nine months. A major correction took place in European equity markets in the first half of August. Escalation of the conflict between Russia and the Ukraine was the primary reason for the correction. Due to weak economic data, an unexpected interest rate decrease by the European Central Bank in September hardly led to any increase in the markets. The Japanese Nikkei 225 leading index in JPY rose by 6.7% in the 3<sup>rd</sup> quarter of 2014, thereby compensating for almost all of the sizeable drop in the 1<sup>st</sup> quarter of the year that was triggered by concerns about the Chinese economy. It is currently only 0.7% below the index value at the end of the previous year.

Concerns about the political and economic development of Russia and weak growth in Brazil were important factors behind the 4.3% drop in the MSCI Emerging Markets Index in USD in the 3<sup>rd</sup> quarter. As a result, the index at the end of September 2014 is only slightly higher (0.3%) than the level at the beginning of the year. The Ukraine crisis turned out to have little effect on the economies of CEE countries, allowing the Eastern European CECE Index in

EUR to climb 2.6% in the 3<sup>rd</sup> quarter of 2014. Given the stagnation in the 1<sup>st</sup> half of the year, this was also the year-to-date increase.

### Vienna Stock Exchange

The weak condition of the national economy and the ongoing crisis in the Ukraine created an unfavourable flow of news for the Vienna Stock Exchange. Although the 1.8% drop experienced by the ATX leading index in the first two quarters of this year was still within limits, the 3<sup>rd</sup> quarter of 2014 brought a further drop of 11.9%. The high level of trading activity and market liquidity showed increased investor interest in stocks traded in Vienna, in spite of the price correction.

## INVESTOR RELATIONS

Vienna Insurance Group met with the representatives of more than 70 institutional investors during a July roadshow in London and a total of six bank conferences in September and October. The many discussions were focused on developments in the countries of Central and Eastern Europe, particularly the situation in the Ukraine. However, the Austrian market and the effects of the low interest rate environment on life insurance were also discussed in detail.

The Investor Relations department updated the Vienna Insurance Group fact sheet and iPad app during the summer months. Similar to the [www.vig.com](http://www.vig.com) home page, the multimedia section of the app provides access to video clips for the company. The revised fact sheet can be downloaded from the IR Investor Kit section of the website and by using the app.

Of particular interest is the 20<sup>th</sup> anniversary of trading in VIG shares on the Vienna Stock Exchange on 17 October 2014. The Group has paid a dividend to shareholders each year since the start of listing in 1994. The last was a dividend of EUR 1.30 paid on 16 June 2014. Following capital increases in 2005 and 2008, 128 million shares are currently listed. Its market capitalisation of around EUR 4.6 billion on 30 September 2014 makes VIG one of the top companies in the Prime Market of the Vienna Stock Exchange.

## VIG SHARE PERFORMANCE

Although VIG shares were still able to gain considerable ground in the 2<sup>nd</sup> quarter of 2014, in the middle of June they began to travel along the downwards trend channel the ATX had been following since the beginning of the year. As a result, VIG shares failed to achieve a new high in the 3<sup>rd</sup> quarter of 2014 exceeding the high of EUR 40.070 reached on 10 June 2014. In spite of the current downward movement, the share price did not reach the low set on 14 March 2014. VIG shares closed the quarter at EUR 35.755, 1.3% below the value at the end of the year. In comparison, the ATX lost 13.5% in the same period.

### Key share information 1<sup>st</sup>–3<sup>rd</sup> quarter 2014

High	EUR	40.070
Low	EUR	33.800
Year-end price	EUR	35.755
Market capitalisation	EUR	4.6 bn
Dividend 2013	EUR	1.30
Average daily stock exchange trading volume*	EUR	2.8 mn

\* Using single counting

### Overview of VIG share

Initial listing (Vienna)	17 October 1994
Initial listing (Prague)	5 February 2008
Number of common shares	128 mn
Free float	Approx. 30%
ISIN	AT0000908504
Security symbol	VIG
Bloomberg	VIG AV / VIG CP
Reuters	VIGR.VI / VIGR.PR
Rating – Standard & Poor's	A+, stable outlook

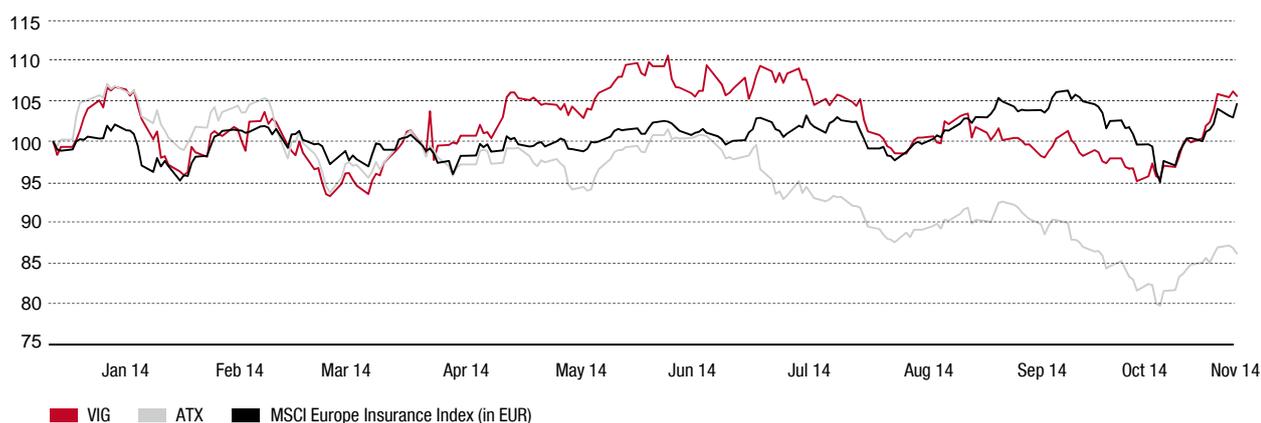
### VIG financial calendar\*

Preliminary unconsolidated premiums 2014	27 January 2015
Results and embedded value 2014	14 April 2015
Results for 1 <sup>st</sup> quarter 2015	20 May 2015
Annual General Meeting	29 May 2015
Ex-dividend day	3 June 2015
Dividend payment day	8 June 2015
Results for 1 <sup>st</sup> half of 2015	25 August 2015
Results for 1 <sup>st</sup> –3 <sup>rd</sup> quarter 2015	24 November 2015

\* Preliminary schedule

## VIENNA INSURANCE GROUP (VIG) COMPARED TO THE ATX AND MSCI EUROPE INSURANCE INDEX (IN EUR) 1 JANUARY 2014 UNTIL 5 NOVEMBER 2014

Indexed (basis =100)



# Consolidated interim financial statements

## CONSOLIDATED BALANCE SHEET AS OF 30 SEPTEMBER 2014

<b>ASSETS</b>	<b>30.9.2014</b>	<b>31.12.2013</b>
<i>in EUR '000</i>		
<b>A. Intangible assets</b>		
I. Goodwill	1,626,243	1,595,874
II. Purchased insurance portfolios	57,357	35,377
III. Other intangible assets	682,615	634,495
<b>Total intangible assets</b>	<b>2,366,215</b>	<b>2,265,746</b>
<b>B. Investments</b>		
I. Land and buildings	1,699,010	2,675,538
a) Self-used	429,982	442,877
b) Investment property	1,269,028	2,232,661
II. Shares in at equity consolidated companies	676,840	447,353
III. Financial instruments	27,786,152	26,077,644
a) Loans and other investments	4,275,896	4,529,912
b) Other securities	23,510,256	21,547,732
Financial instruments held to maturity	3,065,282	3,018,709
Financial investments available for sale	20,006,118	17,918,713
Financial instruments recognised at fair value through profit and loss <sup>*</sup>	438,856	610,310
<b>Total investments</b>	<b>30,162,002</b>	<b>29,200,535</b>
<b>C. Investments of unit- and index-linked life insurance</b>	<b>7,693,585</b>	<b>6,707,275</b>
<b>D. Reinsurers' share in underwriting provisions</b>	<b>1,109,208</b>	<b>1,028,426</b>
<b>E. Receivables</b>	<b>1,510,272</b>	<b>1,560,699</b>
<b>F. Tax receivables and advance payments out of income tax</b>	<b>112,399</b>	<b>82,253</b>
<b>G. Deferred tax assets</b>	<b>87,866</b>	<b>91,823</b>
<b>H. Other assets</b>	<b>334,497</b>	<b>335,109</b>
<b>I. Cash and cash equivalents</b>	<b>888,858</b>	<b>705,025</b>
<b>Total ASSETS</b>	<b>44,264,902</b>	<b>41,976,891</b>

<sup>\*</sup> Including trading assets

## CONSOLIDATED BALANCE SHEET AS OF 30 SEPTEMBER 2014

LIABILITIES AND SHAREHOLDERS' EQUITY	30.9.2014	31.12.2013
in EUR '000		
<b>A. Shareholders' equity</b>		
I. Share capital	132,887	132,887
II. Other capital reserves	2,109,003	2,109,003
III. Capital reserves from additional payments on hybrid capital	245,602	245,602
IV. Retained earnings	2,391,799	2,238,981
V. Other reserves	403,087	123,177
<b>Subtotal</b>	<b>5,282,378</b>	<b>4,849,650</b>
VI. Non-controlling interests	170,118	170,445
<b>Total shareholders' equity</b>	<b>5,452,496</b>	<b>5,020,095</b>
<b>B. Subordinated liabilities</b>	<b>1,021,747</b>	<b>1,029,944</b>
<b>C. Underwriting provisions</b>		
I. Provision for unearned premiums	1,276,839	1,182,084
II. Mathematical reserve	19,945,025	19,327,154
III. Provision for outstanding claims	4,478,329	4,252,867
IV. Provisions for profit-unrelated premium refunds	47,691	52,534
V. Provision for profit-related premium refunds	1,898,308	1,095,242
VI. Other underwriting provisions	66,435	70,583
<b>Total underwriting provisions</b>	<b>27,712,627</b>	<b>25,980,464</b>
<b>D. Underwriting provisions for unit- and index-linked life insurance</b>	<b>7,308,534</b>	<b>6,489,366</b>
<b>E. Non-underwriting provisions</b>		
I. Provisions for pensions and similar obligations	363,489	371,388
II. Other provisions	218,755	228,737
<b>Total non-underwriting provisions</b>	<b>582,244</b>	<b>600,125</b>
<b>F. Liabilities</b>	<b>1,659,225</b>	<b>2,432,165</b>
<b>G. Tax liabilities out of income tax</b>	<b>68,480</b>	<b>62,793</b>
<b>H. Deferred tax liabilities</b>	<b>270,232</b>	<b>167,438</b>
<b>I. Other liabilities</b>	<b>189,317</b>	<b>194,501</b>
<b>Total LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>44,264,902</b>	<b>41,976,891</b>

## CONSOLIDATED SHAREHOLDERS' EQUITY

### CHANGE IN CONSOLIDATED SHAREHOLDERS' EQUITY IN FINANCIAL YEARS 2014 AND 2013

	Share capital	Other capital reserves	Capital reserves from additional payments on hybrid capital	Retained earnings	Other reserves	Subtotal	Non-controlling interests	Shareholders' equity
in EUR '000								
<b>As of 1 January 2013</b>	<b>132,887</b>	<b>2,109,003</b>	<b>495,602</b>	<b>2,238,301</b>	<b>368,809</b>	<b>5,344,602</b>	<b>344,010</b>	<b>5,688,612</b>
Changes in scope of consolidation / ownership interests	0	0	0	-52,888	0	-52,888	-180,940	-233,828
Capital increase / issuance of hybrid capital	0	0	0	0	0	0	0	0
Total profit for the period incl. other comprehensive income after taxes	0	0	0	217,531	-111,228	106,303	12,306	118,609
Repurchase of hybrid capital			-250,000			-250,000		-250,000
Dividend expenses	0	0	0	-193,600	0	-193,600	-9,507	-203,107
<b>As of 30 September 2013</b>	<b>132,887</b>	<b>2,109,003</b>	<b>245,602</b>	<b>2,209,344</b>	<b>257,581</b>	<b>4,954,417</b>	<b>165,869</b>	<b>5,120,286</b>
<b>As of 1 January 2014</b>	<b>132,887</b>	<b>2,109,003</b>	<b>245,602</b>	<b>2,238,981</b>	<b>123,177</b>	<b>4,849,650</b>	<b>170,445</b>	<b>5,020,095</b>
Changes in scope of consolidation / ownership interests	0	0	0	11,493	0	11,493	-5,165	6,328
Total profit for the period incl. other comprehensive income after taxes	0	0	0	327,725	279,910	607,635	18,891	626,526
Dividend expenses	0	0	0	-186,400	0	-186,400	-14,053	-200,453
<b>As of 30 September 2014</b>	<b>132,887</b>	<b>2,109,003</b>	<b>245,602</b>	<b>2,391,799</b>	<b>403,087</b>	<b>5,282,378</b>	<b>170,118</b>	<b>5,452,496</b>

The above subtotal equals the equity attributable to shareholders and other capital providers of the parent company.

The shareholders' share of changes recognised directly in the equity of the companies accounted for under the equity method is EUR 37,193,000 (EUR 24,548,000).

<b>Composition Other reserves</b>	<b>30.9.2014</b>	<b>31.12.2013</b>
in EUR '000		
Unrealised gains and losses	616,667	318,275
Cash Flow hedge reserve	-5,882	-6,165
IAS 19 reserve	-67,633	-69,603
Share of other reserves of associated companies	-8,655	-6,146
Currency reserve	-131,410	-113,184
<b>Total</b>	<b>403,087</b>	<b>123,177</b>

<b>Unrealised gains and losses from OCI</b>	<b>30.9.2014</b>	<b>31.12.2013</b>
in EUR '000		
Bonds	2,186,963	978,583
Shares and other participations	125,623	149,989
Investment funds	27,808	30,321
	<b>2,340,394</b>	<b>1,158,893</b>
+/- Exchange rate changes, AFS securities	8,154	7,737
+/- Deferred profit participation	-1,525,839	-745,243
+/- Deferred taxes	-194,283	-98,873
+/- Non-controlling interests	-11,759	-4,239
<b>Total</b>	<b>616,667</b>	<b>318,275</b>

<b>Cash Flow hedge reserve</b>	<b>30.9.2014</b>	<b>31.12.2013</b>
in EUR '000		
Cash flow hedge	-7,842	-8,220
+/- Deferred taxes	1,961	2,055
<b>Total</b>	<b>-5,881</b>	<b>-6,165</b>

<b>IAS 19 reserve</b>	<b>30.9.2014</b>	<b>31.12.2013</b>
in EUR '000		
Pension provision and severance provision	-128,523	-130,750
+/- Deferred profit participation	37,586	37,587
+/- Deferred taxes	22,728	22,732
+/- Non-controlling interests	576	828
<b>Total</b>	<b>-67,633</b>	<b>-69,603</b>

## CONSOLIDATED INCOME STATEMENT

for the period from 1 January 2014 to 30 September 2014 (including comparative period)	1.1.-30.9.2014	1.1.-30.9.2013
in EUR '000		
<b>Premiums</b>		
<b>Premiums written – gross</b>	<b>7,038,586</b>	<b>7,050,116</b>
Premiums written – reinsurers' share	-685,225	-640,516
<b>Premiums written – retention</b>	<b>6,353,361</b>	<b>6,409,600</b>
Change in unearned premium – gross	-87,146	-104,044
Change in unearned premium – reinsurers' share	60,512	58,783
<b>Net earned premiums – retention</b>	<b>6,326,727</b>	<b>6,364,339</b>
<b>Financial result excl. at equity consolidated companies</b>		
Income from investments	1,114,573	1,159,329
Expenses for investments and interest expenses	-310,138	-291,759
<b>Total financial result excluding at equity consolidated companies</b>	<b>804,435</b>	<b>867,570</b>
<b>Result from shares in at equity consolidated companies</b>	<b>39,624</b>	<b>24,548</b>
<b>Other income</b>	<b>81,792</b>	<b>96,918</b>
<b>Expenses for claims and insurance benefits</b>		
Expenses for claims and insurance benefits – gross	-5,551,314	-5,757,574
Expenses for claims and insurance benefits – reinsurers' share	253,911	361,860
<b>Total expenses for claims and insurance benefits</b>	<b>-5,297,403</b>	<b>-5,395,714</b>
<b>Acquisition and administrative expenses</b>		
Acquisition expenses	-1,233,362	-1,218,283
Administrative expenses	-247,170	-252,044
Reinsurance commissions	106,219	92,168
<b>Total acquisition and administrative expenses</b>	<b>-1,374,313</b>	<b>-1,378,159</b>
<b>Other expenses</b>	<b>-150,052</b>	<b>-263,582</b>
<b>Profit before taxes</b>	<b>430,810</b>	<b>315,920</b>
<b>Tax expense</b>	<b>-91,554</b>	<b>-83,454</b>
<b>Profit for the period</b>	<b>339,256</b>	<b>232,466</b>
<i>thereof attributable to shareholders of Vienna Insurance Group</i>	<i>327,725</i>	<i>217,531</i>
<i>thereof non-controlling interests in net profit for the period</i>	<i>11,531</i>	<i>14,935</i>
Earnings per share (annualised)		
Undiluted = diluted earnings per share (in EUR)	3.26	1.97
<b>Profit for the period (Carry-forward)</b>	<b>339,256</b>	<b>232,466</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from 1 January 2014 to 30 September 2014 (including comparative period)	1.1.-30.9.2014	1.1.-30.9.2013
in EUR '000		
<b>Profit for the period (Carry-forward)</b>	<b>339,256</b>	<b>232,466</b>
<b>Other comprehensive income (OCI)</b>		
<b>Items that will not be reclassified to profit or loss in subsequent periods</b>		
+/- IAS-19-reserve	2,236	-86
<i>thereof deferred profit participation</i>	-1	0
<i>thereof deferred taxes</i>	-4	17
<b>Subtotal</b>	<b>2,231</b>	<b>-69</b>
<b>Items that will be reclassified to profit or loss in subsequent periods</b>		
+/- Exchange rates through equity	-18,054	-33,974
+/- Unrealised gains and losses from financial instruments available for sale	1,181,972	-275,434
+/- Cash Flow hedge reserve	378	0
+/- Share of other reserves of associated companies	-3,157	0
<i>thereof deferred profit participation</i>	-780,596	163,328
<i>thereof deferred taxes</i>	-95,504	32,293
<b>Subtotal</b>	<b>285,039</b>	<b>-113,787</b>
<b>Other comprehensive income after taxes</b>	<b>287,270</b>	<b>-113,856</b>
<b>Total profit for the period incl. other comprehensive income after taxes</b>	<b>626,526</b>	<b>118,610</b>
<i>thereof attributable to Vienna Insurance Group shareholders</i>	<i>607,635</i>	<i>106,303</i>
<i>thereof non-controlling interests</i>	<i>18,891</i>	<i>12,306</i>

## CONSOLIDATED INCOME STATEMENT

for the period from 1 July 2014 to 30 September 2014 (including comparative period)	1.7.-30.9.2014	1.7.-30.9.2013
in EUR '000		
<b>Premiums</b>		
<b>Premiums written – gross</b>	<b>2,054,822</b>	<b>2,020,448</b>
Premiums written – reinsurers' share	-186,436	-161,075
<b>Premiums written – retention</b>	<b>1,868,386</b>	<b>1,859,373</b>
Change in unearned premium – gross	166,831	154,869
Change in unearned premium – reinsurers' share	-30,012	-57,742
<b>Net earned premiums – retention</b>	<b>2,005,205</b>	<b>1,956,500</b>
<b>Financial result excl. at equity consolidated companies</b>		
Income from investments	356,400	391,709
Expenses for investments and interest expenses	-76,116	-99,609
<b>Total financial result excluding at equity consolidated companies</b>	<b>280,284</b>	<b>292,100</b>
<b>Result from shares in at equity consolidated companies</b>	<b>12,177</b>	<b>7,012</b>
<b>Other income</b>	<b>23,722</b>	<b>14,958</b>
<b>Expenses for claims and insurance benefits</b>		
Expenses for claims and insurance benefits – gross	-1,770,782	-1,754,801
Expenses for claims and insurance benefits – reinsurers' share	76,012	93,776
<b>Total expenses for claims and insurance benefits</b>	<b>-1,694,770</b>	<b>-1,661,025</b>
<b>Acquisition and administrative expenses</b>		
Acquisition expenses	-387,427	-388,355
Administrative expenses	-88,895	-86,889
Reinsurance commissions	34,150	33,254
<b>Total acquisition and administrative expenses</b>	<b>-442,172</b>	<b>-441,990</b>
<b>Other expenses</b>	<b>-44,487</b>	<b>-57,327</b>
<b>Profit before taxes</b>	<b>139,959</b>	<b>110,228</b>
<b>Tax expense</b>	<b>-22,147</b>	<b>-24,234</b>
<b>Profit for the period</b>	<b>117,812</b>	<b>85,994</b>
<i>thereof attributable to shareholders of Vienna Insurance Group</i>	<i>114,258</i>	<i>76,968</i>
<i>thereof non-controlling interests in net profit for the period</i>	<i>3,554</i>	<i>9,026</i>
Earnings per share (annualised)		
Undiluted = diluted earnings per share (in EUR)	3.41	2.12
<b>Profit for the period (Carry-forward)</b>	<b>117,812</b>	<b>85,994</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from 1 July 2014 to 30 September 2014 (including comparative period)	1.7.-30.9.2014	1.7.-30.9.2013
in EUR '000		
<b>Profit for the period (Carry-forward)</b>	<b>117,812</b>	<b>85,994</b>
<b>Other comprehensive income (OCI)</b>		
<b>Items that will not be reclassified to profit or loss in subsequent periods</b>		
+/- IAS-19-reserve	0	-86
<i>thereof deferred taxes</i>	0	17
<b>Subtotal</b>	<b>0</b>	<b>-69</b>
<b>Items that will be reclassified to profit or loss in subsequent periods</b>		
+/- Exchange rates through equity	-6,463	7,107
+/- Unrealised gains and losses from financial instruments available for sale	329,074	87,036
+/- Cash Flow hedge reserve	378	0
+/- Share of other reserves of associated companies	-85	0
<i>thereof deferred profit participation</i>	-211,970	-37,594
<i>thereof deferred taxes</i>	-27,702	-10,836
<b>Subtotal</b>	<b>83,232</b>	<b>45,713</b>
<b>Other comprehensive income after taxes</b>	<b>83,232</b>	<b>45,644</b>
<b>Total profit for the period incl. other comprehensive income after taxes</b>	<b>201,044</b>	<b>131,638</b>
<i>thereof attributable to Vienna Insurance Group shareholders</i>	<i>195,248</i>	<i>121,925</i>
<i>thereof non-controlling interests</i>	<i>5,796</i>	<i>9,712</i>

## CONSOLIDATED CASH FLOW STATEMENT

for the period from 1 January 2014 to 30 September 2014 (including comparative period)	1.1.-30.9.2014	1.1.-30.9.2013
in EUR '000		
<b>Profit for the period</b>	<b>339,256</b>	<b>232,466</b>
Change in underwriting provisions net	828,683	677,175
Change in underwriting receivables and liabilities	3,482	-145,762
Change in deposit receivables and liabilities as well as in reinsurance receivables and liabilities	21,142	-33,657
Change in other receivables and liabilities	60,334	54,004
Changes in securities held for trading	147,261	87,321
Gain/loss from disposal of investments	-131,143	-117,766
Depreciation/appreciation of all other investments	70,492	70,537
Change in pension, severance and other personnel provisions	1,996	79,646
Change in deferred tax asset/liability excl. tax liabilities	11,928	-5,551
Change in other balance sheet items	-31,386	-41,343
Change in other intangible assets	-43,634	52,448
Other cash-neutral income and expenses and adjustments to the result for the period <sup>1)</sup>	208,181	194,128
<b>Cash flow from operating activities</b>	<b>1,486,592</b>	<b>1,103,646</b>
Cash inflow from the sale of fully and at equity consolidated companies	5	0
Payments for the acquisition of fully and at equity consolidated companies	-93,395	-88,108
Cash inflow from the sale of financial instruments available for sale	2,832,046	3,380,341
Payments for the acquisition of financial instruments available for sale	-3,635,066	-4,110,154
Cash inflow from the sale of financial instruments held to maturities	134,609	311,904
Payments for the acquisition of financial instruments held to maturity	-188,047	-255,415
Cash inflow from the sale of land and buildings	54,832	49,050
Payments for the acquisition of land and buildings	-92,082	-145,321
Change in unit- and index-linked life insurance items	-143,018	-106,656
Change in other investments	31,840	175,019
<b>Cash flow from investing activities</b>	<b>-1,098,276</b>	<b>-789,340</b>
Capital increase incl. additional payments on hybrid capital	0	-250,000
Decrease of subordinated liabilities	-8,143	-4,050
Dividend payments	-180,430	-203,107
Cash inflow from other financing activities	0	12,080
Cash outflow from other financing activities	-1,299	-3,896
<b>Cash flow from financing activities</b>	<b>-189,872</b>	<b>-448,973</b>
<b>Change in cash and cash equivalents</b>	<b>198,444</b>	<b>-134,667</b>
<b>Cash and cash equivalents at beginning of period<sup>2)</sup></b>	<b>705,025</b>	<b>772,238</b>
Change in cash and cash equivalents	198,444	-134,667
Change in scope of consolidation	-18,199	-33,454
Effects of foreign currency exchange differences in cash and cash equivalents	3,588	2,830
<b>Cash and cash equivalents at end of period</b>	<b>888,858</b>	<b>606,947</b>
<i>thereof non-profit housing societies</i>	<i>0</i>	<i>27,215</i>
<b>Additional information</b>		
Received interest	627,772	675,563
Received dividends	124,231	136,640
Interest paid <sup>3)</sup>	27,758	35,947
Income taxes paid	70,408	54,583

<sup>1)</sup> The non-cash income and expenses are primarily the result of exchange rate changes. <sup>2)</sup> The amount shown for Cash and cash equivalents at the end of the reporting period corresponds to asset item I, "Cash and cash equivalents". <sup>3)</sup> The interest paid is primarily attributable to financing activities.

## SEGMENT REPORTING

### CONSOLIDATED BALANCE SHEET BY LINES OF BUSINESS

ASSETS	Property/Casualty		Life		Health		Total	
	30.9.2014	31.12.2013	30.9.2014	31.12.2013	30.9.2014	31.12.2013	30.9.2014	31.12.2013
in EUR '000								
A. Intangible assets	1,328,119	1,289,991	1,038,063	975,700	33	55	2,366,215	2,265,746
B. Investments	6,344,235	6,857,466	22,525,379	21,139,673	1,292,388	1,203,396	30,162,002	29,200,535
C. Investments of unit- and index-linked life insurance	0	0	7,693,585	6,707,275	0	0	7,693,585	6,707,275
D. Reinsurers' share in underwriting provisions	1,016,066	901,827	90,921	124,541	2,221	2,058	1,109,208	1,028,426
E. Receivables	965,428	1,001,168	515,719	521,946	29,125	37,585	1,510,272	1,560,699
F. Tax receivables and advance payments out of income tax	85,084	65,747	26,998	16,467	317	39	112,399	82,253
H. Other assets	146,890	152,204	187,204	182,026	403	879	334,497	335,109
I. Cash and cash equivalents	463,936	555,803	422,834	141,659	2,088	7,563	888,858	705,025
<b>Subtotal</b>	<b>10,349,758</b>	<b>10,824,206</b>	<b>32,500,703</b>	<b>29,809,287</b>	<b>1,326,575</b>	<b>1,251,575</b>	<b>44,177,036</b>	<b>41,885,068</b>
Deferred tax assets							87,866	91,823
<b>Total ASSETS</b>							<b>44,264,902</b>	<b>41,976,891</b>

LIABILITIES AND SHAREHOLDERS' EQUITY	Property/Casualty		Life		Health		Total	
	30.9.2014	31.12.2013	30.9.2014	31.12.2013	30.9.2014	31.12.2013	30.9.2014	31.12.2013
in EUR '000								
B. Subordinated liabilities	801,207	810,785	220,040	218,659	500	500	1,021,747	1,029,944
C. Underwriting provisions	5,336,841	5,040,312	21,230,293	19,838,767	1,145,493	1,101,385	27,712,627	25,980,464
D. Underwriting provisions for unit- and index-linked life insurance	0	0	7,308,534	6,489,366	0	0	7,308,534	6,489,366
E. Non-underwriting provisions	344,338	385,143	192,544	169,740	45,362	45,242	582,244	600,125
F. Liabilities	1,135,607	1,922,615	511,775	498,652	11,843	10,898	1,659,225	2,432,165
G. Tax liabilities out of income tax	43,169	39,570	25,180	23,223	131	0	68,480	62,793
I. Other liabilities	50,155	52,334	138,276	141,093	886	1,074	189,317	194,501
<b>Subtotal</b>	<b>7,711,317</b>	<b>8,250,759</b>	<b>29,626,642</b>	<b>27,379,500</b>	<b>1,204,215</b>	<b>1,159,099</b>	<b>38,542,174</b>	<b>36,789,358</b>
Deferred tax liabilities							270,232	167,438
Shareholders' equity							5,452,496	5,020,095
<b>Total LIABILITIES AND SHAREHOLDERS' EQUITY</b>							<b>44,264,902</b>	<b>41,976,891</b>

The amounts indicated for each business segment have been adjusted for internal segment transactions. As a result, the asset and liability balances cannot be used to infer the shareholders' equity allocated to each area of operations.

## INVESTMENTS BY REGION

ASSETS	Austria		Czech Republic		Slovakia		Poland	
	30.9.2014	31.12.2013	30.9.2014	31.12.2013	30.9.2014	31.12.2013	30.9.2014	31.12.2013
in EUR '000								
B. Investments	20,732,698	19,328,914	3,207,717	3,159,480	1,219,601	1,138,553	1,158,296	1,147,516
C. Investments for unit- and index-linked life insurance	5,297,673	5,048,430	302,666	275,021	187,523	177,929	624,266	170,659
<b>Total investments</b>	<b>26,030,371</b>	<b>24,377,344</b>	<b>3,510,383</b>	<b>3,434,501</b>	<b>1,407,124</b>	<b>1,316,482</b>	<b>1,782,562</b>	<b>1,318,175</b>

ASSETS	Romania		Remaining markets		Central functions		Total	
	30.9.2014	31.12.2013	30.9.2014	31.12.2013	30.9.2014	31.12.2013	30.9.2014	31.12.2013
in EUR '000								
B. Investments	348,945	319,913	1,628,807	1,508,067	1,865,938	2,598,092	<b>30,162,002</b>	<b>29,200,535</b>
C. Investments for unit- and index-linked life insurance	175,904	175,896	1,105,553	859,340	0	0	<b>7,693,585</b>	<b>6,707,275</b>
<b>Total investments</b>	<b>524,849</b>	<b>495,809</b>	<b>2,734,360</b>	<b>2,367,407</b>	<b>1,865,938</b>	<b>2,598,092</b>	<b>37,855,587</b>	<b>35,907,810</b>

## SEGMENT REPORTING

### CONSOLIDATED INCOME STATEMENT BY LINES OF BUSINESS AND REGION

BUSINESS LINES	Property/Casualty		Life		Health		Total	
	1.1.-30.9.14	1.1.-30.9.13	1.1.-30.9.14	1.1.-30.9.13	1.1.-30.9.14	1.1.-30.9.13	1.1.-30.9.14	1.1.-30.9.13
in EUR '000								
Premiums written – gross	3,563,525	3,617,011	3,183,961	3,129,375	291,100	303,730	<b>7,038,586</b>	<b>7,050,116</b>
Net earned premiums	2,864,091	2,955,979	3,165,553	3,110,925	297,083	297,435	<b>6,326,727</b>	<b>6,364,339</b>
Financial result excl. at equity consolidated companies	109,423	151,190	667,317	708,749	27,695	7,631	<b>804,435</b>	<b>867,570</b>
Income from investments	276,995	299,426	802,996	828,496	34,582	31,407	<b>1,114,573</b>	<b>1,159,329</b>
Expenses for investments and interest expenses	-167,572	-148,236	-135,679	-119,747	-6,887	-23,776	<b>-310,138</b>	<b>-291,759</b>
Result from shares in at equity consolidated companies	36,793	22,106	2,831	2,442	0	0	<b>39,624</b>	<b>24,548</b>
Other income	52,315	57,037	29,227	39,800	250	81	<b>81,792</b>	<b>96,918</b>
Expenses for claims and insurance benefits	-1,921,570	-2,075,472	-3,134,717	-3,076,895	-241,116	-243,347	<b>-5,297,403</b>	<b>-5,395,714</b>
Acquisition and administrative expenses	-826,117	-857,930	-512,538	-484,640	-35,658	-35,589	<b>-1,374,313</b>	<b>-1,378,159</b>
Other expenses	-85,609	-200,686	-62,975	-61,278	-1,468	-1,618	<b>-150,052</b>	<b>-263,582</b>
<b>Profit before taxes</b>	<b>229,326</b>	<b>52,224</b>	<b>154,698</b>	<b>239,103</b>	<b>46,786</b>	<b>24,593</b>	<b>430,810</b>	<b>315,920</b>
Tax expense	-55,028	-29,227	-30,792	-51,027	-5,734	-3,200	<b>-91,554</b>	<b>-83,454</b>
<b>Profit for the period</b>	<b>174,298</b>	<b>22,997</b>	<b>123,906</b>	<b>188,076</b>	<b>41,052</b>	<b>21,393</b>	<b>339,256</b>	<b>232,466</b>

REGIONS	Austria		Czech Republic		Slovakia		Poland	
	1.1.-30.9.14	1.1.-30.9.13	1.1.-30.9.14	1.1.-30.9.13	1.1.-30.9.14	1.1.-30.9.13	1.1.-30.9.14	1.1.-30.9.13
in EUR '000								
Premiums written – gross	3,222,287	3,229,345	1,280,647	1,317,989	549,046	548,259	809,249	840,757
Net earned premiums	2,595,009	2,577,450	1,031,119	1,059,533	448,738	448,802	663,732	681,605
Financial result excluding at equity consolidated companies	602,555	614,828	79,926	91,789	38,618	35,521	39,366	43,885
Income from investments	784,654	766,250	100,291	121,111	40,886	38,718	49,660	56,536
Expenses for investments and interest expenses	-182,099	-151,422	-20,365	-29,322	-2,268	-3,197	-10,294	-12,651
Result from shares in at equity consolidated companies	3,958	3,824	5,913	2,195	0	0	0	0
Other income	19,842	9,296	22,733	34,082	6,730	6,532	5,037	6,070
Expenses for claims and insurance benefits	-2,581,061	-2,567,860	-751,462	-761,087	-365,116	-366,129	-458,207	-513,762
Acquisition and administrative expenses	-466,612	-454,801	-233,665	-249,986	-65,272	-66,671	-192,586	-161,906
Other expenses	-22,487	-45,988	-26,930	-31,635	-20,647	-15,260	-8,617	-7,310
<b>Profit before taxes</b>	<b>151,204</b>	<b>136,749</b>	<b>127,634</b>	<b>144,891</b>	<b>43,051</b>	<b>42,795</b>	<b>48,725</b>	<b>48,582</b>
Tax expense	-43,643	-25,036	-25,726	-28,748	-11,300	-11,015	-11,587	-10,074
<b>Profit for the period</b>	<b>107,561</b>	<b>111,713</b>	<b>101,908</b>	<b>116,143</b>	<b>31,751</b>	<b>31,780</b>	<b>37,138</b>	<b>38,508</b>

REGIONS	Romania		Remaining markets		Central functions		Consolidation		Total	
	1.1.-30.9.14	1.1.-30.9.13	1.1.-30.9.14	1.1.-30.9.13	1.1.-30.9.14	1.1.-30.9.13	1.1.-30.9.14	1.1.-30.9.13	1.1.-30.9.14	1.1.-30.9.13
in EUR '000										
Premiums written – gross	243,835	274,638	833,696	781,500	989,582	996,736	-889,756	-939,108	<b>7,038,586</b>	<b>7,050,116</b>
Net earned premiums	132,618	142,210	626,375	575,627	831,132	875,385	-1,996	3,727	<b>6,326,727</b>	<b>6,364,339</b>
Financial result excluding at equity consolidated companies	9,627	10,961	64,640	57,740	-30,296	11,957	-1	889	<b>804,435</b>	<b>867,570</b>
Income from investments	15,940	21,943	71,763	72,439	101,722	130,039	-50,343	-47,707	<b>1,114,573</b>	<b>1,159,329</b>
Expenses for investments and interest expenses	-6,313	-10,982	-7,123	-14,699	-132,018	-118,082	50,342	48,596	<b>-310,138</b>	<b>-291,759</b>
Result from shares in at equity consolidated companies	0	0	0	0	29,753	18,529	0	0	<b>39,624</b>	<b>24,548</b>
Other income	13,986	12,963	11,948	18,675	2,325	9,564	-809	-264	<b>81,792</b>	<b>96,918</b>
Expenses for claims and insurance benefits	-86,943	-125,093	-460,367	-407,718	-594,384	-655,301	137	1,236	<b>-5,297,403</b>	<b>-5,395,714</b>
Acquisition and administrative expenses	-54,235	-56,667	-151,332	-161,169	-213,095	-220,530	2,484	-6,429	<b>-1,374,313</b>	<b>-1,378,159</b>
Other expenses	-12,420	-20,424	-53,965	-46,052	-5,464	-97,806	478	893	<b>-150,052</b>	<b>-263,582</b>
<b>Profit before taxes</b>	<b>2,633</b>	<b>-36,050</b>	<b>37,299</b>	<b>37,103</b>	<b>19,971</b>	<b>-58,202</b>	<b>293</b>	<b>52</b>	<b>430,810</b>	<b>315,920</b>
Tax expense	1,177	783	-9,491	-9,841	9,016	477	0	0	<b>-91,554</b>	<b>-83,454</b>
<b>Profit for the period</b>	<b>3,810</b>	<b>-35,267</b>	<b>27,808</b>	<b>27,262</b>	<b>28,987</b>	<b>-57,725</b>	<b>293</b>	<b>52</b>	<b>339,256</b>	<b>232,466</b>

# Notes to the consolidated interim financial statements

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF 30 SEPTEMBER 2014

### Summary of significant accounting policies

The consolidated interim financial statements for the 1<sup>st</sup>–3<sup>rd</sup> quarter of 2014 were prepared in accordance with International Financial Reporting Standards (IFRS), and are in compliance with IAS 34 "Interim Financial Reporting". The same accounting policies were used as for the financial statements for the previous financial year. Similarly, the discretionary assessments and assumptions needed to prepare the consolidated financial statements were made in the same way. This does not include newly applicable or amended standards.

### Disclosures on seasonal and economic influences

Within Vienna Insurance Group, seasonal fluctuations mainly take place in the areas of premiums, losses and financial result. Due to the large number of policies beginning in January, the 1<sup>st</sup> quarter is also normally the strongest quarter of the year in terms of premiums. In terms of

losses, the 1<sup>st</sup> quarter (or 1<sup>st</sup> half) also normally shows a higher level of charges, mainly due to adverse environmental influences (snow, snowmelt, storms, floods). With respect to the financial result, the majority of dividend payments occur in the 2<sup>nd</sup> quarter.

### Related party transactions

These mainly concern minor reinsurance relationships between companies in the Group, financing at market terms, chiefly in the real estate area, and intercompany charges. These transactions have no material effect on the performance of the Company. No loans or guarantees were granted to the members of the Managing Board or Supervisory Board during the reporting period.

### Disclosures on changes in the scope of consolidation

During the reporting period from 1 January 2014 to 30 September 2014, the following changes occurred in the scope of consolidation and the following subsidiaries were deconsolidated:

Deconsolidations	Deconsolidation date
KÁMEN OSTROMĚŘ	1.1.2014

The interest in the company KÁMEN OSTROMĚŘ was sold to a company outside the Group in February 2014. As a result, the company was deconsolidated as of 1 January 2014.

Change of consolidation method to at equity consolidation	% share	Date of change
Alpenländische Heimstätte GmbH	94.00	1.1.2014
Neue Heimat Oberösterreich GmbH	99.81	1.1.2014

Due to a loss of contractual control, the non-profit housing societies indicated above are included at equity in the consolidated financial statements.

Companies acquired	Interest acquired in %	Date of first consolidation	Goodwill in EUR millions
Skandia	100.00	1.7.2014	33.99
Vienna Life Biztosító (formerly AXA Biztosító)	100.00	1.7.2014	5.09

It should be noted that the purchase price allocation of the newly consolidated company is still provisional and all company purchases were made with cash and cash equivalents.

### **Skandia**

VIG acquired 100% of the Polish life insurance company Skandia on 30 May 2014. The company has operated in the Polish market for more than 14 years and sells its products – primarily unit-linked life insurance – through financial intermediaries such as banks, insurance brokers and insurance platforms. The focus of the product portfolio is mainly on unit-linked life insurance. The Skandia acquisition gives VIG to opportunity to expand its current market presence in the area of unit-linked life insurance.

The acquisition of Skandia had no material effect on total VIG sales or profit since the time of acquisition or if the date of acquisition is assumed to be 1 January 2014.

The constitutive supervisory board meeting of Skandia was held on 25 June 2014. As a result, the company was not included in the scope of consolidation until the 3<sup>rd</sup> quarter of 2014.

### **Vienna Life Biztosító (formerly AXA Biztosító)**

On 3 June 2014, VIG acquired 100% of the shares of the Hungarian insurance company AXA Biztosító, which was renamed Vienna Life Biztosító as part of its integration into the Group.

The life insurance segment accounted for the lion's share of the business volume (around 92%), with a strong focus

on unit-linked life insurance products. The company operates nationwide and distributes its products through its own sales company, as well as financial intermediaries, such as brokers and banks. This transaction reflects the VIG strategy of growing by means of strategic acquisitions and partnerships in growth markets.

The acquisition of AXA Biztosító had no material effect on total Vienna Insurance Group sales or profit since the time of acquisition or if the date of acquisition is assumed to be 1 January 2014.

The constitutive supervisory board meeting of AXA Biztosító was held on 25 June 2014. As a result, the company was not included in the scope of consolidation until the 3<sup>rd</sup> quarter of 2014.

### **Donaris**

After closing the acquisition of a majority interest in Donaris in April 2014, Vienna Insurance Group was required to give the remaining minority shareholders of the company a mandatory takeover offer. VIG's right to exercise its voting rights was limited until this procedure was completed in August 2014. Furthermore, integration of the company into the Group-wide control system has not been fully completed yet. As a result, the company was not yet included in the scope of consolidation in the 3<sup>rd</sup> quarter of 2014.

## INFORMATION RELATING TO THE CONSOLIDATED FINANCIAL INCOME STATEMENT

### PREMIUMS WRITTEN

Property/Casualty insurance	Gross	Reinsurers' share	Retention	Gross
	1.1.-30.9.2014	1.1.-30.9.2014	1.1.-30.9.2014	1.1.-30.9.2013
in EUR '000				
<b>Direct business</b>				
Casualty insurance	259,826	-3,615	256,211	270,589
Health insurance	34,706	-12,925	21,781	9,609
Land vehicle own-damage insurance	656,633	-25,324	631,309	685,680
Rail vehicle own-damage	3,541	-1,495	2,046	2,730
Aircraft own-damage insurance	3,801	-2,595	1,206	5,033
Sea, lake and river shipping own-damage insurance	7,492	-2,876	4,616	7,599
Transport insurance	35,553	-18,384	17,169	37,030
Fire explosion, other natural risks, nuclear energy	691,677	-242,522	449,155	687,382
Other property	354,211	-75,503	278,708	371,506
Liability insurance for land vehicles having their own drive train	874,616	-5,246	869,370	926,235
Carrier insurance	6,890	-1,865	5,025	5,230
Aircraft liability insurance	2,784	-1,790	994	3,234
Sea, lake and river shipping liability insurance	1,909	-705	1,204	2,906
General liability insurance	330,420	-60,703	269,717	355,274
Credit insurance	819	-296	523	164
Guarantee insurance	18,454	-6,640	11,814	18,480
Insurance for miscellaneous financial losses	100,499	-36,962	63,537	85,562
Legal expenses insurance	40,665	-236	40,429	39,496
Assistance insurance, travel health insurance	40,684	-1,282	39,402	35,738
<b>Subtotal</b>	<b>3,465,180</b>	<b>-500,964</b>	<b>2,964,216</b>	<b>3,549,477</b>
<b>Indirect business</b>				
Marine, aviation, and transport insurance	6,769	-3,285	3,484	7,051
Other insurances	81,032	-151,600	-70,568	48,375
Health insurance	10,544	0	10,544	12,108
<b>Subtotal</b>	<b>98,345</b>	<b>-154,885</b>	<b>-56,540</b>	<b>67,534</b>
<b>Total premiums written in Property and Casualty</b>	<b>3,563,525</b>	<b>-655,849</b>	<b>2,907,676</b>	<b>3,617,011</b>

Direct business life insurance	1.1.-30.9.2014	1.1.-30.9.2013
in EUR '000		
Regular premiums	1,728,345	1,726,447
Single premium policies	1,444,073	1,390,926
<b>Total premiums written direct in Life</b>	<b>3,172,418</b>	<b>3,117,373</b>
<i>thereof:</i>		
<i>Policies with profit participation</i>	<i>1,368,134</i>	<i>1,464,184</i>
<i>Policies without profit participation</i>	<i>585,627</i>	<i>567,684</i>
<i>Unit-linked policies</i>	<i>1,170,175</i>	<i>1,012,422</i>
<i>Index-linked policies</i>	<i>48,482</i>	<i>73,083</i>

## FINANCIAL RESULT

Composition: Income	Property/Casualty		Life		Health		Total	
	1.1.-30.9.2014	1.1.-30.9.2013	1.1.-30.9.2014	1.1.-30.9.2013	1.1.-30.9.2014	1.1.-30.9.2013	1.1.-30.9.2014	1.1.-30.9.2013
in EUR '000								
Current income	197,287	244,538	681,389	692,003	32,952	30,114	911,628	966,655
Income from appreciation	19,880	14,158	12,639	23,736	674	0	33,193	37,894
<i>of which a reduction in impairment</i>	<i>13,617</i>	<i>13,114</i>	<i>48</i>	<i>78</i>	<i>0</i>	<i>0</i>	<i>13,665</i>	<i>13,192</i>
Income from the disposal of investments	59,828	40,730	108,968	112,757	956	1,293	169,752	154,780
<b>Total</b>	<b>276,995</b>	<b>299,426</b>	<b>802,996</b>	<b>828,496</b>	<b>34,582</b>	<b>31,407</b>	<b>1,114,573</b>	<b>1,159,329</b>

Composition: Expenses	Property/Casualty		Life		Health		Total	
	1.1.-30.9.2014	1.1.-30.9.2013	1.1.-30.9.2014	1.1.-30.9.2013	1.1.-30.9.2014	1.1.-30.9.2013	1.1.-30.9.2014	1.1.-30.9.2013
in EUR '000								
Depreciation of investments	35,146	43,936	51,785	40,822	2,320	13,923	89,251	98,681
<i>of which a reduction in impairment</i>	<i>16,082</i>	<i>5,194</i>	<i>27,611</i>	<i>9,008</i>	<i>469</i>	<i>11,077</i>	<i>44,162</i>	<i>25,279</i>
Exchange rate changes	-5,250	4,076	-12,331	-1,833	-444	93	-18,025	2,336
Losses from disposal of investments	12,525	12,354	22,568	16,331	352	4,240	35,445	32,925
Interest expenses	42,394	28,628	14,615	16,796	658	1,526	57,667	46,950
Other expenses	82,757	59,242	59,042	47,631	4,001	3,994	145,800	110,867
<b>Total</b>	<b>167,572</b>	<b>148,236</b>	<b>135,679</b>	<b>119,747</b>	<b>6,887</b>	<b>23,776</b>	<b>310,138</b>	<b>291,759</b>

## EARNINGS PER SHARE

	1.1.-30.9.2014		1.1.-30.9.2013	
Profit for the period	EUR '000	339,256	EUR '000	232,466
Profit for the period after non-controlling interests	EUR '000	327,725	EUR '000	217,531
Interest expenses for hybrid capital	EUR '000	14,959	EUR '000	28,877
Number of shares	Units	128,000,000	Units	128,000,000
<b>Earnings per share</b>	<b>EUR</b>	<b>3.26</b>	<b>EUR</b>	<b>1.97</b>

	1.7.-30.9.2014		1.7.-30.9.2013	
Profit for the period	EUR '000	117,812	EUR '000	85,994
Profit for the period after non-controlling interests	EUR '000	114,258	EUR '000	76,968
Interest expenses for hybrid capital	EUR '000	5,041	EUR '000	9,041
Number of shares	Units	128,000,000	Units	128,000,000
<b>Earnings per share</b>	<b>EUR</b>	<b>3.41</b>	<b>EUR</b>	<b>2.12</b>

The calculation of this key figure includes the pro rata interest expenses for hybrid capital.

## EXPENSES FOR CLAIMS AND INSURANCE BENEFITS

Composition	Gross		Reinsurers' share		Retention	
	1.1.-30.9.2014	1.1.-30.9.2013	1.1.-30.9.2014	1.1.-30.9.2013	1.1.-30.9.2014	1.1.-30.9.2013
in EUR '000						
<b>Property/Casualty insurance</b>						
<b>Expenses for claims and insurance benefits</b>						
Payments for claims and insurance benefits	1,993,110	2,166,922	-245,476	-231,334	1,747,634	1,935,588
Changes in provision for outstanding claims	162,380	248,386	-2,978	-114,860	159,402	133,526
<b>Subtotal</b>	<b>2,155,490</b>	<b>2,415,308</b>	<b>-248,454</b>	<b>-346,194</b>	<b>1,907,036</b>	<b>2,069,114</b>
Change in mathematical reserve	-9	-1	-2	0	-11	-1
Change in other underwriting provisions	-5,284	-3,626	485	-3,040	-4,799	-6,666
Expenses for profit-unrelated premium refunds	16,876	8,243	2,468	4,782	19,344	13,025
<b>Total expenses</b>	<b>2,167,073</b>	<b>2,419,924</b>	<b>-245,503</b>	<b>-344,452</b>	<b>1,921,570</b>	<b>2,075,472</b>
<b>Life insurance</b>						
<b>Expenses for claims and insurance benefits</b>						
Payments for claims and insurance benefits	2,554,558	2,570,159	-17,047	-16,929	2,537,511	2,553,230
Changes in provision for outstanding claims	19,856	30,243	1,454	-1,006	21,310	29,237
<b>Subtotal</b>	<b>2,574,414</b>	<b>2,600,402</b>	<b>-15,593</b>	<b>-17,935</b>	<b>2,558,821</b>	<b>2,582,467</b>
Change in mathematical reserve	509,147	437,127	7,656	921	516,803	438,048
Change in other underwriting provisions	-136	498	11	-124	-125	374
Expenses for profit-related and profit-unrelated premium refunds	59,218	56,006	0	0	59,218	56,006
<b>Total expenses</b>	<b>3,142,643</b>	<b>3,094,033</b>	<b>-7,926</b>	<b>-17,138</b>	<b>3,134,717</b>	<b>3,076,895</b>
<b>Health insurance</b>						
<b>Expenses for claims and insurance benefits</b>						
Payments for claims and insurance benefits	180,030	190,964	-336	-300	179,694	190,664
Changes in provision for outstanding claims	7,977	2,392	-8	21	7,969	2,413
<b>Subtotal</b>	<b>188,007</b>	<b>193,356</b>	<b>-344</b>	<b>-279</b>	<b>187,663</b>	<b>193,077</b>
Change in mathematical reserve	45,050	41,425	-138	9	44,912	41,434
Expenses for profit-unrelated premium refunds	8,541	8,836	0	0	8,541	8,836
<b>Total expenses</b>	<b>241,598</b>	<b>243,617</b>	<b>-482</b>	<b>-270</b>	<b>241,116</b>	<b>243,347</b>
<b>Total</b>	<b>5,551,314</b>	<b>5,757,574</b>	<b>-253,911</b>	<b>-361,860</b>	<b>5,297,403</b>	<b>5,395,714</b>

## ACQUISITION AND ADMINISTRATIVE EXPENSES

Composition	Property/Casualty 1.1.-30.9.2014	Life 1.1.-30.9.2014	Health 1.1.-30.9.2014	Total 1.1.-30.9.2014
in EUR '000				
<b>Acquisition expenses</b>	<b>789,135</b>	<b>419,787</b>	<b>24,440</b>	<b>1,233,362</b>
<b>Administrative expenses</b>				
Pro rata personnel expenses	81,121	43,157	6,393	<b>130,671</b>
Pro rata material expenses	55,280	56,286	4,933	<b>116,499</b>
<b>Subtotal</b>	<b>136,401</b>	<b>99,443</b>	<b>11,326</b>	<b>247,170</b>
Received reinsurance commissions	-99,419	-6,692	-108	<b>-106,219</b>
<b>Total</b>	<b>826,117</b>	<b>512,538</b>	<b>35,658</b>	<b>1,374,313</b>

Composition	Property/Casualty 1.1.-30.9.2013	Life 1.1.-30.9.2013	Health 1.1.-30.9.2013	Total 1.1.-30.9.2013
in EUR '000				
<b>Acquisition expenses</b>	<b>799,092</b>	<b>395,025</b>	<b>24,166</b>	<b>1,218,283</b>
<b>Administrative expenses</b>				
Pro rata personnel expenses	84,743	39,960	6,600	<b>131,303</b>
Pro rata material expenses	60,528	55,289	4,924	<b>120,741</b>
<b>Subtotal</b>	<b>145,271</b>	<b>95,249</b>	<b>11,524</b>	<b>252,044</b>
Received reinsurance commissions	-86,433	-5,634	-101	<b>-92,168</b>
<b>Total</b>	<b>857,930</b>	<b>484,640</b>	<b>35,589</b>	<b>1,378,159</b>

## OTHER INFORMATION

Employee statistics	30.9.2014	31.12.2013
<b>Austria</b>	<b>5,207</b>	<b>5,235</b>
Field staff	2,824	2,828
Office employees	2,383	2,407
<b>Czech Republic</b>	<b>4,808</b>	<b>4,852</b>
Field staff	2,987	3,000
Office employees	1,821	1,852
<b>Slovakia</b>	<b>1,584</b>	<b>1,557</b>
Field staff	805	804
Office employees	779	753
<b>Poland</b>	<b>1,835</b>	<b>1,742</b>
Field staff	920	784
Office employees	915	958
<b>Romania</b>	<b>2,381</b>	<b>2,727</b>
Field staff	1,372	1,615
Office employees	1,009	1,112
<b>Remaining markets</b>	<b>6,535</b>	<b>6,483</b>
Field staff	4,027	4,108
Office employees	2,508	2,375
<b>Central functions</b>	<b>427</b>	<b>543</b>
Office employees	427	543
<b>Total</b>	<b>22,777</b>	<b>23,139</b>

# Declaration by the Managing Board

We confirm to the best of our knowledge that the interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group management report gives a true and fair view of important events that have occurred during the

first nine months of the financial year and their impact on the interim financial statements, and of the principal risks and uncertainties for the remaining three months of the financial year and of the major related party transactions to be disclosed. The interim report was not audited or reviewed by an auditor.

The Managing Board:



**Peter Hagen**  
General Manager,  
Chairman of the Managing Board



**Franz Fuchs**  
Member of the Managing Board



**Peter Höfner**  
Member of the Managing Board



**Martin Simhandl**  
CFO, Member of the Managing Board

Vienna, 5 November 2014

## Managing Board areas of responsibility:

**Peter Hagen:** Group management, strategic planning, public relations, marketing, sponsoring, legal matters, people management, performance management motor vehicle insurance, asset risk management, IT, international processes and methods, SAP smile solutions; Country responsibilities: Austria (incl. coordination of s Versicherungsgruppe), Czech Republic, Ukraine

**Franz Fuchs:** Performance management personal insurance, strategic initiative health insurance; Country responsibilities: Baltic States, Poland, Romania

**Peter Höfner:** International corporate and large customer business, Vienna International Underwriters (VIU), reinsurance, strategic initiative SME business, strategic initiative private customer property insurance; Country responsibilities: Albania (incl. Kosovo), Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Hungary, Macedonia, Montenegro, Serbia, Slovakia

**Martin Simhandl:** Asset management, subsidiaries department, finance and accounting, group cost structure, internal capital model project (Solvency II project), treasury/capital market; Country responsibilities: Germany, Georgia, Liechtenstein, Turkey

## **MEDIA PUBLISHER AND OWNER**

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## **NOTES**

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

The interim report was prepared with the greatest possible care in order to ensure that the information provided in all parts is correct and complete. Rounding, type-setting and printing errors can nevertheless not be completely ruled out.

All references in the text are to be understood as referring equally to men and women without discrimination.

In case of doubt, the German version is authoritative

## **ADDRESS**

VIENNA INSURANCE GROUP AG  
Wiener Versicherung Gruppe  
Investor Relations  
Nina Higatzberger  
Schottenring 30  
A-1010 Vienna  
Phone: +43 (0) 50 390-21920  
Fax: +43 (0) 50 390 99-21920  
E-Mail: [investor.relations@vig.com](mailto:investor.relations@vig.com)

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