

A **STRONG** TREE WEATHERS EXTREME CONDITIONS

INTERIM REPORT 1st Quarter 2009



LETTER FROM THE CHAIRMAN OF THE MANAGING BOARD

Dear Shareholders,
Dear Madam/Sir,

Almost every day, I see reports in the media about financial institutions suffering from a lack of capital due to massive depreciations of securities. Things are different for Vienna Insurance Group. Our capital is almost twice the level required, making us one of the well-positioned insurance companies in Europe in terms of capitalisation. As a result, we can offer our customers – who place their problems in our hands – the security they are looking for, even during one of the most difficult periods for the world economy.



We also recorded performance in the 1st quarter of 2009 that directly builds on the outstanding results achieved in the previous year. In spite of unfavourable exchange rate changes, premium income rose to EUR 2.35 billion. Especially high growth was recorded in our core markets in the Czech Republic, Slovakia, Hungary and Croatia, which even showed double-digit increases in local terms. Our profit before taxes of EUR 121 million was also close to the value in the same quarter of the previous year.

These results, which were achieved in a difficult environment, continue precisely along the path we have resolutely followed for many years: The management of the Vienna Insurance Group

strives to achieve sustainable performance and to increase the value of the Vienna Insurance Group over the long term. In order to achieve these goals, we work continuously to optimise our business activities. We therefore recently started a Group-wide efficiency programme that will significantly improve processes within our organisation, allowing us to work even more effectively and closely with our customers – including as compared to our international competitors.

In addition, we recently launched a new initiative in the CEE countries. The Vienna Insurance Group is now offering health insurance products broadly in this region, which has already met with lively interest from customers in the initial months of this financial year.

Our operating results, financial strength and efforts to expand our business are clearly also well received by investors. The capital market recently began to make stronger distinctions between companies once again, and the share price of the Vienna Insurance Group reacted by recording excellent performance, showing one of the highest increases in the European insurance sector. I am especially pleased that our loyal investors are able to profit from this in addition to the attractive dividend that we are distributing this year for the financial year 2008.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'G. Geyer', written in a cursive style.

Günter Geyer

BUSINESS DEVELOPMENT

MANAGEMENT REPORT

In the 1st quarter of 2009, the Vienna Insurance Group achieved total consolidated written premiums of EUR 2.35 billion. Based on euros, this corresponds to an increase of 1.5% compared to the same period of the previous year.

The Group profit before taxes amounted to about EUR 121 million in the 1st quarter. This implies virtually the repeat of the very good result in the 1st quarter 2008. Actually, after tax expenses and minority interests a profit growth of close to 4% was achieved.

The combined ratio of the Group after reinsurance (not considering investment income) was 96.4% for the first three months of the current year.

The financial results amounted to EUR 238.15 million for the 1st quarter of 2009. This rise of 35.6% is primarily the result of an increase in current income generated by the newly acquired companies of the s Versicherung Group.

As of 31 March 2009, the investments of the Group amounted to EUR 23.88 billion. Compared to the same period of the previous year the investments increased by 18.8%.

All statements for the 1st quarter of 2009 include figures from the s Versicherung Group and the BCR insurance companies. BA-CAV and Unita are only included in comparisons to the 1st quarter of 2008.

BUSINESS DEVELOPMENT OF THE GROUP BY CLASS (BUSINESS SEGMENTS)

Property/casualty insurance

In the CEE markets, the Group companies generated premiums written in this segment amounting to EUR 737.72 million (–3.1%

due to currency effects). Based on local currency up to double digit growth rates were determined.

In the non-CEE countries, the premiums in this segment reached EUR 634.54 million. Compared to the same period in the previous year, this corresponds to an increase of 2.1%. In Austria, the Group companies achieved solid growth of 2.0% to record premiums of EUR 614.35 million. In Germany, the premiums were EUR 20.19 million, corresponding to an increase of 4.6%.

In total, in the property and casualty insurance segment, premiums of EUR 1.37 billion were achieved (based on euros –0.7%).

Life insurance

In the life insurance segment, the Vienna Insurance Group companies recorded total premiums written of EUR 889.26 million, which represents growth of 5.0% compared to the previous year. The local companies of s Versicherung Group, above all, contributed to this positive development.

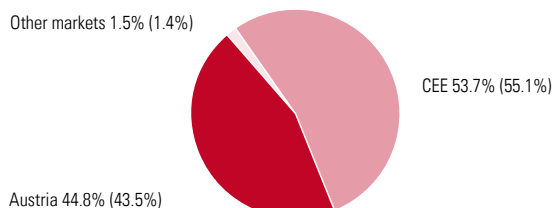
Outstanding growth in this segment of 24.0% was achieved in the CEE markets, with premiums written of EUR 321.09 million. The premium share of the Group companies in CEE in this business line thus experienced a significant increase of about 6 percentage points compared to the previous year and is now 36.1%,

**1st quarter 2009:
prolongation of trend set
by outstanding annual
results 2008:**

**Profit before taxes of
approximately EUR 121 million**

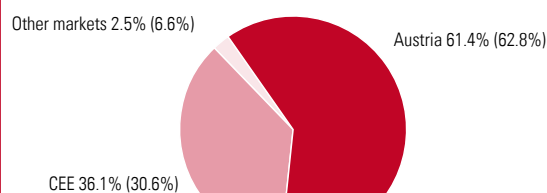
**Important CEE markets
record double digit premium
growth on a local basis**

PERCENTAGE OF PREMIUMS BY REGION IN
PROPERTY/CASUALTY INSURANCE, 1ST QUARTER 2009



1st quarter 2008 values in parentheses

PERCENTAGE OF PREMIUMS BY REGION
IN LIFE INSURANCE 1ST QUARTER 2009



1st quarter 2008 values in parentheses

i.e. more than one third. Premium growth in the life segment was particularly impressive in the Czech Republic and Slovakia, with both countries showing high double digit growth.

In non-CEE markets, premiums written in the life segment amounted to EUR 568.17 million. This is a decrease of 3.4% compared to the same period in the previous year.

Health insurance

In the health insurance segment, the Vienna Insurance Group recorded growth of 2.7%, with premiums written of EUR 83.91 million. As one of the leading health insurers, Wiener Städtische Versicherung AG Vienna Insurance Group in Austria is the only Group company selling a sizeable volume of health insurance products. In 2009, the initiative to extend the health insurance business also to CEE markets was successfully launched.

BUSINESS DEVELOPMENT OF THE GROUP BY REGION

Segment reporting by region

	Gross premiums written		Profit before taxes	
	1 st Quarter 2009	1 st Quarter 2008	1 st Quarter 2009	1 st Quarter 2008
in Mio. EUR				
Austria	1,244.62	1,215.81	77.26	76.05
Czech Republic	404.47	359.67	24.21	20.55
Slovakia	186.23	161.31	4.91	10.77
Poland	143.09	174.04	6.29	7.34
Romania	167.83	200.86	6.28	2.70
Other CEE markets	157.19	124.29	-2.54	2.66
Other markets	42.01	75.26	4.42	4.78
Total	2,345.43	2,311.25	120.82	124.85

Austria

In the 1st quarter of 2009, Vienna Insurance Group companies in Austria achieved total premiums written of EUR 1.24 billion, representing growth of 2.4%. The non-life segment achieved growth of 2.0% with premiums amounting to EUR 614.35 million, while the life segment experienced growth of 2.7% and a premium volume of EUR 546.36 million. The decrease in single premium business was balanced by the results of newly consolidated Sparkassen Versicherung.

The profit before taxes also reflects the activities of Wiener Städtische as the holding company of the Group and was increased by 1.6% to EUR 77.26 million compared to the same period of the previous year.

The combined ratio in Austria in the 1st quarter of 2009 was 93.8% and thus improved slightly compared to the same period of the previous year.

Czech Republic

Based on local currency, in the 1st quarter of 2009, the Group companies in the Czech Republic significantly increased both their premium volume in total as well as in the individual segments. In total, the premium increase was at an excellent 20.2% and, thus, continued the very good development of the prior year period. The increase in premium volume amounted to 8.5% in non-life and to 63.1% in life.

Based on euros, in the 1st quarter of 2009 total premiums of EUR 404.47 millions (+ 12.5%) were achieved. In non-life, the premiums amounted to EUR 273.47 million (-0.8%) and in life to EUR 131.00 million (+56.2%).

The profit before taxes increased by 17.8% to EUR 24.21 million.

The combined ratio in the 1st quarter of 2009 was an excellent 89.9%.

Slovakia

The total premium volume of the Vienna Insurance Group companies in Slovakia continued to display ongoing strong development in the 1st quarter of 2009. With premiums written of EUR 186.23 million, the companies achieved overall growth of 15.5%.

In the non-life segment, premiums in the amount of EUR 114.30 million showed a growth rate of 8.7%.

The development of the Vienna Insurance Group in Slovakia in the life insurance area was even more pleasing. The 2009 1st quarter premiums in this segment amounted to EUR 71.93 million. This corresponds to a plus of 28.2% compared to the same period a year ago.

The profit before taxes was EUR 4.91 million in the 1st quarter of 2009.

Poland

Based on local currency, the Vienna Insurance Group was able to increase premiums in Poland in all business segments in the first three months of 2009. In total, growth of 3.7% was achieved – with a premium increase of 6.3% in non-life and 0.1% in life.

Based on euros, the Polish Group companies earned premiums written of EUR 143.09 million (-17.8%) in the first three months of 2009.

In the non-life segment, the Vienna Insurance Group registered premiums amounting to EUR 84.23 million (based on euros -15.5%) in the 1st quarter of 2009.

With premiums of EUR 58.85 million, a decrease of 20.9% (based on euros) was experienced in the life insurance business in the 1st quarter of 2009 due to uncertainty in the capital markets.

The profit before taxes was EUR 6.29 million.

The combined ratio was 99.2%.

Romania

In comparison to the strong growth of the period a year ago and based on local currency, the local companies in Romania again achieved an increase of 0.2% in premiums. In the life segment, an extraordinary increase of 65.8% was even recorded, whereas the non-life segment was kept stable with a slight decrease of 3.7%.

Based on euros, the Vienna Insurance Group companies in Romania achieved premiums written of EUR 167.83 million (–16.4%). In the non-life segment, the premium volume amounted to EUR 151.47 million (–20.0%).

In life insurance, a premium volume of EUR 16.35 million was achieved, corresponding to an increase of 43.3% (based on euros). This is, on the one hand, due to the first time consolidation of the newly acquired company BCR Life. On the other hand, the figures illustrate the continuing demand for life insurance products in Romania.

The profit before taxes significantly increased to EUR 6.28 million.

Other CEE markets

The results in the 1st quarter of 2009 for the Vienna Insurance Group companies in the segment Other CEE markets include the following countries: Bulgaria, Croatia, Hungary, Serbia, Turkey and Ukraine. The three Baltic markets are also included for the first time, with the Vienna Insurance Group represented in these countries by Compensa Life (formerly Seesam). Premium growth based on euros was particularly impressive in Hungary (+48.5%), Croatia (+17.4%) and Bulgaria (+55.1%).

The premiums written from these countries increased compared to the same period in the previous year by 26.5% to EUR 157.19 million.

In the non-life segment, premiums written of EUR 114.24 million equated to a significant growth of 25.4%.

In the life segment, the premiums amounted to EUR 42.95 million, thus a very pleasing increase of 29.3% compared to the previous year period.

Other markets

In Germany and Liechtenstein, the Group companies achieved total premiums of EUR 42.01 million in the 1st quarter of 2009.

The profit before taxes amounted to EUR 4.42 million.

CURRENT TOPICS

V.I.G. INTERNATIONAL

Future-oriented action program for 2009

The Vienna Insurance Group's highly successful expansion in Austria and the CEE has made it one of the leading international insurance groups in this region. This expansion is guided by the paramount goal of achieving long-term sustained increases in earnings and revenues.

CURRENT INFORMATION

V.I.G. International:
2009 Forward-looking
action program

2009 Hybrid issue

V.I.G. Austria:
Wüstenrot divestment

V.I.G. Romania:
Romanian companies of
the Vienna Insurance
Group receive prestigious
awards

The Vienna Insurance Group works continuously to optimise its business activities and increase profitability. Many initiatives and measures have already been implemented as part of the ongoing integration of Group companies.

In view of the change in economic conditions, the management of the Vienna Insurance Group has decided to take even stronger measures, with the first step being an examination of the Group's own cost-efficiency compared to the international competition. The results revealed potential optimisation savings of at least EUR 100 million. The management of the Vienna Insurance Group is working with external consultants to develop a Group-wide, future-oriented action program focusing on materials costs and extensive process improvements both in individual companies and at the Group level

as well. Implementation of the measures is essentially expected to take place in the current year.

2009 Hybrid bond

A second tranche of EUR 250 million was issued under the hybrid debt issuance programme of May 2008. This bond has an indeterminate term and pays an annual interest rate of 8% until 2018. This will be followed by a variable interest rate. The hybrid debt issuance programme is thereby fully utilised.

V.I.G. AUSTRIA

Wüstenrot divestment

The Vienna Insurance Group is selling its 31.6% stake in Wüstenrot Versicherungs-Aktiengesellschaft in two stages to the principal shareholder Bausparkasse Wüstenrot. The first stage was the sale of an approximately 12% stake, which has already been completed. This freed up an additional EUR 70 million of equity for Vienna Insurance Group. Vienna Insurance Group has a long term put option for its remaining stake in Wüstenrot Versicherung.

V.I.G. ROMANIA

Romanian companies of the Vienna Insurance Group receive prestigious awards

The Vienna Insurance Group is represented by five companies in Romania. Its market share of 30.5 per cent makes it the clear number 1 in the Romanian insurance market. The Vienna Insurance Group's outstanding position and excellent performance in 2008 have now also been underscored by a total of five awards.

Omniasig Vienna Insurance Group received the "Great Award – Insurance Company of the Year". Life insurance company BCR Asigurari de Viata can pride itself on receiving an "Excellence Award" for its positive performance and strong growth in 2008. In addition, the General Director of BCR life, Florina Vizinteanu, was selected for the "Special Award – Manager of the Year" for her commitment to the development of the insurance market. The non-life insurance company BCR Asigurari received the "1asig Trophy" and "Quality of Services Award" for its outstanding achievements in 2008.

REPORT ON THE ANNUAL GENERAL MEETING

The 18th Annual General Meeting of Wiener Städtische Versicherung AG Vienna Insurance Group was held on 24 April 2009 in the Wiener Stadthalle.

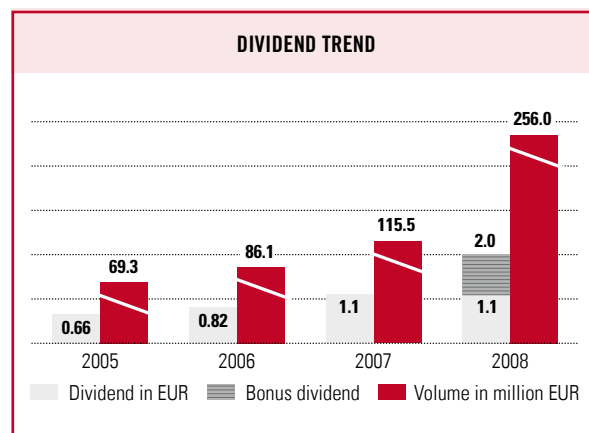
The shareholders passed the Annual General Meeting resolutions by a large majority. The presentation given by General Manager Günter Geyer on the consolidated financial statements was broadcast live on the Internet. The Annual General Meeting documents and a recording of the live broadcast are available on the Internet at www.vig.com/en/group/ir/annual-general-meeting-2009

Dividend increased

Due to the outstanding profit earned by the Group in 2008, which was highly influenced by the excellent development of business in the CEE countries, the Annual General Meeting approved the Managing Board's proposal to pay a dividend of EUR 1.10 per share. As special thanks in recognition of the share-holders, whose participation made the 2008 capital increase a success, the distribution of a bonus dividend of EUR 0.90 per share was also approved.

Company name changed

The change of the Company's name to Vienna Insurance Group Wiener Städtische Versicherung AG was also approved during the General Meeting, thereby acknowledging the international growth of the Group over the past years.



Equipped for all possibilities

Resolutions were also passed on the powers of the Managing Board. In order to be ready for all future eventualities, the Annual General Meeting authorised the Managing Board in each case upon approval by the Supervisory Board to increase the share capital of the Company by around EUR 66.44 million, if needed, by issuing 64 million no-par value ordinary shares, to issue participating bonds with a total face value of up to EUR 2 billion, and to issue convertible bonds with a total face value of up to EUR 2 billion.

Managing Board has ten members

More modern and clearer organisational structures will be created in the future to take account of the size of the Group. The most senior level of management structures was therefore adjusted to reflect the strong expansion that the Group has experienced in past years, and the articles of association changed so that the Managing Board will consist of "a minimum of four and a maximum of ten persons". In the future, the Managing Board of the Company will have ten members. In order to avoid as far as possible the current situation where members of the Managing Board are responsible for both areas, the Managing Board will form two committees, one which will handle mainly Group matters (the Vienna Insurance Group) and the other the management of Wiener Städtische in Austria (Wiener Städtische).

CAPITAL MARKETS & INVESTOR RELATIONS

CAPITAL MARKETS

International overview

Capital markets continued to be adversely affected by the massive global economic crisis in the 1st quarter of 2009 as well. As a result of disappointing economic reports and dramatic decreases in company earnings, the upward counter movement that had begun in November 2008 failed to continue. International equity markets subsequently dropped again, until in March they had fallen below the lows recorded in the previous year.

Financial markets recovered from their lows again after an announcement by the US Federal Reserve that it would purchase securities to inject additional liquidity into the capital markets, as well as surprisingly positive reports on the current earnings of financial services groups in the 1st quarter of 2009. An equity market price rally then took place and continued into the 2nd quarter, posting double-digit growth rates.

Despite a recovery in prices, the US Dow Jones International Index (DJI) suffered an overall decrease of 13.3% as of the end of the quarter. The European benchmark index, the Eurostoxx 50, even showed a loss of more than 15%. The only index to show a single-digit decline was the Japanese Nikkei 225 Index, which recorded a performance of -8.5%. The Eastern European CECE Index suffered even greater losses. A further fall in confidence about the future development of the CEE economies led to a price decrease of 23.0%.

Vienna Stock Exchange

Although the Vienna Stock Exchange leading index, the ATX, was also affected by international developments, it recorded only a fall of 3.1% as of the end of the 1st quarter of 2009.

The negative effects on share prices in the first two months of the current year were primarily due to a steadily worsening series of reports and projections on the future development of the CEE economies. Since the majority of the companies listed in Vienna have business operations in this region, the result was a major fall in price performance of around 20%, with the ATX reaching a temporary low for the year of 1,411.95 points on 9 March 2009.

The price rally in international markets also generated a significant recovery on the Vienna Stock Exchange, which closed the quarter at a value of 1,696.62 points.

INVESTOR RELATIONS

The Vienna Insurance Group has already completed an extensive program of roadshows in the first four months of 2009 that allowed management to meet investors in Frankfurt, London and Prague, and hold meetings in different cities on the west coast of the United States. The Vienna Insurance Group also took part in three roadshows organised by the Vienna Stock Exchange in Tokyo, Milan and Paris.

Management attended the European Financials Conference in London at the beginning of April after receiving an invitation from the conference organiser, Morgan Stanley. The main focus of the presentation was the outstanding 2008 results, the Group's geographic diversification and the excellent capital position of the Vienna Insurance Group.

These topics, and the activities and measures aimed at the Group's long-term sustained performance, were presented at the conference and during the 2009 Annual General Meeting by General Manager Günter Geyer. His talk was received very positively and was broadcast live on the Internet on 24 April 2009.

The Group's efforts in the area of sustainability are also being recognised at the international level. At the beginning of May, after the regular review had been completed, the Vienna Insurance Group was pleased to receive confirmation that VIG shares will continue to be included in the FTSE4Good sustainability index. The Vienna Insurance Group continues to satisfy the necessary global corporate social responsibility standards.

14 international investment banks will continue to follow the business performance of VIG shares. Analysts' average price target is currently at around EUR 35.30, which gives the Vienna Insurance Group share an upward price potential of around 25%.

SHARE & OUTLOOK

VIENNA INSURANCE GROUP SHARE INFORMATION

Key share information for 1st Quarter 2009

Highest Price	EUR	24.98
Lowest Price	EUR	16.10
Price as of 31 March 2009	EUR	21.63
Market capitalisation	EUR	2.77 billion
Dividend 2008	EUR	1.10
Bonus dividend	EUR	0.90
Average daily stock exchange trading volume*	EUR	5.17 million

*using single counting

Overview of the VIG share

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

Performance of VIG shares

Vienna Insurance Group shares followed the downward movement of international markets at the beginning of the year, reaching a temporary low for the year of EUR 16.10 on 9 March 2009. During the price recovery on the Vienna Stock Exchange, VIG shares also rose strongly to close out the quarter at a price of EUR 21.63. After the outstanding 2008 profit and the distribution

of a bonus dividend were announced, the share price rose from its low for the year until it had nearly doubled by the beginning of May. As a result, VIG shares outperformed the European insurance sector by around 30%, indicating the greater differentiation that investors are again making between companies.

Financial Calendar of V.I.G.*

6M results for 2009	20 August 2009
Ex-bonus dividend day	27 October 2009
Bonus dividend payment day	27 October 2009
9M results for 2009	10 November 2009

* preliminary schedule

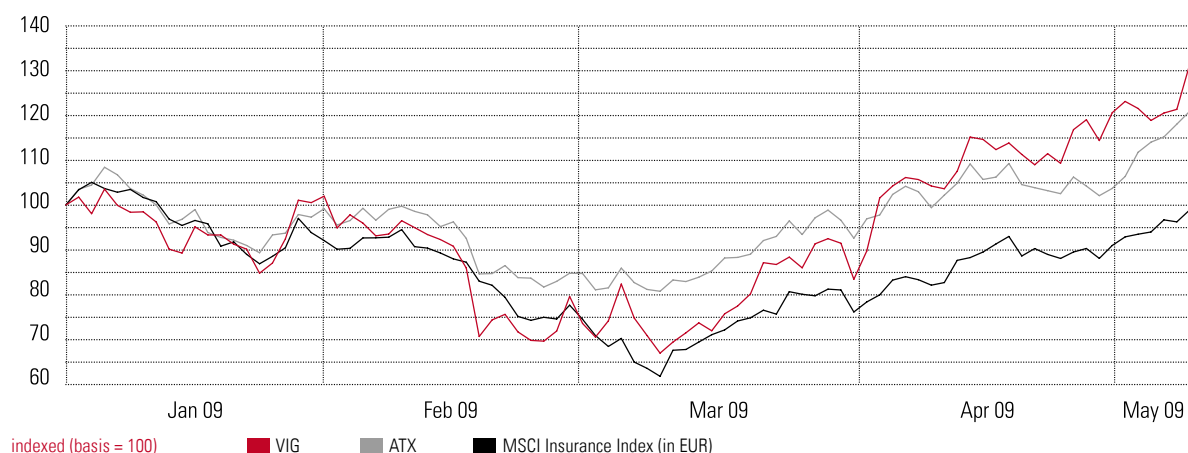
OUTLOOK

Despite the challenging economic environment, the Vienna Insurance Group is expecting premium growth in 2009. A precise forecast is not possible at the moment, due to the high exchange rate volatility being experienced by CEE currencies. New business areas are intended to contribute a portion of the expected premium increase.

The Vienna Insurance Group has set itself the goal of keeping its combined ratio significantly below 100% throughout the economic cycle.

Due to the uncertain situation on the financial markets, the Group does not currently feel able to make a precise forecast of profit before taxes for the year 2009 as a whole. The current volatility makes a serious forecast of the financial result, a major driver of insurance company earnings, impossible at the present time. Based on the current outlook, this also applies to the following year.

VIENNA INSURANCE GROUP (VIG) COMPARED TO THE ATX AND MSCI INSURANCE INDEX (IN EUR)
1 January – 8 May 2009



CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2009

ASSETS	31.3.2009	31.12.2008
in EUR '000		
A. Intangible assets		
I. Goodwill	1,756,212	1,416,089
II. Purchased insurance portfolios	63,685	67,569
III. Other intangible assets	161,890	165,283
Total intangible assets	1,981,787	1,648,941
B. Investments		
I. Land and buildings	3,114,886	3,090,411
II. Shares in at equity consolidated companies	115,191	119,651
III. Financial investments	20,650,056	21,337,503
a) Loans and other investments	5,383,317	5,765,808
b) Other securities	15,266,739	15,571,695
Financial investments held to maturity	2,360,866	2,347,061
Financial investments available for sale	11,511,167	11,707,295
Financial instruments recognised at fair value through profit or loss*	1,394,706	1,517,339
Total investments	23,880,133	24,547,565
C. Investments of unit- and index-linked life insurance	3,769,901	3,602,404
D. Reinsurers' share in underwriting provisions	1,081,299	1,222,261
E. Receivables	1,802,001	1,500,067
F. Deferred tax assets	134,423	131,170
G. Other assets	729,994	393,385
H. Cash and cash equivalents	556,028	619,327
Total ASSETS	33,935,566	33,665,120

* including trading assets

CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2009

LIABILITIES AND SHAREHOLDERS' EQUITY	31.3.2009	31.12.2008
in EUR '000		
A. Shareholders' equity		
I. Share capital	132,887	132,887
II. Other capital reserves	2,109,003	2,109,003
III. Capital reserves from premiums paid on hybrid capital	245,602	245,602
IV. Retained earnings	1,520,460	1,423,144
V. Other reserves	-106,482	-38,763
VI. Minority interests	274,224	266,917
Total shareholders' equity	4,175,694	4,138,790
B. Subordinated liabilities	505,288	501,242
C. Underwriting provisions		
I. Unearned premiums	1,422,573	1,030,712
II. Mathematical reserve	16,772,358	16,861,965
III. Provision for outstanding insurance claims	3,198,658	3,370,508
IV. Provision for profit-independent premium refunds	48,933	46,744
V. Provision for profit-dependent premium refunds	308,691	348,994
VI. Other underwriting provisions	22,582	23,444
Total underwriting provisions	21,773,795	21,682,367
D. Underwriting provisions of unit- and index-linked life insurance	3,507,406	3,346,773
E. Non-underwriting provisions		
I. Provisions for pensions and similar obligations	292,907	338,160
II. Provision for taxes	160,531	152,853
III. Other provisions	242,782	261,009
Total non-underwriting provisions	696,220	752,022
F. Liabilities	2,885,669	2,842,755
G. Deferred tax liabilities	134,532	141,483
H. Other liabilities	256,962	259,688
Total LIABILITIES AND SHAREHOLDERS' EQUITY	33,935,566	33,665,120

CONSOLIDATED SHAREHOLDERS' EQUITY

Change in consolidated shareholders' equity in fiscal years 2008 and 2009

	Share capital	Other capital reserves	Capital reserves from premiums paid on hybrid capital	Retained earnings	Unrealised gains and losses	Currency translation and other reserves	Shareholders' equity before minority interest*	Minority interests	Shareholders' equity
in EUR '000									
As of 1 January 2008	109,009	1,035,029	0	1,057,693	78,146	58,228	2,338,105	277,458	2,615,563
Exchange rate	0	0	0	0	0	15,678	15,678	787	16,465
Changes in scope of consolidation/ownership interests	0	0	0	6,542	0	0	6,542	65	6,607
Unrealised gains and losses from financial investments available for sale	0	0	0	0	-53,468	0	-53,468	-4,711	-58,179
Profit for the period	0	0	0	91,412	0	0	91,412	7,456	98,868
Dividend payment	0	0	0	0	0	0	0	-580	-580
As of 31 March 2008	109,009	1,035,029	0	1,155,647	24,678	73,906	2,398,269	280,475	2,678,744
As of 1 January 2009	132,887	2,109,003	245,602	1,423,144	-57,102	18,339	3,871,873	266,917	4,138,790
Exchange rate	0	0	0	0	0	-39,482	-39,482	-688	-40,170
Changes in scope of consolidation/ownership interests	0	0	0	2,564	0	0	2,564	5,216	7,780
Unrealised gains and losses from financial investments available for sale	0	0	0	0	-28,237	0	-28,237	-848	-29,085
Profit for the period	0	0	0	94,752	0	0	94,752	4,267	99,019
Dividend payment	0	0	0	0	0	0	0	-640	-640
As of 31 March 2009	132,887	2,109,003	245,602	1,520,460	-85,339	-21,143	3,901,470	274,224	4,175,694

* Equity attributable to shareholders and other capital providers of the parent company.

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2009

	1.1.–31.3.2009	1.1.–31.3.2008
in EUR '000		
Premiums		
Premiums written – Gross	2,345,431	2,311,250
Premiums written – Reinsurers' share	–300,604	–340,053
Premiums written – Retention	2,044,827	1,971,197
Change due to provisions for premiums – Gross	–352,236	–365,855
Change due to provisions for premiums – Reinsurers' share	105,658	131,466
Net earned premiums	1,798,249	1,736,808
Financial Result		
Investment income	511,293	363,112
Investment and interest expenses	–273,242	–188,007
Total financial result	238,051	175,105
Other income	41,207	17,458
Claims and insurance benefits		
Expenses for claims and insurance benefits – Gross	–1,571,712	–1,507,358
Expenses for claims and insurance benefits – Reinsurers' share	98,650	148,249
Total expenses for claims and insurance benefits	–1,473,062	–1,359,109
Operating expenses	–409,905	–391,594
Other expenses	–73,822	–54,298
Result from shares in at equity consolidated companies	102	475
Profit before taxes	120,820	124,845
Tax expenses	–21,801	–25,977
Profit for the period	99,019	98,868
<i>Attributable to Vienna Insurance Group shareholders</i>	<i>94,752</i>	<i>91,412</i>
<i>Minority interests in net income for the period</i>	<i>4,267</i>	<i>7,456</i>
Earnings per Share (annualized)		
basic = diluted earnings per share (in EUR)	2.96	3.48

CONSOLIDATED CASH FLOW STATEMENT FROM 1 JANUARY TO 31 MARCH 2009 (2008)

	1.1.–31.3.2009	1.1.–31.3.2008
<i>in EUR '000</i>		
Profit for the period less minority interest	94,752	91,412
Minority interest	4,267	7,454
Profit for the period before minority interest	99,019	98,866
Net change in underwriting provisions	225,154	808,462
Changes in underwriting receivables and payables	–302,003	–322,069
Changes in deposit receivables and payables, as well as in invoice receivables and payables	137,810	18,990
Changes in other receivables and payables	46,431	–233,416
Changes in financial investments held for trading	99,999	43,265
Realised gains and losses of investments	–50,465	–33,426
Write up/down of all other investments	93,250	36,972
Changes in provisions for pension, severance pay, and other personnel expenses	–45,253	–52,103
Changes in deferred tax assets/liabilities, excl. tax provisions	30,033	–1,684
Changes in other balance sheet items	–249,455	–57,847
Changes in goodwill and intangible assets	4,482	3,942
Other income and expenses affecting cash flow, and adjustments to net income for the period	491,404	–145,338
Cash Flow from operating activities	580,406	164,614
Receipts from the sale of fully consolidated companies and at equity consolidated companies	955	15,945
Pay offs from the acquisition of fully consolidated companies and at equity consolidated companies	–409,666	–287
Cash proceeds from the sale of available for sale securities	906,672	864,127
Payments for the acquisition of available for sale securities	–1,183,829	–1,045,021
Cash proceeds from the reduction of securities held to maturity	126,810	1,817
Payments for the addition of securities held to maturity	–154,717	–86,204
Cash proceeds from the sale of land and buildings	2,451	3,827
Payments for the acquisition of land and buildings	–40,859	–37,878
Changes in unit- and index-linked life insurance items	–231,662	–80,189
Changes in other investments	298,296	–19,860
Cash Flow from investing activities	–685,549	–383,723
Decrease/increase subordinated liabilities	174	516
Dividend payments	–640	–580
Cash proceeds from and payments for other financing activities	27,077	186,563
Cash Flow from financing activities	26,611	186,499
Net change in cash and cash equivalents	–78,532	–32,610
Cash and cash equivalents at beginning of period	619,327	277,700
Cash and cash equivalents at end of period	556,028	273,483
<i>Including non-profit housing development corporations</i>	63,782	53,128
Changes in scope of consolidation	10,637	23,685
Foreign exchange differences in cash and cash equivalents	4,596	4,708
Additional information		
Interest received	196,935	174,507
Dividends received	79,290	12,823
Interest paid	22,623	25,746
Income taxes paid	4,596	14,647

SEGMENT REPORTING

CONSOLIDATED BALANCE SHEET BY PRIMARY SEGMENTS (LINES OF BUSINESS)

ASSETS	Property/Casualty		Life		Health		Total	
	31.3.2009	31.12.2008	31.3.2009	31.12.2008	31.3.2009	31.12.2008	31.3.2009	31.12.2008
in EUR '000								
A. Intangible assets	1,037,501	801,894	936,392	839,088	7,894	7,959	1,981,787	1,648,941
B. Investments	3,749,876	3,751,376	19,324,244	19,965,446	806,013	830,743	23,880,133	24,547,565
C. Investments of unit- and index-linked life insurance	0	0	3,769,901	3,602,404	0	0	3,769,901	3,602,404
D. Reinsurers' share of underwriting provisions	918,146	1,097,749	161,883	122,302	1,270	2,210	1,081,299	1,222,261
E. Receivables	1,187,889	943,227	569,976	526,685	44,136	30,155	1,802,001	1,500,067
G. Other assets	408,581	206,079	315,424	181,944	5,989	5,362	729,994	393,385
H. Cash and cash equivalents	136,551	197,254	406,306	418,279	13,171	3,794	556,028	619,327
Subtotal	7,438,544	6,997,579	25,484,126	25,656,148	878,473	880,223	33,801,143	33,533,950
Consolidated deferred tax assets							134,423	131,170
Total ASSETS							33,935,566	33,665,120

LIABILITIES AND SHAREHOLDERS' EQUITY	Property/Casualty		Life		Health		Total	
	31.3.2009	31.12.2008	31.3.2009	31.12.2008	31.3.2009	31.12.2008	31.3.2009	31.12.2008
in EUR '000								
B. Subordinated liabilities	193,895	189,646	311,393	311,596	0	0	505,288	501,242
C. Underwriting provisions	4,289,314	4,101,240	16,663,944	16,776,290	820,537	804,837	21,773,795	21,682,367
D. Underwriting provisions of unit- and index-linked insurance	0	0	3,507,406	3,346,773	0	0	3,507,406	3,346,773
E. Non-underwriting provisions	393,710	426,524	260,317	276,396	42,193	49,102	696,220	752,022
F. Liabilities	626,652	634,701	2,115,494	2,063,294	143,523	144,760	2,885,669	2,842,755
H. Other liabilities	241,406	248,839	12,717	10,806	2,839	43	256,962	259,688
Subtotal	5,744,977	5,600,950	22,871,271	22,785,155	1,009,092	998,742	29,625,340	29,384,847
Consolidated deferred tax liabilities							134,532	141,483
Consolidated shareholders' equity							4,175,694	4,138,790
Total LIABILITIES AND SHAREHOLDERS' EQUITY							33,935,566	33,665,120

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.

SEGMENT REPORTING

CONSOLIDATED INCOME STATEMENT BY SEGMENT

LINES OF BUSINESS	Property/Casualty		Life		Health		Total	
	1.1.–31.3.09	1.1.–31.3.08	1.1.–31.3.09	1.1.–31.3.08	1.1.–31.3.09	1.1.–31.3.08	1.1.–31.3.09	1.1.–31.3.08
in EUR '000								
Premiums written – Gross	1,372,263	1,382,580	889,262	846,987	83,906	81,683	2,345,431	2,311,250
Net earned premiums	848,236	841,941	869,725	816,819	80,288	78,048	1,798,249	1,736,808
Net investment income, not incl. at equity consolidated companies	52,344	23,192	186,163	154,669	–456	–2,756	238,051	175,105
Other income	26,016	7,680	15,190	9,778	1	0	41,207	17,458
Claims and insurance benefits	–559,654	–538,366	–847,795	–758,365	–65,613	–62,378	–1,473,062	–1,359,109
Operating expenses	–239,690	–235,290	–161,443	–145,353	–8,772	–10,951	–409,905	–391,594
Other expenses	–46,220	–38,578	–27,472	–15,429	–130	–291	–73,822	–54,298
Result from shares in at equity consolidated companies	677	605	352	134	–927	–264	102	475
Profit before taxes	81,709	61,184	34,720	62,253	4,391	1,408	120,820	124,845

REGIONS	Austria		Czech Republic		Slovakia		Poland	
	1.1.–31.3.09	1.1.–31.3.08	1.1.–31.3.09	1.1.–31.3.08	1.1.–31.3.09	1.1.–31.3.08	1.1.–31.3.09	1.1.–31.3.08
in EUR '000								
Premiums written – Gross	1,244,615	1,215,812	404,466	359,672	186,233	161,310	143,088	174,040
Net earned premiums	934,110	895,654	320,570	268,345	139,617	122,649	131,908	157,448
Net investment income, not incl. at equity consolidated companies	168,010	148,039	13,304	5,920	8,760	4,761	6,563	2,603
Other income	2,407	4,778	6,333	3,317	1,426	706	1,193	4,091
Claims and insurance benefits	–851,676	–808,777	–212,139	–183,433	–108,807	–80,830	–79,685	–82,662
Operating expenses	–163,986	–152,203	–87,468	–60,336	–26,517	–25,715	–50,140	–69,386
Other expenses	–11,100	–11,461	–17,002	–13,715	–9,568	–10,806	–3,550	–4,751
Result from shares in at equity consolidated companies	–505	20	607	455	0	0	0	0
Profit before taxes	77,260	76,050	24,205	20,553	4,911	10,765	6,289	7,343

	Romania		Other CEE markets		Other markets		Total	
	1.1.–31.3.09	1.1.–31.3.08	1.1.–31.3.09	1.1.–31.3.08	1.1.–31.3.09	1.1.–31.3.08	1.1.–31.3.09	1.1.–31.3.08
in EUR '000								
Premiums written – Gross	167,826	200,863	157,193	124,289	42,010	75,264	2,345,431	2,311,250
Net earned premiums	129,122	136,438	111,021	90,520	31,901	65,754	1,798,249	1,736,808
Net investment income, not incl. at equity consolidated companies	17,459	6,222	19,400	4,109	4,555	3,451	238,051	175,105
Other income	15,962	717	3,180	3,154	10,706	695	41,207	17,458
Claims and insurance benefits	–112,515	–92,044	–85,329	–59,439	–22,911	–51,924	–1,473,062	–1,359,109
Operating expenses	–39,996	–45,746	–36,445	–31,616	–5,353	–6,592	–409,905	–391,594
Other expenses	–3,756	–2,884	–14,371	–4,072	–14,475	–6,609	–73,822	–54,298
Result from shares in at equity consolidated companies	0	0	0	0	0	0	102	475
Profit before taxes	6,276	2,703	–2,544	2,656	4,423	4,775	120,820	124,845

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 MARCH 2009

Accounting Policies

These interim consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), and are consistent with IAS 34 "Interim Financial Reporting".

Information regarding seasonal and cyclical influences

Within the Vienna Insurance Group, seasonal fluctuations chiefly appear in the areas of premiums, claims and financial results. Based on the high number of policy inceptions in January, the 1st quarter is normally the year's strongest in terms of premiums. Claims in the 1st quarter (or the 1st half, as the case may be) are also normally marked by higher liabilities, especially due to adverse environmental influences (snow, melting snow, storms, floods). Financial results are affected by the fact that a large portion of dividends must be paid in the 2nd quarter, while many investment funds make distributions in the 4th quarter. The focus of the Group's investment strategy is on the ongoing financial market crisis and, consequently, the continued pursuit and refinement of the Vienna Insurance Group's conservative risk policy, also in 2009.

Estimates

Preparation of interim consolidated financial statements in accordance with IFRS requires that discretionary assessments and assumptions be made about the future development of the Company that could have a material effect on the recognition and value of assets and liabilities, as well as income and expenses, during the financial year. The estimates relate in particular to the underwriting provisions. No material changes were made to the system for determining these estimates during the reporting period under review.

Related party transactions

These mainly concern intercompany reinsurance relationships on a minor scale and financing at market terms, chiefly in the real estate area, as well as 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.

Information regarding changes to scope of consolidation

In the 1st quarter of 2009, the companies BCR Asigurari de Viata S.A., BCR Asigurari S.A., and Compensa Life (formerly Seesam), which operates in the Baltic markets, were fully consolidated in the Vienna Insurance Group reporting entity for the first time. Bulstrad Insurance Joint-Stock Company, Bulstrad Life Insurance Joint-Stock Company and Helios Vienna Insurance Group d.d. were previously included in the consolidated financial statements by means of proportional consolidation, and were fully consolidated for the first time in the 1st quarter of 2009.

In comparison to the 1st quarter of 2008, Sparkassen Versicherung AG Vienna Insurance Group, Erste Vienna Insurance Group Biztosító Zrt., Erste osiguranje Vienna Insurance Group, Pojišťovna České spořitelny a.s. Vienna Insurance Group and Poist'ovňa Slovenskej sporitel'ne, a.s. Vienna Insurance Group were fully consolidated. The companies HOTEL SRNÍ, a.s. and ČPP servis, s.r.o. were included in the consolidated financial statements for the first time at the end of 2008 using the equity method. In addition, VIG RE zajišťovna, a.s. was established in 2008 and fully consolidated in the annual financial statements.

PKB Privatkliniken Beteiligungs-GmbH was deconsolidated in the 1st quarter of 2009. In comparison to the 1st quarter of 2008, the Austrian insurance company BA-CA Versicherung AG, the Romanian Unita Vienna Insurance Group and Agras Vienna Insurance Group S.A., which is affiliated with Unita, were deconsolidated.

Type and extent of business transactions unusual in terms of type, amount or frequency

The Vienna Insurance Group sold Erste Group a 95% stake in its investment fund company Ringturm KAG at the beginning of 2009.

Changes in contingent liabilities and receivables

There were no changes in this area during the reporting period just ended relative to the 1st quarter of 2008.

INFORMATION TO CONSOLIDATED INCOME STATEMENT

PREMIUMS WRITTEN

Gross premiums written property/casualty insurance	1.1.–31.3.2009	1.1.–31.3.2008
in EUR '000		
Direct business		
Insurance for business interruption following fire	207,999	175,519
Household insurance	60,269	57,491
Other non-life insurance	147,667	135,764
Motor vehicle liability insurance	372,688	405,550
Other motor vehicle insurance	269,340	286,381
Casualty insurance	78,980	71,820
Liability insurance	123,926	120,969
Legal expenses insurance	13,733	13,228
Marine, aviation, and transport insurance	22,437	21,904
Credit and guarantee insurance	5,263	10,284
Other insurance	59,838	65,476
Subtotal	1,362,140	1,364,386
Indirect business		
Marine, aviation, and transport insurance	15	183
Other insurance	10,108	18,011
Subtotal	10,123	18,194
Total	1,372,263	1,382,580

Premiums written – Direct life insurance business	1.1.–31.3.2009	1.1.–31.3.2008
in EUR '000		
Regular premium policies	571,326	473,936
Single premium policies	317,899	371,679
Total direct life premiums written	889,225	845,615
of which:	889,225	845,615
Policies with profit participation	471,945	482,538
Policies without profit participation	87,778	119,529
Policies unit- and index-linked life insurance	329,502	243,548
of which:	889,225	845,615
Individual policies	835,060	721,052
Group policies	54,165	124,563

FINANCIAL RESULT

Detail – income	Property/Casualty		Life		Health		Total	
	1.1.–31.3.09	1.1.–31.3.08	1.1.–31.3.09	1.1.–31.3.08	1.1.–31.3.09	1.1.–31.3.08	1.1.–31.3.09	1.1.–31.3.08
in EUR '000								
Current income	41,907	40,716	278,479	207,335	11,320	5,304	331,706	253,355
Income from write-ups	2,299	2,063	22,664	10,076	6,055	4,956	31,018	17,095
Income from the disposal of investments	31,068	4,356	110,524	87,803	6,977	503	148,569	92,662
Total	75,274	47,135	411,667	305,214	24,352	10,763	511,293	363,112

Detail – expenses	Property/Casualty		Life		Health		Total	
	1.1.–31.3.09	1.1.–31.3.08	1.1.–31.3.09	1.1.–31.3.08	1.1.–31.3.09	1.1.–31.3.08	1.1.–31.3.09	1.1.–31.3.08
in EUR '000								
Depreciation on investments	9,761	8,984	61,514	41,863	867	8,142	72,142	58,989
Impairment of investments	8,592	1,543	57,862	18,243	4,058	166	70,512	19,952
Exchange rate	-5,957	-612	-7,545	-514	1	-2	-13,501	-1,128
Losses from the disposal of investments	2,750	3,844	73,460	52,874	17,338	3,419	93,548	60,137
Interest expenses	5,770	6,641	19,670	17,647	1,731	1,312	27,171	25,600
Other expenses	2,014	3,543	20,543	20,432	813	482	23,370	24,457
Total	22,930	23,943	225,504	150,545	24,808	13,519	273,242	188,007

EARNINGS PER SHARE

	1.1.–31.3.2009		1.1.–31.3.2008	
Profit for the period	'000 EUR	99,019	'000 EUR	98,868
Profit for the period after minority interest	'000 EUR	94,752	'000 EUR	91,412
Number of shares (weighted)	no.	128,000,000	no.	105,000,000
Earnings per share	EUR	2.96	EUR	3.48

EXPENSES FOR CLAIMS AND INSURANCE BENEFITS

Detail	Gross		Ceded to reinsurers		Retained	
	1.1.–31.3.09	1.1.–31.3.08	1.1.–31.3.09	1.1.–31.3.08	1.1.–31.3.09	1.1.–31.3.08
in EUR '000						
Property/casualty insurance						
Expenses for insurance claims						
Claims and benefits	629,761	562,759	–118,702	–109,415	511,059	453,344
Changes in provisions for outstanding claims	9,317	100,037	32,542	–21,831	41,859	78,206
SUBTOTAL	639,078	662,796	–86,160	–131,246	552,918	531,550
Change in mathematical reserve	1	–3	0	0	1	–3
Change in other underwriting provisions	663	530	123	–378	786	152
Expenses for the refund of premiums not dependent on profit	6,321	6,962	–372	–295	5,949	6,667
TOTAL EXPENSES	646,063	670,285	–86,409	–131,919	559,654	538,366
Life insurance						
Expenses for insurance benefits						
Claims and benefits	702,439	412,578	–6,748	–9,783	695,691	402,795
Changes in provisions for outstanding claims	10,815	7,197	–1,083	838	9,732	8,035
SUBTOTAL	713,254	419,775	–7,831	–8,945	705,423	410,830
Change in mathematical reserve	158,001	311,137	–4,311	–7,132	153,690	304,005
Change in other underwriting provisions	–265	–155	17	0	–248	–155
Expenses for the refund of premiums dependent to and not dependent on profit	–11,070	43,685	0	0	–11,070	43,685
TOTAL EXPENSES	859,920	774,442	–12,125	–16,077	847,795	758,365
Health insurance						
Expenses for insurance claims						
Claims and benefits	52,470	49,572	–69	–220	52,401	49,352
Changes in provisions for outstanding claims	287	309	–6	–16	281	293
SUBTOTAL	52,757	49,881	–75	–236	52,682	49,645
Change in mathematical reserve	9,972	10,008	–41	–17	9,931	9,991
Expenses for the refund of premiums not dependent on profit	3,000	2,742	0	0	3,000	2,742
TOTAL EXPENSES	65,729	62,631	–116	–253	65,613	62,378
TOTAL	1,571,712	1,507,358	–98,650	–148,249	1,473,062	1,359,109

OTHER INFORMATION

Employee statistics	31.3.2009	31.12.2008
Austria	6,296	6,341
Field sales representatives	2,896	2,961
Office employees	3,400	3,380
Outside Austria	18,748	17,052
Field sales representatives	9,847	8,821
Office employees	8,901	8,231
Total	25,044	23,393

DECLARATION BY THE MANAGING BOARD

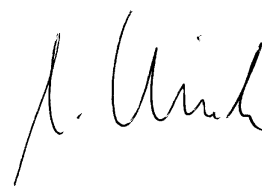
The Managing Board hereby declares that the consolidated financial statements, prepared in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the EU, give a true and fair view of the net assets, financial position and results of operations of Wiener Städtische Versicherung AG Vienna Insurance Group and all companies included in the

consolidation. The board further declares that the consolidated interim report presents the course of business and the business results in such a way as to yield as true a presentation as possible of the assets, financial position and operating results of the Wiener Städtische Versicherung AG Vienna Insurance Group as well as of the companies included within the scope of consolidation. The carrying out of an audit, or an auditor review, of the interim report has been dispensed with.

Managing Board of the Group:



Günter Geyer



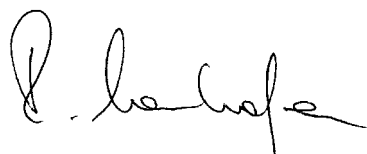
Karl Fink



Peter Hagen



Peter Höfinger



Robert Lasshofer



Martin Simhandl

Vienna, 8 May 2009



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ADDRESS

Wiener Städtische Versicherung AG
Vienna Insurance Group
Investor Relations
Thomas Schmee
Schottenring 30, A-1010 Vienna
Phone +43 (0)50 350-21919
Fax +43 (0)50 350 99-21919
E-Mail: investor.relations@vig.com

It goes without saying that all references in the text refer to men and women equally and without discrimination.

In case of doubt, the German version is authoritative.



