

SOLVENCY DISCLOSURE 2018

Vienna Insurance Group

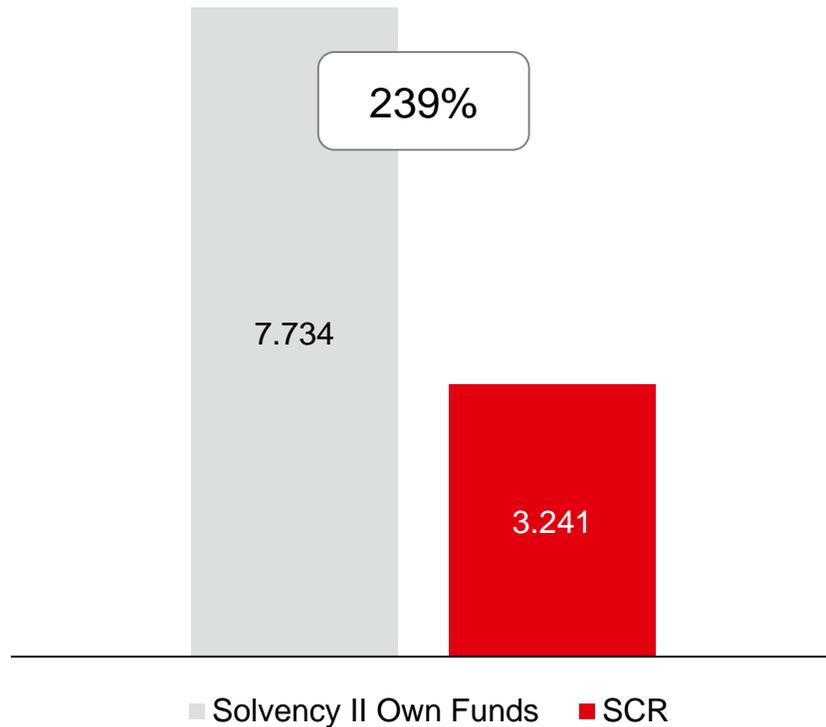




SOLVENCY RATIO OF 239% AS OF 31 DEC. 2018

Calculation based on Partial Internal Model (PIM)

in EUR million

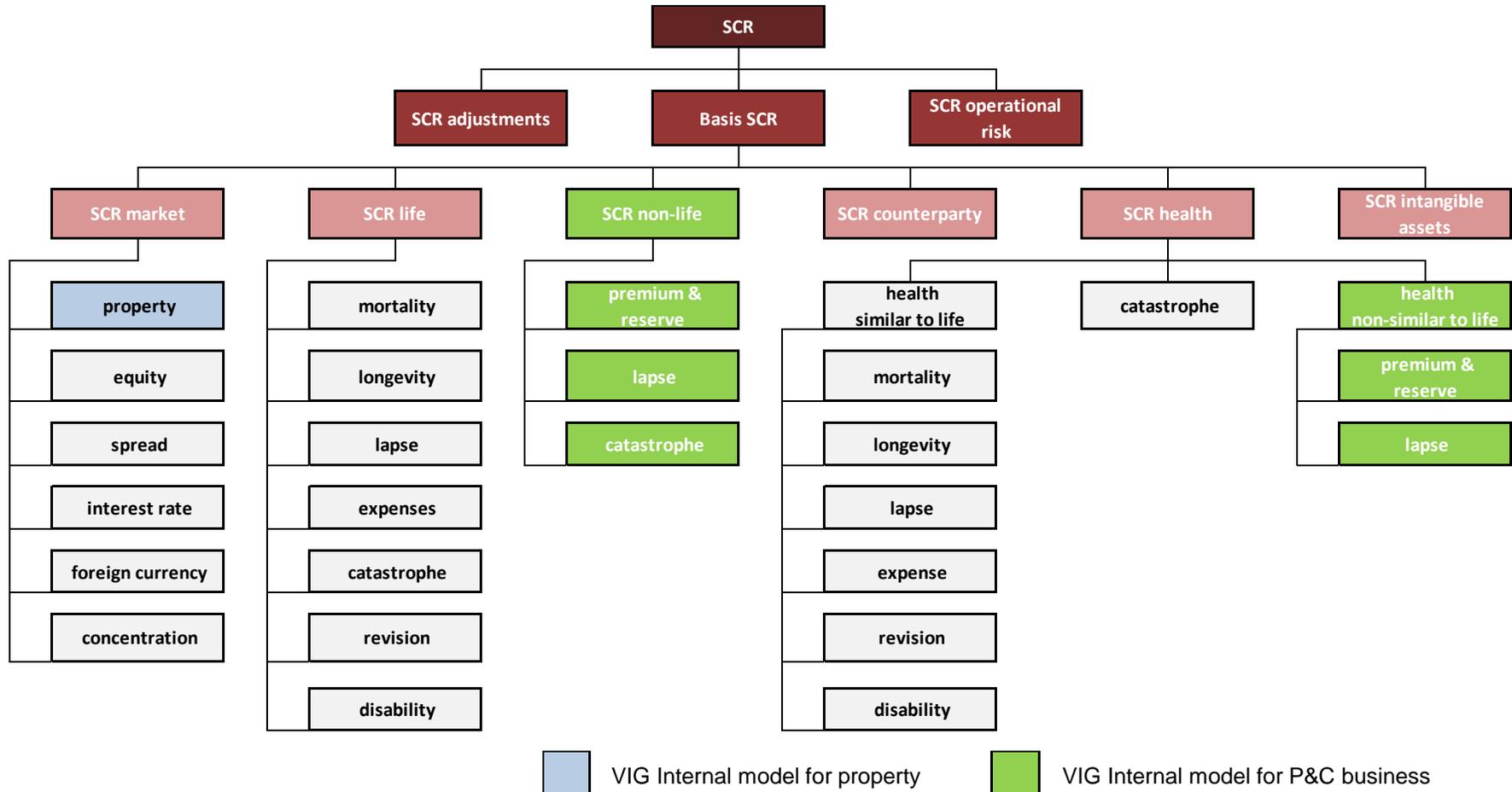


- Solvency ratio on level of stock-listed VIG at 239%
- Application of Partial Internal Model improves solvency ratio by 61pp
- PIM reduces SCR by EUR 1 116 million
- Results include volatility adjustment



SOLVENCY CAPITAL REQUIREMENT (SCR) OVERVIEW

Standard Formula and Partial Internal Model



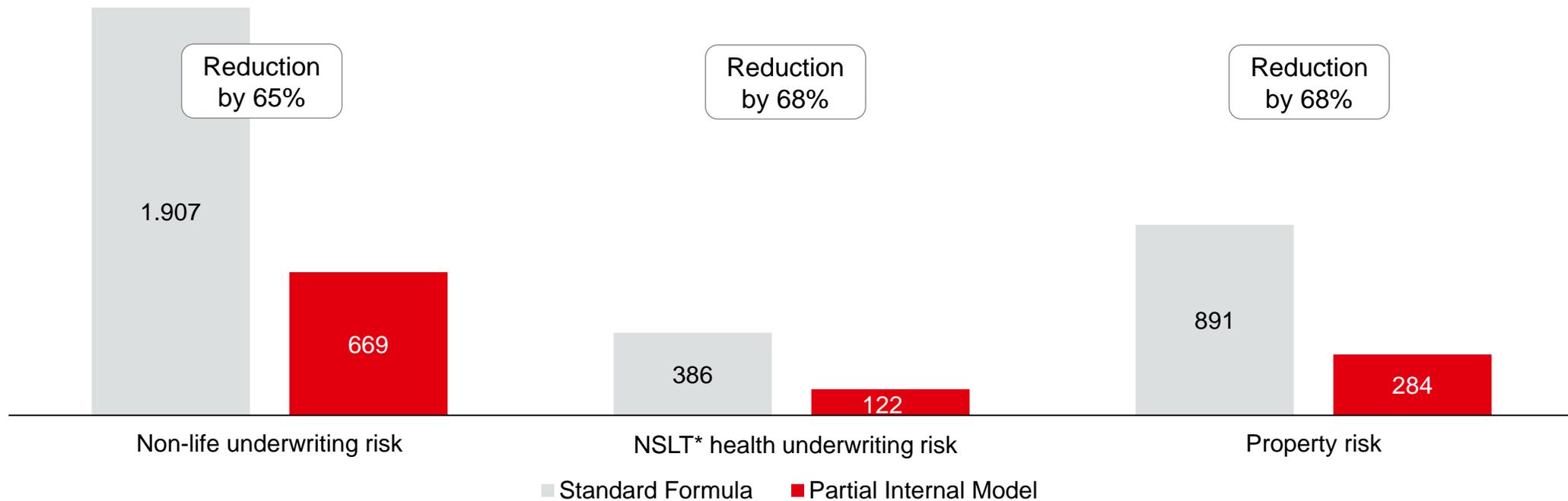
- Partial Internal Model of VIG approved by the Financial Market Authority (FMA) as of January 1, 2016



POSITIVE IMPACT OF PIM ON SCR

Comparison of Standard Formula and Partial Internal Model as of 31.12.2018

in EUR million



* Non Similar to Life Techniques

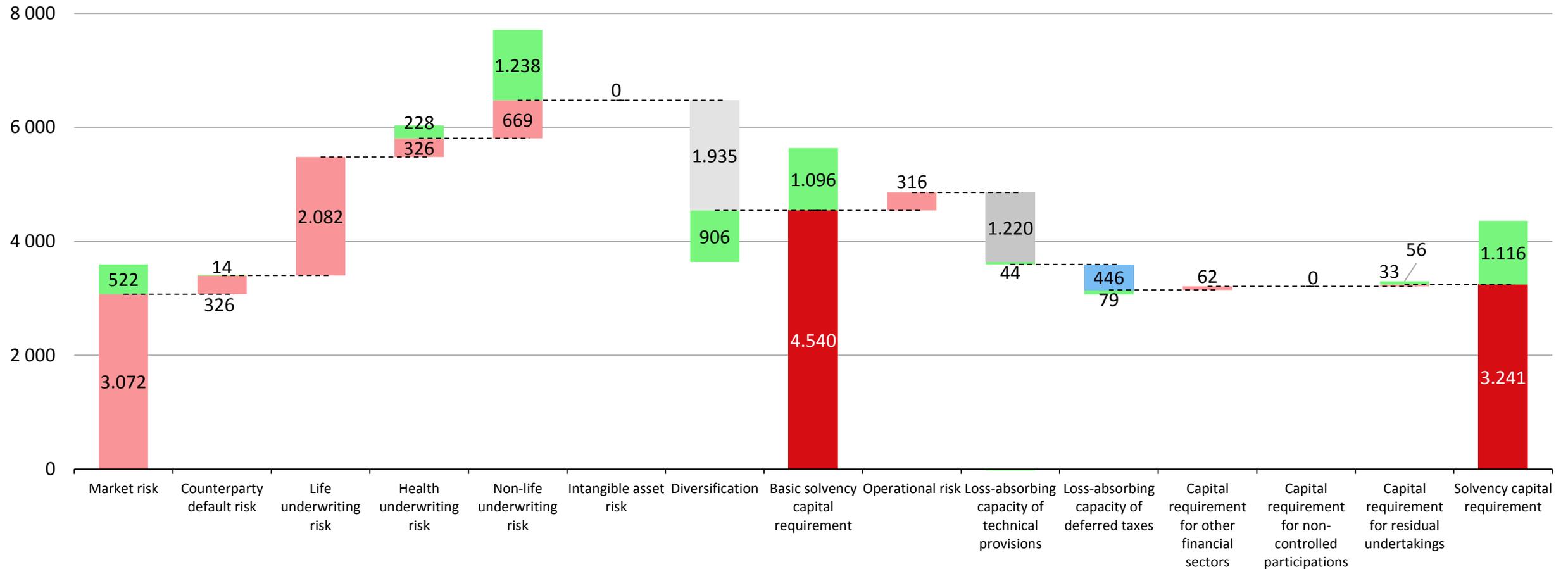


SOLVENCY CAPITAL REQUIREMENT (I)

SCR as of 31.12.2018 and PIM effects

in EUR million

SCR PIM gross PIM effect

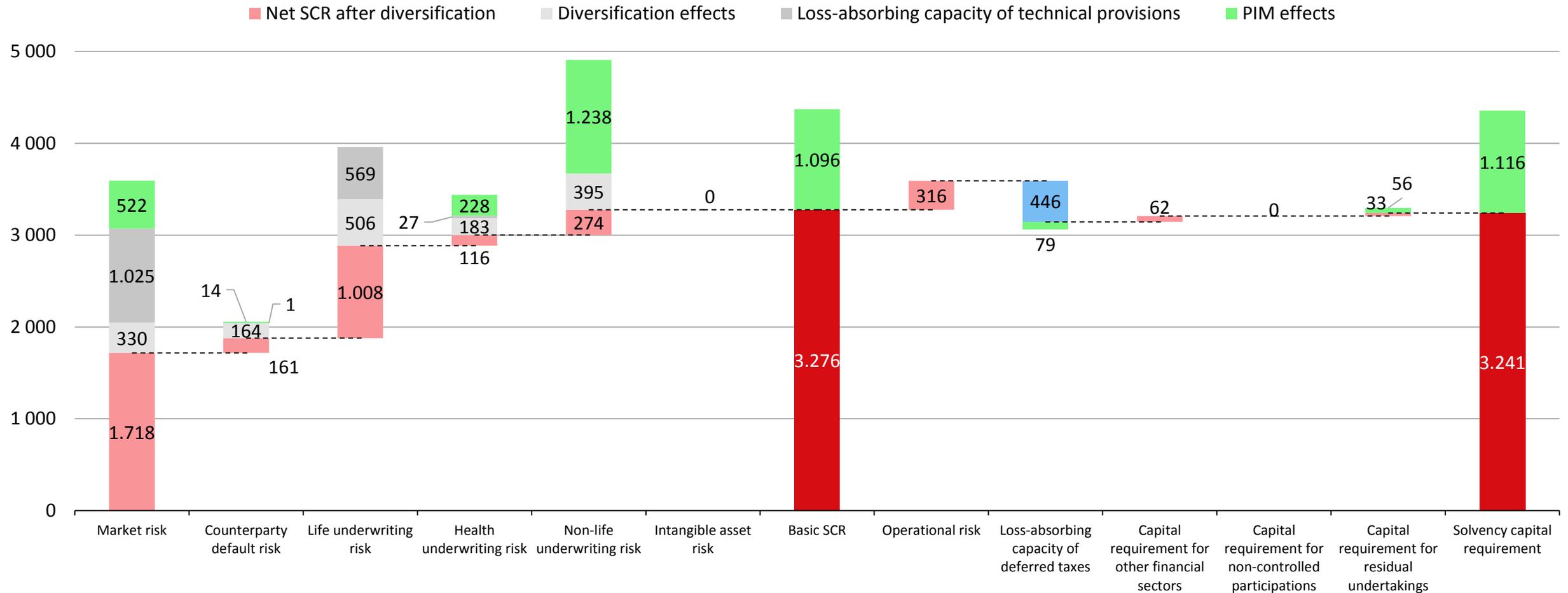




SOLVENCY CAPITAL REQUIREMENT (II)

Risk mitigating effects

in EUR million



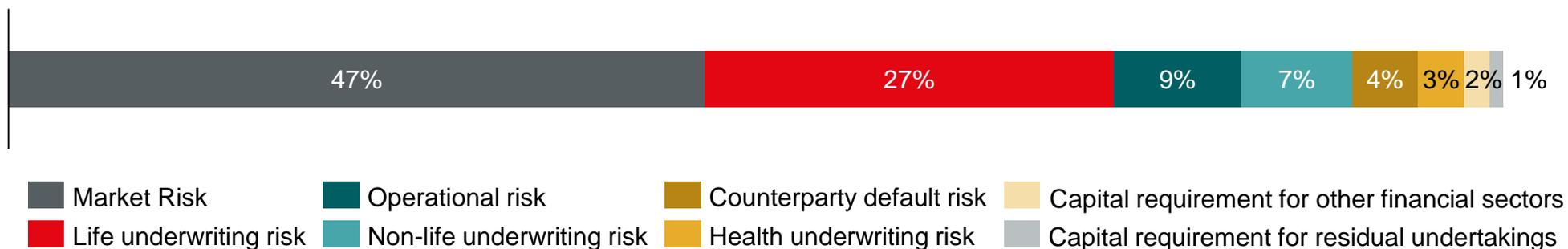


SOLVENCY CAPITAL REQUIREMENT (III)

Allocation of risks

- **Market risk accounts for 47% of total solvency capital requirement**
 - 58% of total market risk consists of spread risk and equity risk
 - Interest rate risk and currency risk make up almost one third of total market risk
- **Life underwriting risk contributes 27% to the total solvency capital requirement**
 - 77% of life underwriting risk results from lapse risk
 - Second biggest driver is life expense risk with 12%
- **Operational risk ranks third with 9% of total solvency capital requirement**
- **Non-life underwriting risk and health underwriting risk add up to 11% of total solvency capital requirement**

Allocation of risks (SCR of EUR 3 241mn)

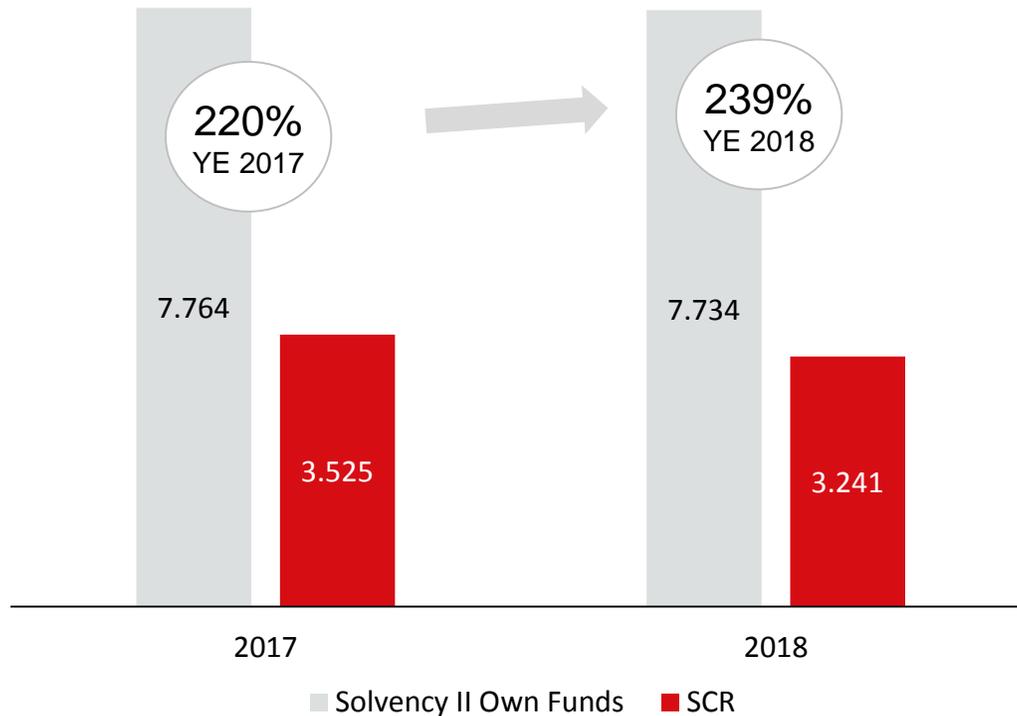


Note: Risk allocation calculated with Euler method based on PIM risks net after diversification

SOLVENCY CAPITAL REQUIREMENT (IV)

SCR 2018 compared to SCR 2017

in EUR million

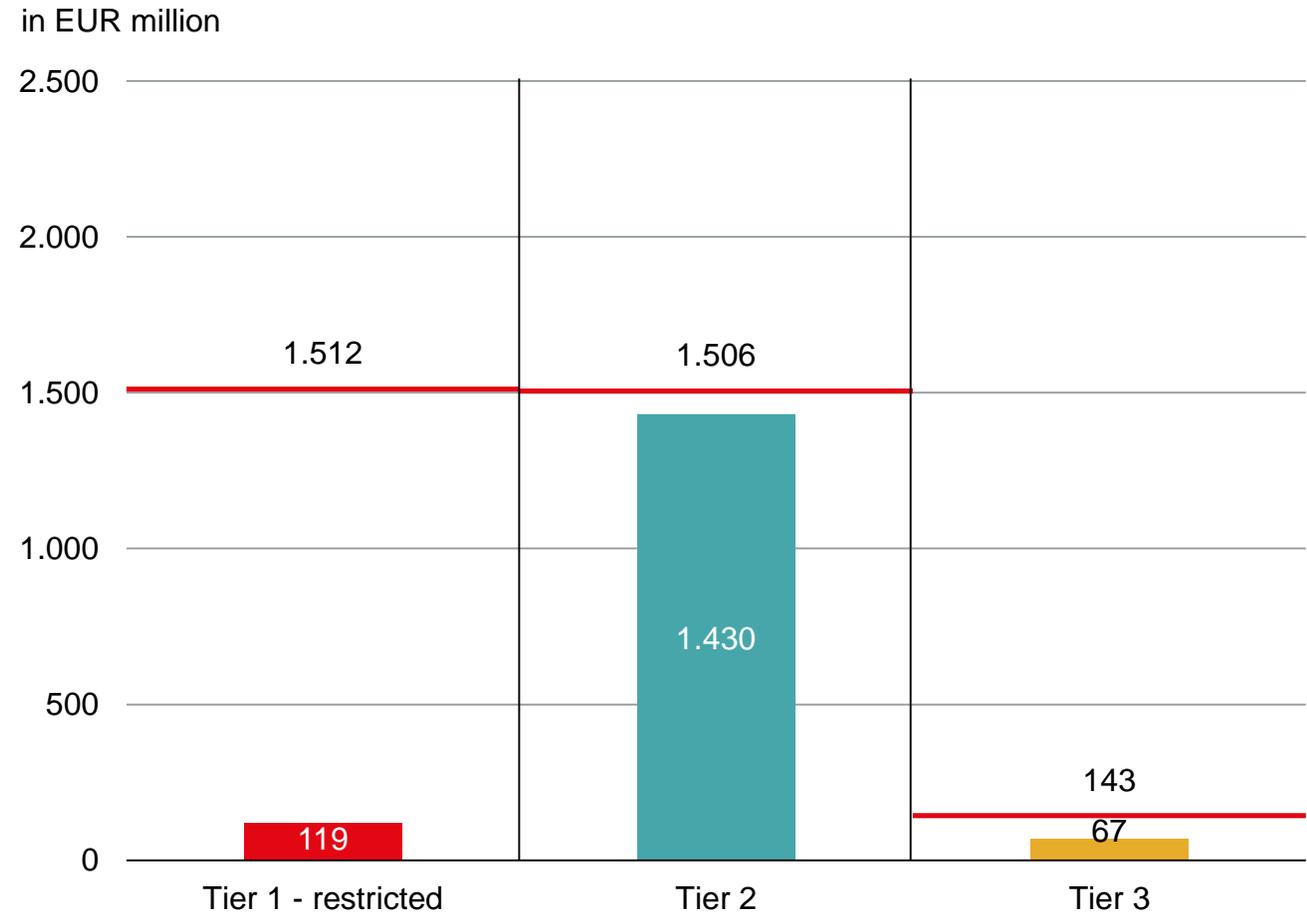
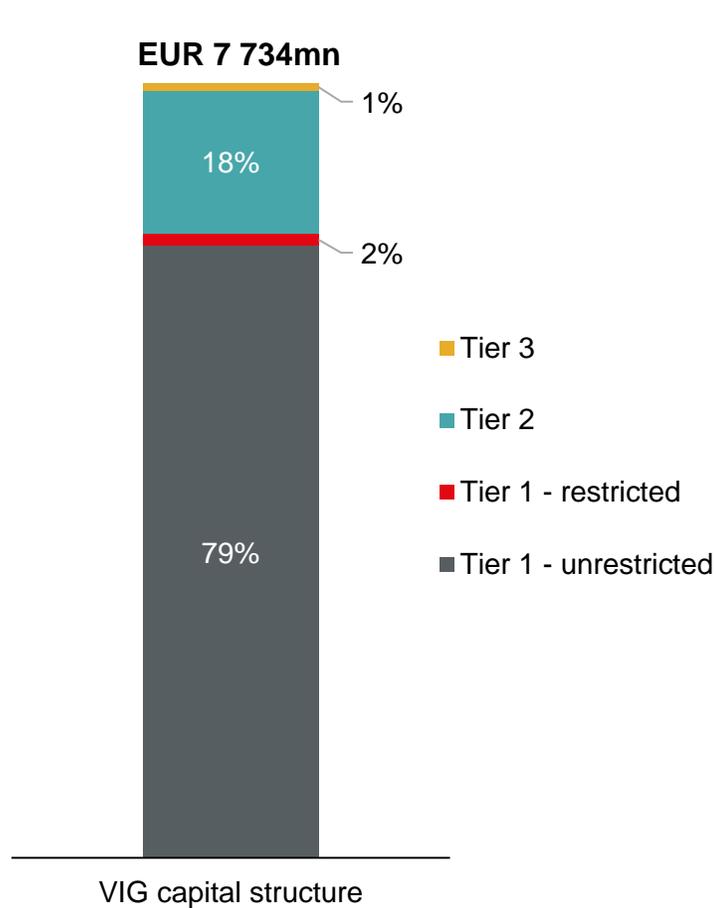


VIG AG in EUR million	31.12.2018	31.12.2017
Solvency capital requirement	3,241	3,525
Market risk	3,072	3,377
Counterparty default risk	326	314
Life underwriting risk	2,082	1,874
Health underwriting risk	326	364
Non-life underwriting risk	669	666
Intangible asset risk	0	0
Diversification	-1,935	-1,912
Basic solvency capital requirement	4,540	4,682
Operational risk	316	296
Loss-absorbing capacity of technical provisions	-1,264	-1,138
Loss-absorbing capacity of deferred taxes	-446	-462
Capital requirement for other financial sectors	62	57
Capital requirement for residual undertakings	33	90
Eligible own funds	7,734	7,764
Solvency ratio	239%	220%



OWN FUNDS (I)

Composition of Own Funds as of 31.12.2018

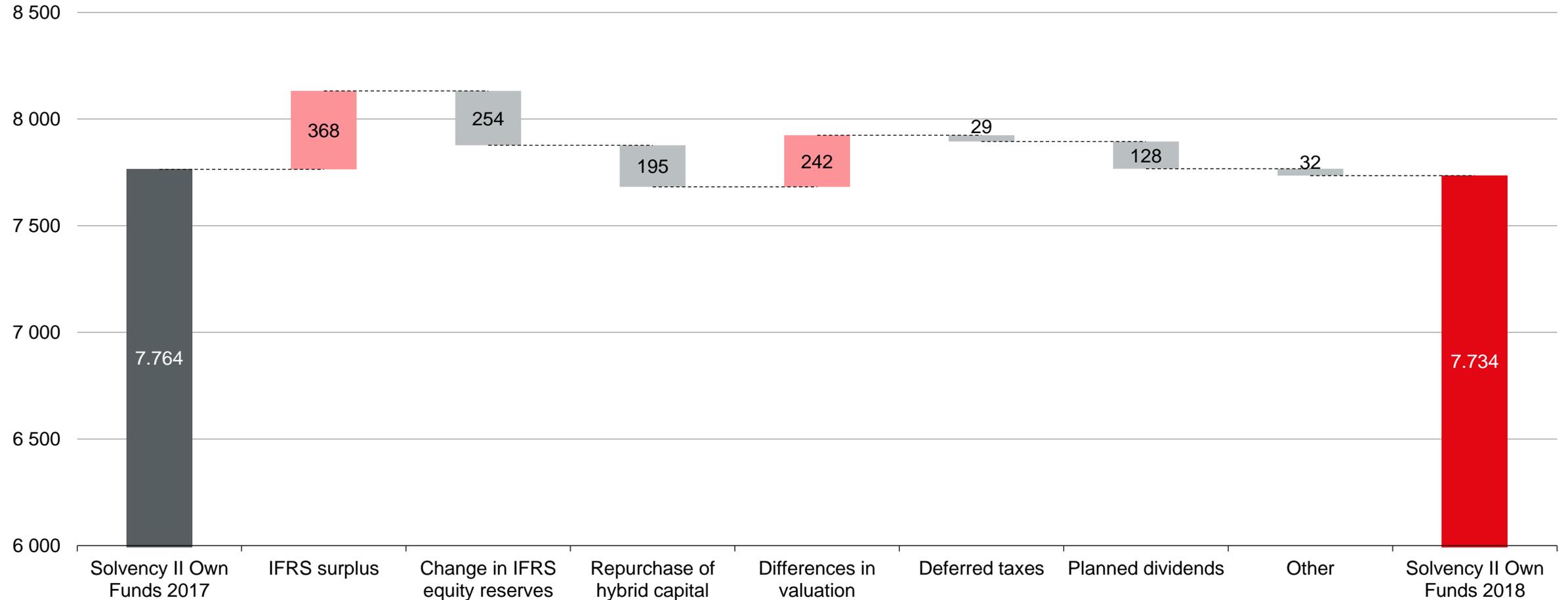




OWN FUNDS (II)

Own Funds 2017 compared to Own Funds 2018

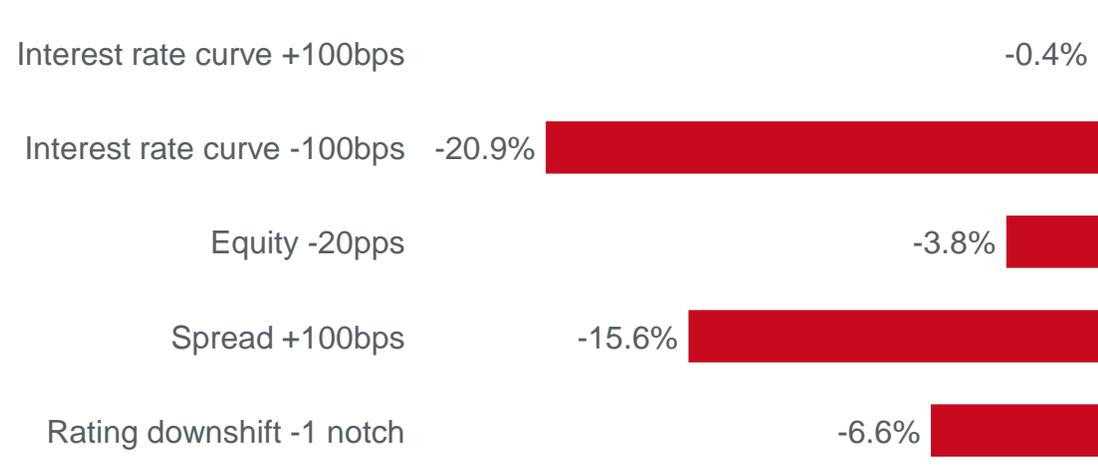
in EUR million



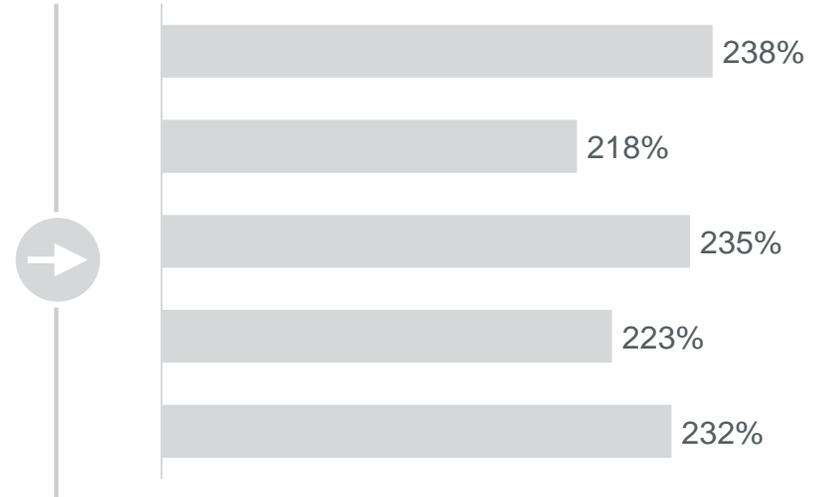


SENSITIVITY ANALYSIS

Market Sensitivities as of 31.12.2018



Absolute change in Solvency Ratio (pps)



Impact of absolute change on Solvency Ratio

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