

# DIVERCEEFICATION



# Letter from the chairwoman of the Managing Board

**Dear Shareholders,  
ladies and gentlemen!**

Operating in 25 different countries in Austria and Central and Eastern Europe (CEE), with around 50 companies using a variety of brands is a special “trademark” of Vienna Insurance Group (VIG). We feel this diversification, or “diverCEEfication” as shown on the cover, indicates two major advantages of our structure. Firstly, the multi-brand strategy allows us to achieve strong local customer and employee identification with “their” known insurance company. That increases confidence and expertise, two very important values, and allows us to use different distribution channels to reach different customers. Secondly, our diversification also spreads risk across country borders. We operate in markets that differ greatly from one another, in particular with respect to the timing of growth periods and calmer phases. Setbacks in one market can be compensated by higher rates of growth in other markets.



Group profit before taxes was EUR 101.5 million in the 1<sup>st</sup> quarter of 2016. As expected, the low interest rate environment reduced our financial result.

A solid technical result allowed the Group combined ratio of 97.8% in the 1<sup>st</sup> quarter of 2016 to remain significantly below the 100% mark.

We expect the low level of interest rates will continue to have a negative effect on our result during the further course of the financial year. We are, however, confident that we can reduce the effects of a decrease in our financial result by further improving our underwriting result, and confirm our target for 2016 of at least doubling profit (before taxes) to up to EUR 400 million.

A handwritten signature in black ink that reads "Stadler".

Elisabeth Stadler

We also want to take account of our regional diversification by dividing our business areas into new segments. As of the 1<sup>st</sup> quarter of 2016, our reports will provide a breakdown by markets, allowing us to present you the results achieved in different countries in more detail.

Our business development in the 1<sup>st</sup> quarter of 2016 shows that Vienna Insurance Group generated a premium volume of EUR 2,705.8 million. This represents a year-on-year decrease of 1.8%, which is once again due to conscious restraint in sales of single premium life insurance. As a result of the prolonged period of low interest rates, we expect a further decline in this segment in the current year. However, excluding the single premium business, VIG recorded satisfying premium growth of 3.2%.

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# Interim management report

## NEW SEGMENT REPORTING

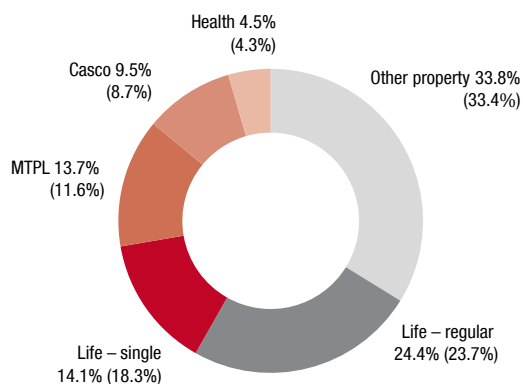
Starting in the 1<sup>st</sup> quarter of 2016, regular reporting to the Group Managing Board in its capacity as the ultimate decision-making body will take place only at the country level. Certain countries were combined based on size according to regional or product-specific factors (Turkey/Georgia, Remaining CEE and Other Markets).

The regular reports will no longer include separate reporting by lines of business (property and casualty, life and health insurance). This change is taking place in connection with the change in the composition of the Group Managing Board as of 1 January 2016. Regular monitoring of goodwill impairment will take place solely at the country level starting in the 1<sup>st</sup> quarter of 2016.

## BUSINESS DEVELOPMENT (IN ACCORDANCE WITH IFRS)

Vienna Insurance Group recorded Group premiums written of EUR 2,705.8 million in the 1<sup>st</sup> quarter of 2016, a year-on-year decline of 1.8%. This decrease is solely due to restraint in single premium life insurance. Excluding single premium business, the Group recorded satisfying premium growth of 3.2%.

## PREMIUM PERCENTAGE BY LINES OF BUSINESS IN THE 1<sup>ST</sup> QUARTER OF 2016



Values for 1<sup>st</sup> quarter 2015 in parentheses

## VIG IN THE 1<sup>ST</sup> QUARTER 2016

- **New segment reporting with a focus on regions**
- **Premium volume of EUR 2,705.8 million – not including single-premium life products +3.2%**
- **Profit before taxes of EUR 101.5 million**
- **Combined ratio of 97.8%**

Expenses for claims and insurance benefits less reinsurers' share were EUR 1,750.6 million in the first three months of 2016, representing a year-on-year increase of 1.2%. In the 1<sup>st</sup> quarter of 2016, acquisition and administrative expenses less reinsurance commissions fell by 1.4% to EUR 502.3 million.

Group profit before taxes also decreased in the 1<sup>st</sup> quarter of 2016 to EUR 101.5 million (-22.5%) due to the significant decrease in the financial result.

The Group had a combined ratio after reinsurance, (not including investment income) of 97.8% in the 1<sup>st</sup> quarter of 2016 (1<sup>st</sup> quarter of 2015: 96.3%).

Group investments including cash and cash equivalents were EUR 32.7 billion as of 31 March of the current year.

VIG generated a financial result of EUR 236.0 million in the 1<sup>st</sup> quarter of 2016. This represented a 13.7% year-on-year decrease that was mainly due to lower realised gains on the disposal of investments in bonds, loans and investment funds.

## BUSINESS DEVELOPMENT BY SEGMENT

### Development by segment

in EUR million	Premiums written		Profit before taxes	
	1.1.-31.3.2016	1.1.-31.3.2015	1.1.-31.3.2016	1.1.-31.3.2015
Austria	1,347.8	1,341.0	33.8	39.6
Czech Republic	406.8	457.8	42.9	45.8
Slovakia	190.8	214.7	10.8	9.7
Poland	207.0	238.1	7.8	15.5
Romania	142.3	100.3	1.5	1.8
The Baltic	34.3	15.1	-3.5	0.1
Hungary	50.3	60.6	0.9	0.7
Bulgaria	42.3	42.5	2.0	1.8
Türkey/ Georgia	57.5	46.3	2.0	1.0
Remaining CEE*	79.5	70.0	4.4	5.1
Other Markets**	106.5	122.6	6.6	6.4
Central Functions***	369.0	371.0	-7.9	4.0
Consolidation	-328.5	-324.3	0.3	-0.5
<b>Total</b>	<b>2,705.8</b>	<b>2,755.9</b>	<b>101.5</b>	<b>130.9</b>

\* Remaining CEE: Albania, Bosnia-Herzegovina, Croatia, Macedonia, Moldova, Serbia, Ukraine

\*\* Other Markets: Germany, Liechtenstein

\*\*\* Central Functions include VIG Fund, VIG Holding, VIG Re, the non-profit housing societies, corporate IT service providers and intermediate holding companies.

#### Austria

In the 1<sup>st</sup> quarter of 2016, the Austrian Vienna Insurance Group companies generated premiums written of EUR 1,347.8 million. This corresponds to a year-on-year increase of 0.5%.

Profit before taxes was EUR 33.8 million. This represents a drop of 14.6%, which was mainly due to fewer realised gains from the disposal of investments.

The combined ratio was 99.5% in the 1<sup>st</sup> quarter of 2016 (1<sup>st</sup> quarter of 2015: 98.1%).

#### Czech Republic

Due to the restraint in single premium life insurance business, premiums written of the Czech VIG companies fell by 11.1% in the first three months of the current year to EUR 406.8 million. However, excluding single premium business, impressive premium growth of 6.8% was achieved.

Profit before taxes declined 6.2% year-on-year to EUR 42.9 million due to the drop in the financial result.

The combined ratio was further reduced to an excellent 88.7% (1<sup>st</sup> quarter of 2015: 89.7%).

#### Slovakia

The Slovakian Vienna Insurance Group companies recorded premiums written of EUR 190.8 million in the 1<sup>st</sup> quarter of 2016, representing a year-on-year decrease of 11.1%. This drop in premiums is solely due to the reduction in single premium life insurance business. However, excluding single premium business, the Slovakian Group companies recorded premium growth of 2.0%.

Profit before taxes was EUR 10.8 million. The significant 11.3% increase was mainly due to lower expenses for claims and insurance benefits.

The combined ratio was 95.7% in the first three months of 2016 (1<sup>st</sup> quarter of 2015: 94.5%).

#### Poland

The Polish Group companies wrote EUR 207.0 million in premiums written in the first three months of 2016. The year-on-year decrease of 13.1% was primarily due to the decrease in single premium life insurance business and transfer of the Baltics non-life insurance business.

The Polish Group companies earned profit before taxes of EUR 7.8 million in the 1<sup>st</sup> quarter of 2016 – the year-on-year decrease of 49.5% was mainly due to a lower financial result due to the market conditions and increased price competition in the motor vehicle lines of business.

The combined ratio was affected by the ongoing difficult market conditions, particularly in the motor vehicle lines of business. At 99.2%, it was only slightly below the 100% mark (1<sup>st</sup> quarter of 2015: 98.1%).

#### Romania

The Romanian VIG Group companies wrote premiums written of EUR 142.3 million in the first three months of 2016, a major increase of 41.8%. A large amount of new

motor third party liability insurance (MTPL) business was one of the main factors for the increase.

Profit before taxes fell by 18.1% year-on-year to EUR 1.5 million. The decrease was primarily due to the decrease in the financial result.

The combined ratio improved considerably again compared to the previous year, although at a level of 102.8% it was still above the 100% mark.

#### **The Baltic**

The Baltic consist of the countries of Estonia, Latvia and Lithuania.

The Baltic Vienna Insurance Group companies wrote EUR 34.3 million in premiums written in the 1<sup>st</sup> quarter of 2016 (1<sup>st</sup> quarter of 2015: EUR 15.1 million). The significant increase in premiums was primarily due to the first-time consolidation of the newly founded insurance company Compensa Non-Life and acquisition of the non-life insurance company Baltikums.

A loss of EUR 3.5 million was recorded in the 1<sup>st</sup> quarter of 2016 due to start-up losses for Compensa Non-Life resulting from a transfer of the Baltic non-life business from a Polish Group company.

The mentioned losses also had an effect on the combined ratio, which was 131.6% in the first three months of the current year.

#### **Hungary**

The Hungarian Vienna Insurance Group companies recorded premiums written of EUR 50.3 million in the 1<sup>st</sup> quarter of 2016, representing a year-on-year decrease of 17.0%. Seasonal fluctuations in large customer business was the main factor for this decrease.

Profit before taxes rose to EUR 0.9 million. This year-on-year increase of 42.5% was due to the increase in Vienna Life's technical result and an improved financial result for Erste Biztosító.

The combined ratio was 105.1% in the 1<sup>st</sup> quarter of 2016 due to tax charges for insurance tax and trade tax (1<sup>st</sup> quarter of 2015: 105.0%).

#### **Bulgaria**

The Bulgarian Vienna Insurance Group companies recorded premiums written of EUR 42.3 million in the 1<sup>st</sup> quarter of 2016. The small year-on-year decrease of 0.6% was solely due to a reduction in motor third party liability insurance premiums that resulted from strong price competition in the market.

Profit before taxes was EUR 2.0 million. This represents a year-on-year increase of 11.2%, which was primarily due to a higher net profit from the pension insurance company Doverie.

Due to a more restrictive underwriting policy in the motor vehicle lines of business, the combined ratio significantly improved year on year. At 105.1%, however, it continues to lie above the 100% mark (1<sup>st</sup> quarter of 2015: 114.0%).

#### **Turkey/Georgia**

The Vienna Insurance Group companies in the Turkey/Georgia segment wrote EUR 57.5 million in premiums in the first three months of 2016, representing a large year-on-year increase of 24.2% (1<sup>st</sup> quarter of 2015: EUR 46.3 million). This change was due to the large increase in new motor third party liability insurance business.

Profit before taxes rose to EUR 2.0. This significant year-on-year increase of 99.8% was due to the increase in motor third party liability insurance and other property and casualty insurance in Turkey.

This also had a positive effect on the combined ratio, which improved to 96.0% in the 1<sup>st</sup> quarter of 2016 (1<sup>st</sup> quarter of 2015: 102.4%).

### **Remaining CEE**

The Remaining CEE segment comprises the countries of Albania, Bosnia-Herzegovina, Croatia, Macedonia, Moldova, Serbia and Ukraine.

The Group companies in the Remaining CEE segment wrote EUR 79.5 million in premiums written, a significant increase of 13.5% that was primarily due to good performance in Croatia and Serbia.

Profit before taxes decreased 15.2% year-on-year to EUR 4.4 million as a result of further depreciation of the Ukrainian currency and the effects this had on the technical result.

The developments in Ukraine mentioned above also had an effect on the combined ratio, which was 102.8% in the 1<sup>st</sup> quarter of 2016 (1<sup>st</sup> quarter of 2015: 100.0%).

### **Other Markets**

The Other Markets segment includes the countries of Germany and Liechtenstein.

The Group companies in the Other Markets segment recorded EUR 106.5 million in premiums written. This represented a decrease of 13.1% that was primarily due to less single premium business in Liechtenstein.

Profit before taxes rose by 2.4% year-on-year to EUR 6.6 million in the 1<sup>st</sup> quarter of 2016.

The combined ratio was an excellent 78.0% in the 1<sup>st</sup> quarter of 2016 (1<sup>st</sup> quarter of 2015: 77.2%).

### **Central Functions**

Premiums written in the Central Functions area decreased 0.5% in the 1<sup>st</sup> quarter of 2016 to EUR 369.0 million.

The reported loss of EUR 7.9 million was mainly due to a significant increase in insurance payments under internal Group quota reinsurance treaties and higher interest expenses for the tier 2 capital issued in 2015.

## **EMPLOYEES**

VIG had a total of 22,926 employees in the 1<sup>st</sup> quarter of the current year, which was 69 fewer than 2015 as a whole. The decrease was mainly due to the merger of the two non-life insurers Compensa and Benefia in Poland at the end of October 2015 and the optimisation programme in Romania.

## **RELATED PARTY TRANSACTIONS**

Information on related party transactions is provided in the notes to the consolidated financial statements on page 47.

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

Significant events after the financial statements were prepared are presented on page 47 in the consolidated interim financial statements.

## **RISK REPORT**

The core business of Vienna Insurance Group consists of assuming risk. A conscious and controlled handling of risks at all levels of the Group therefore forms the basis for sustainable business development. In order to ensure this sustainability, VIG follows a conservative risk policy that forms the foundation of an integrated risk management system that is an integral part of the structural and process organisation of the Company. Local risk departments and a central risk management department at the holding company level assist the Vienna Insurance Group operational departments with Group-wide risk management processes,

while continuously promoting the risk awareness of each employee and the existing risk culture in the entire Group.

The risk management processes themselves ensure that all risks in the Group can be promptly and appropriately identified, assessed, analysed and controlled. The associated reporting and regular communications between the Managing Board, risk departments and operating departments also ensure transparency and form a framework for ensuring that the risk situation is appropriately taken into account in the decisions made at the individual company and Group levels.

The Vienna Insurance Group risk environment remained practically unchanged in the 1<sup>st</sup> quarter of 2016, so that information on the significant business risks to which Vienna Insurance Group is exposed can be obtained from the risk reporting in the Group Annual Report 2015.

In addition to very good capital adequacy under Solvency II, with a solvency ratio of around 200% at the level of the listed VIG Group, Standard and Poor's also confirmed its existing A+ rating with a stable outlook for VIG on 30 July 2015, thereby confirming the large risk-bearing capacity of the Group. VIG's excellent capital resources even exceed Standard & Poor's defined standard for AAA.

The situation in the financial markets, in particular changes in the interest rate environment, are being monitored closely. The uncertainty associated with these areas reinforces Vienna Insurance Group's decision to maintain the investment policy, which is based on a conservative and security-oriented approach to financial markets that it has followed to date.

Given its efficient risk management based on a conservative business and risk strategy and its strong capital base, Vienna Insurance Group feels it is excellently prepared for the new solvency requirements under Solvency II and the qualitative requirements of the new supervisory regime.

## VIG-OUTLOOK

Vienna Insurance Group aims to generate healthy, properly considered growth and, based on this principle, will continue in the future to follow a growth policy focusing on earnings. In doing so, the Group will continue to rely on targeted strengthening of high-margin business areas by deliberately focusing on property and casualty insurance and life insurance with regular premiums.

In addition, VIG will pay attention to potential for insurance in small and medium-size companies and place a strong focus on the area of health insurance. Furthermore, on the product and service side, there will be a new focus on digitalisation.

VIG aims to strengthen its market share by organic growth and through further acquisitions aimed at improving its position in the markets and strategically supplementing the existing portfolio. Countries where VIG holds top market share should be secured. These include the Czech Republic and Slovakia, in each of which Vienna Insurance Group holds a market share of over 30%, and Austria, where it holds almost 24%. In Poland, Hungary, Croatia, and Serbia, Vienna Insurance Group wants to increase its market share to a minimum of 10% in the medium term. Despite this aim, there will still be a focus on cost-effectiveness. Investigations will be done to determine where consolidations or bundling of services and processes would make sense.



With regard to the future results of VIG, it is expected that the current low interest rate environment will lead to another decline in the ordinary financial result in 2016. Vienna Insurance Group will continue to rule out boosting investment income by taking greater investment risks. While maintaining its conservative investment policy, the Group aims to at least double its profit before taxes to earn up to EUR 400 million in 2016. VIG also aims to improve its combined ratio, with a medium-term target towards 95%.

## CURRENT TOPICS

### Awards

#### **VIG in Germany: InterRisk receives award for its occupational disability policies**

The rating and analysis company Morgen & Morgen awarded the XL and XXL occupational disability policies of

the German VIG Group company InterRisk its top “five-star” rating for the thirteenth time in a row. The five star rating is the best possible rating. Morgen & Morgen examines 571 policies from 74 companies for the annual rating.

#### **VIG in Austria: Donau Versicherung receives service award**

At this year’s “FONDS professionell” conference in Vienna, investment companies and providers of unit-linked life insurance received Austrian fund awards for high quality service. Donau Versicherung received a rating of “outstanding” service quality. 39 insurance companies were evaluated. Around 650 insurance brokers and advisors, financial professionals, etc. took part in the survey between October 2015 and February 2016. The main criteria were basic qualities (product satisfaction), field and office staff support, quotation software and marketing.

# Capital markets & investor relations & share

## CAPITAL MARKETS

### International overview

International stock markets began 2016 with sharp price losses. The major stock exchanges suffered double-digit percentage losses by the middle of February. This significant correction was triggered by concerns about a slowdown in global economic growth due to unclear data from China and the falling oil prices. A combination of relatively robust economic data, rising oil prices and prospects that the US Federal Reserve would adopt a more cautious interest rate policy then caused stock market prices to rise in the second half of the 1<sup>st</sup> quarter of 2016, even though investor nervousness remained high.

The Dow Jones Industrial (DJI) index in USD lost more than 10% of its value in the first six weeks of the quarter, but more than recovered this loss during the remainder of the quarter to close the quarter with a small gain (+1.5%). The broad-based S&P 500 Index also ended the quarter higher than its 2015 closing value, while the NASDAQ technology index recorded a slight loss.

Many European stock markets suffered even larger price losses at the beginning of the year than were recorded in the USA. At its low point for the year, the Eurostoxx 50 was 18.0% below its 2015 closing value. In spite of the highly expansive monetary policy of the European Central Bank, the price recovery was weaker in Europe than in the USA in the second half of the 1<sup>st</sup> quarter of 2016, so that the Eurostoxx 50 closed the quarter 8.0% below its value at the end of 2015. The Nikkei 225 in JPY even closed the quarter 12.0% below its 2015 closing value. This was due to an especially sharp drop – more than 20% – by the middle of February and a further correction towards the end of the quarter.

Even though the Chinese stock market suffered significant losses in the 1<sup>st</sup> quarter of 2016, the emerging markets as a whole recorded gains. The MSCI Emerging Markets Index calculated in USD rose 5.4% in the 1<sup>st</sup> quarter of 2016. Supported by relatively stable economic growth rates, the Eastern European CECE index in EUR recorded an increase of 4.4%.

### Vienna Stock Exchange

The Vienna Stock Exchange was also affected by general market movements in the 1<sup>st</sup> quarter of 2016. The leading ATX index temporarily fell below 2,000 points, recording a loss of 18.4% at its low for the year (on 11 February 2016) versus the year-end value in 2015. In the subsequent recovery phase, the Vienna Stock Exchange performed better than most international stock markets. Starting in the middle of March 2016, a sideways movement began that reversed a small amount of the price gains achieved during the recovery rally. The losses for the ATX in the 1<sup>st</sup> quarter of 2016 nevertheless remained limited to 5.3%, which was considerably lower than the loss recorded by the European benchmark index, the Eurostoxx 50.

## INVESTOR RELATIONS

The new responsive Vienna Insurance Group website went online in the 1<sup>st</sup> quarter of 2016. All contents were adjusted to be presented in the best way possible for mobile devices like smartphones and tablets. This also resulted in changes to the menus and the presentation of information on the IR pages. The increase in page accesses shows that the user-friendly interface is being well received. Take a look for yourself at [www.vig.com/ir/](http://www.vig.com/ir/)

In addition to the Internet, Investor Relations is also naturally concentrating on direct contact with the capital market. At the beginning of the year, Vienna Insurance Group took part in the German Corporate Conference organised by Kepler Cheuvreux in Frankfurt and – after the results were published for financial year 2015 – the RCB Conference in Zürs, in order to meet institutional investors and inform them about current developments. In the middle of April, the Group also made a presentation before a large number of securities advisors from a variety of Austrian financial institutions at a stock exchange information day organised by the Vienna Stock Exchange. The focus of the presentation was on Vienna Insurance Group as an international insurance group with around 50 Group companies in 25 countries, and its strategic orientation.

Many analysts adjusted their models and published up-to-date research after the year-end results were published. An overview is available online at [www.vig.com/ir](http://www.vig.com/ir) > Share > Analyses. A summary of analyst assessments is also provided, showing recommendations and an average price target.

## VIG SHARE PERFORMANCE

Vienna Insurance Group shares followed a path similar to international stock markets at the beginning of the 1<sup>st</sup> quarter of 2016, and also recorded significant losses. The recovery that began in the middle of February was not as strong as the recovery in the ATX, and stopped suddenly when the preliminary results, including further impairments to intangible assets, were published in the middle of March. As a result, a large loss of 26.5% was recorded in the 1<sup>st</sup> quarter of 2016 compared to the year-end value for 2015. The price of VIG shares did, however, rise around 5% from the low of EUR 18.300 reached on 29 March 2016, to hold at EUR 19.135 as of the editorial deadline.

### Key share information 1<sup>st</sup> quarter 2016

High	EUR	24.790
Low	EUR	18.300
Year-end price	EUR	18.600
Market capitalisation	EUR	2.4 bn
Dividend 2015*	EUR	0.60
Average daily stock exchange trading volume**	EUR	4.7 mn

\* Planned dividend

\*\* Using single counting

### Overview of VIG shares

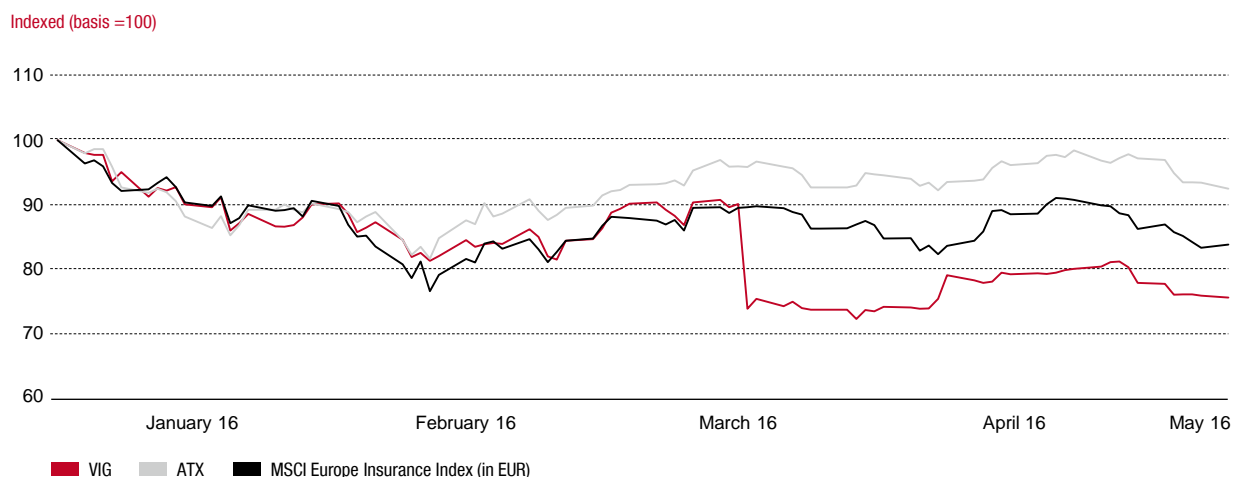
Initial listing (Vienna)	17 October 1994
Initial listing (Prague)	5 February 2008
Number of common shares	128 million
Free float	Approx. 30%
ISIN	AT0000908504
Securities symbol	VIG
Bloomberg	VIG AV / VIG CP
Reuters	VIGR.VI / VIGR.PR
Rating – Standard & Poor's	A+, stable outlook

### VIG financial calendar\*

General Meeting	13 May 2016
Ex-dividend day	18 May 2016
Record Date	19 May 2016
Dividend payment day	20 May 2016
6M results for 2016	23 August 2016
9M results for 2016	22 November 2016

\* Preliminary schedule

## VIENNA INSURANCE GROUP (VIG) COMPARED TO THE ATX AND MSCI EUROPE INSURANCE INDEX (IN EUR) 1 JANUARY 2016 TO 9 MAY 2016



# Consolidated interim financial statements

## CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2016

<b>ASSETS</b>	<b>31.3.2016</b>	<b>31.12.2015</b>
<i>in EUR '000</i>		
<b>A. Intangible assets</b>		
I. Goodwill	1,580,637	1,579,639
II. Purchased insurance portfolios	38,863	40,773
III. Other intangible assets	450,622	459,545
<b>Total intangible assets</b>	<b>2,070,122</b>	<b>2,079,957</b>
<b>B. Investments</b>		
I. Land and buildings	1,911,944	1,907,737
a) Self-used property	440,936	434,306
b) Investment property	1,471,008	1,473,431
II. Shares in at equity consolidated companies	907,682	886,892
III. Financial instruments	28,545,129	27,914,596
a) Loans and other investments	3,659,502	3,798,216
b) Other securities	24,885,627	24,116,380
Financial instruments held to maturity	2,997,228	3,066,115
Financial investments available for sale	21,492,472	20,649,481
Financial instruments recognised at fair value through profit and loss <sup>*</sup>	395,927	400,784
<b>Total investments</b>	<b>31,364,755</b>	<b>30,709,225</b>
<b>C. Investments of unit- and index-linked life insurance</b>	<b>8,150,340</b>	<b>8,144,135</b>
<b>D. Reinsurers' share in underwriting provisions</b>	<b>1,252,407</b>	<b>1,030,740</b>
<b>E. Receivables</b>	<b>1,619,923</b>	<b>1,390,233</b>
<b>F. Tax receivables and advance payments out of income tax</b>	<b>229,532</b>	<b>216,846</b>
<b>G. Deferred tax assets</b>	<b>67,487</b>	<b>123,692</b>
<b>H. Other assets</b>	<b>358,327</b>	<b>349,919</b>
<b>I. Cash and cash equivalents</b>	<b>1,287,946</b>	<b>1,103,234</b>
<b>Total ASSETS</b>	<b>46,400,839</b>	<b>45,147,981</b>

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

## CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2016

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>31.3.2016</b>	<b>31.12.2015</b>
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	193,619	193,619
IV. Retained earnings	2,359,320	2,280,499
V. Other reserves	250,925	144,125
<b>Subtotal</b>	<b>5,045,754</b>	<b>4,860,133</b>
VI. Non-controlling interests	201,398	197,670
<b>Total shareholders' equity</b>	<b>5,247,152</b>	<b>5,057,803</b>
<b>B. Subordinated liabilities</b>	<b>1,277,287</b>	<b>1,280,308</b>
<b>C. Underwriting provisions</b>		
I. Provision for unearned premiums	1,566,569	1,181,269
II. Mathematical reserve	21,359,733	21,068,385
III. Provision for outstanding claims	4,685,360	4,603,648
IV. Provisions for profit-unrelated premium refunds	58,960	56,060
V. Provision for profit-related premium refunds	1,369,841	1,182,632
VI. Other underwriting provisions	52,493	53,129
<b>Total underwriting provisions</b>	<b>29,092,956</b>	<b>28,145,123</b>
<b>D. Underwriting provisions for unit- and index-linked life insurance</b>	<b>7,794,885</b>	<b>7,776,602</b>
<b>E. Non-underwriting provisions</b>		
I. Provisions for pensions and similar obligations	389,904	387,197
II. Other provisions	259,545	276,199
<b>Total non-underwriting provisions</b>	<b>649,449</b>	<b>663,396</b>
<b>F. Liabilities</b>	<b>1,769,308</b>	<b>1,634,579</b>
<b>G. Tax liabilities out of income tax</b>	<b>135,589</b>	<b>121,801</b>
<b>H. Deferred tax liabilities</b>	<b>268,041</b>	<b>294,895</b>
<b>I. Other liabilities</b>	<b>166,172</b>	<b>173,474</b>
<b>Total LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>46,400,839</b>	<b>45,147,981</b>

## CONSOLIDATED INCOME STATEMENT

for the period from 1 January 2016 to 31 March 2016 (including comparative period)	1.1.-31.3.2016	1.1.-31.3.2015
in EUR '000		
<b>Premiums</b>		
<b>Premiums written – gross</b>	<b>2,705,759</b>	<b>2,755,916</b>
Premiums written – reinsurers' share	-329,109	-335,636
<b>Premiums written – retention</b>	<b>2,376,650</b>	<b>2,420,280</b>
Change in unearned premium – gross	-381,241	-336,657
Change in unearned premium – reinsurers' share	142,423	126,996
<b>Net earned premiums – retention</b>	<b>2,137,832</b>	<b>2,210,619</b>
<b>Financial result excluding at equity consolidated companies</b>		
Income from investments	315,496	346,295
Expenses for investments and interest expenses	-101,081	-88,981
<b>Total financial result excluding at equity consolidated companies</b>	<b>214,415</b>	<b>257,314</b>
<b>Result from shares in at equity consolidated companies</b>	<b>21,546</b>	<b>16,048</b>
<b>Other income</b>	<b>36,932</b>	<b>28,270</b>
<b>Expenses for claims and insurance benefits</b>		
Expenses for claims and insurance benefits – gross	-1,884,242	-1,824,172
Expenses for claims and insurance benefits – reinsurers' share	133,688	94,352
<b>Total expenses for claims and insurance benefits</b>	<b>-1,750,554</b>	<b>-1,729,820</b>
<b>Acquisition and administrative expenses</b>		
Acquisition expenses	-448,688	-460,638
Administrative expenses	-93,148	-86,084
Reinsurance commissions	39,548	37,357
<b>Total acquisition and administrative expenses</b>	<b>-502,288</b>	<b>-509,365</b>
<b>Other expenses</b>	<b>-56,424</b>	<b>-142,138</b>
<b>Profit before taxes</b>	<b>101,459</b>	<b>130,928</b>
<b>Tax expense</b>	<b>-20,940</b>	<b>-30,488</b>
<b>Profit for the period</b>	<b>80,519</b>	<b>100,440</b>
<i>thereof attributable to shareholders of Vienna Insurance Group</i>	<i>77,592</i>	<i>98,832</i>
<i>thereof non-controlling interests in net profit for the period</i>	<i>2,927</i>	<i>1,608</i>
Earnings per share (annualised)		
Undiluted = diluted earnings per share (in EUR)	2.30	2.94
<b>Profit for the period (Carry-forward)</b>	<b>80,519</b>	<b>100,440</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from 1 January 2016 to 31 March 2016 (including comparative period) in EUR '000	1.1.-31.3.2016	1.1.-31.3.2015
<b>Profit for the period (Carry-forward)</b>	<b>80,519</b>	<b>100,440</b>
<b>Other comprehensive income (OCI)</b>		
<b>Items that will not be reclassified to profit or loss in subsequent periods</b>		
+/- Underwriting gains and losses from provisions for employee benefits	-2,532	-170
<i>thereof deferred profit participation</i>	687	0
<i>thereof deferred taxes</i>	441	35
<b>Subtotal</b>	<b>-1,404</b>	<b>-135</b>
<b>Items that will be reclassified to profit or loss in subsequent periods</b>		
+/- Exchange rates through equity	1,086	25,949
+/- Unrealised gains and losses from financial instruments available for sale	444,459	595,823
+/- Cash flow hedge reserve	874	843
+/- Share of other reserves of associated companies	145	1,173
<i>thereof deferred actuarial reserve</i>	-102,942	-194,395
<i>thereof deferred profit participation</i>	-200,192	-227,215
<i>thereof deferred taxes</i>	-33,254	-42,224
<b>Subtotal</b>	<b>110,176</b>	<b>159,954</b>
<b>Total other comprehensive income</b>	<b>108,772</b>	<b>159,819</b>
<b>Total profit for the period incl. other comprehensive income after taxes</b>	<b>189,291</b>	<b>260,259</b>
<i>thereof attributable to shareholders of Vienna Insurance Group</i>	184,392	255,987
<i>thereof non-controlling interests</i>	4,899	4,272

## CONSOLIDATED SHAREHOLDERS' EQUITY

### CHANGE IN CONSOLIDATED SHAREHOLDERS' EQUITY IN FINANCIAL YEARS 2016 AND 2015

	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 2015</b>	<b>132,887</b>	<b>2,109,003</b>	<b>245,602</b>	<b>2,378,849</b>	<b>244,063</b>	<b>5,110,404</b>	<b>173,023</b>	<b>5,283,427</b>
Changes in scope of consolidation/ownership interests	0	0	0	-428	0	-428	-52	-480
Total profit for the period incl. other comprehensive income after taxes	0	0	0	98,832	157,155	255,987	4,272	260,259
Repurchase of hybrid capital	0	0	-51,983	-8,536	0	-60,519	0	-60,519
Dividend payment*	0	0	0	-1,951	0	-1,951	-1,099	-3,050
<b>As of 31 March 2015</b>	<b>132,887</b>	<b>2,109,003</b>	<b>193,619</b>	<b>2,466,766</b>	<b>401,218</b>	<b>5,303,493</b>	<b>176,144</b>	<b>5,479,637</b>
<b>As of 1 January 2016</b>	<b>132,887</b>	<b>2,109,003</b>	<b>193,619</b>	<b>2,280,499</b>	<b>144,125</b>	<b>4,860,133</b>	<b>197,670</b>	<b>5,057,803</b>
Changes in scope of consolidation/ownership interests	0	0	0	1,229	0	1,229	13	1,242
Total profit for the period incl. other comprehensive income after taxes	0	0	0	77,592	106,800	184,392	4,899	189,291
Dividend payment*	0	0	0	0	0	0	-1,184	-1,184
<b>As of 31 March 2016</b>	<b>132,887</b>	<b>2,109,003</b>	<b>193,619</b>	<b>2,359,320</b>	<b>250,925</b>	<b>5,045,754</b>	<b>201,398</b>	<b>5,247,152</b>

\* Including payment for servicing the hybrid capital.

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 21,691,000 (EUR 17,221,000).

Composition Other reserves	31.3.2016	31.12.2015
in EUR '000		
Unrealised gains and losses	517,490	411,271
Cash flow hedge reserve	-2,159	-2,836
Underwriting gains and losses from provisions for employee benefits	-101,585	-100,192
Share of other reserves of associated companies	-6,255	-6,407
Currency reserve	-156,566	-157,711
<b>Total</b>	<b>250,925</b>	<b>144,125</b>



<b>Unrealised gains and losses</b>	<b>31.3.2016</b>	<b>31.12.2015</b>
<i>in EUR '000</i>		
Bonds	2,550,260	2,062,146
Shares and other participations	110,110	124,898
Investment funds	-31,854	-3,465
	<b>2,628,516</b>	<b>2,183,579</b>
+/- Exchange rate changes from securities Available for sale	9,630	10,108
+/- Policyholder claims		
<i>thereof deferred actuarial reserve</i>	<i>-934,102</i>	<i>-831,160</i>
<i>thereof deferred profit participation</i>	<i>-1,020,870</i>	<i>-820,678</i>
+/- Deferred taxes	-157,450	-124,393
+/- Non-controlling interests	-8,234	-6,185
<b>Total</b>	<b>517,490</b>	<b>411,271</b>

<b>Cash flow hedge reserve</b>	<b>31.3.2016</b>	<b>31.12.2015</b>
<i>in EUR '000</i>		
Cash flow hedge	-2,786	-3,660
+/- Deferred taxes	627	824
<b>Total</b>	<b>-2,159</b>	<b>-2,836</b>

<b>Underwriting gains and losses from provisions for employee benefits</b>	<b>31.3.2016</b>	<b>31.12.2015</b>
<i>in EUR '000</i>		
Pension provision and severance provision	-197,216	-194,684
+/- Deferred profit participation	61,191	60,504
+/- Deferred taxes	33,471	33,030
+/- Non-controlling interests	969	958
<b>Total</b>	<b>-101,585</b>	<b>-100,192</b>

<b>Share of other reserves of associated companies</b>	<b>31.3.2016</b>	<b>31.12.2015</b>
<i>in EUR '000</i>		
Share of other reserves of associated companies	-7,074	-7,219
+/- Non-controlling interests	819	812
<b>Total</b>	<b>-6,255</b>	<b>-6,407</b>

<b>Currency reserve</b>	<b>31.3.2016</b>	<b>31.12.2015</b>
<i>in EUR '000</i>		
Currency reserve	-158,138	-159,225
+/- Non-controlling interests	1,572	1,514
<b>Total</b>	<b>-156,566</b>	<b>-157,711</b>

## CONSOLIDATED CASH FLOW STATEMENT

for the period from 1 January 2016 to 31 March 2016 (including comparative period)	1.1.-31.3.2016	1.1.-31.3.2015
in EUR '000		
<b>Profit for the period</b>	<b>80,519</b>	<b>100,440</b>
Change in underwriting provisions net	502,446	616,837
Change in underwriting receivables and liabilities	-252,156	-254,057
Change in deposit receivables and liabilities as well as in reinsurance receivables and liabilities	107,110	124,339
Change in other receivables and liabilities	48,768	-42,783
Change in securities held for trading	15,524	-30,741
Gain/loss from disposal of investments	-17,636	-40,748
Depreciation/appreciation of all other investments	7,731	17,191
Change in pension, severance and other personnel provisions	1,974	-2,639
Change in deferred tax asset/liability excl. tax liabilities	-54	1,788
Change in other balance sheet items	-31,627	-43,496
Change in goodwill and other intangible assets	17,395	6,977
Other cash-neutral income and expenses and adjustments to the result of the period <sup>1</sup>	-10,734	-166,279
<b>Cash flow from operating activities</b>	<b>469,260</b>	<b>286,829</b>
Payments for the acquisition of fully and at equity consolidated companies	-3,057	0
Cash inflow from the sale of securities available for sale	957,819	1,347,699
Payments for the acquisition of available for sale securities	-1,336,121	-1,783,190
Cash inflow from the sale of securities held to maturity	112,280	37,499
Payments for the addition of securities held to maturity	-46,051	-19,468
Cash inflow from the sale of land and buildings	149	242
Payments for the acquisition of land and buildings	-18,044	-3,125
Incoming payments for the sale of intangible assets	4	0
Payments for the acquisition of intangible assets	-6,064	0
Change in unit- and index-linked life insurance items	-81,738	-97,293
Change in other investments	142,066	114,336
<b>Cash flow from investing activities</b>	<b>-278,757</b>	<b>-403,300</b>
Corporate actions, incl. hybrid capital	0	-51,872
Increase subordinated liabilities	0	364,178
Decrease of subordinated liabilities	-3,000	-400
Dividend payments	-1,184	-3,050
<b>Cash flow from financing activities</b>	<b>-4,184</b>	<b>308,856</b>
<b>Change in cash and cash equivalents</b>	<b>186,319</b>	<b>192,385</b>

	1.1.-31.3.2016	1.1.-31.3.2015
<b>in EUR '000</b>		
<b>Cash and cash equivalents at beginning of period</b>	<b>1,103,234</b>	<b>781,987</b>
Change in cash and cash equivalents	186,319	192,385
Effects of foreign currency exchange differences in cash and cash equivalents	-1,607	600
<b>Cash and cash equivalents at the end of period<sup>2</sup></b>	<b>1,287,946</b>	<b>974,972</b>
<b>Additional information</b>		
Received interest <sup>4</sup>	196,521	208,368
Received dividends <sup>4</sup>	23,677	26,934
Interest paid <sup>3</sup>	29,454	17,637
Income taxes paid <sup>4</sup>	24,012	21,283

<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.

<sup>4</sup> Income tax payments, dividends received and interest received are included in the cash flow from operating activities.

# Notes to the consolidated interim financial statements

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated interim financial statements for the 1<sup>st</sup> quarter of 2016 were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and the applicable commercial law provisions of § 245a of the Austrian Commercial Code (Unternehmensgesetzbuch – UGB) and § 138(8) of the Austrian Insurance Supervision Act (Versicherungsaufsichtsgesetz – VAG) and are in compliance with IAS 34 “Interim Financial Reporting”. The same accounting policies were used as for the last financial statements for the previous financial year. Similarly, the estimates and discretionary assessments needed to prepare the consolidated financial statements were made in the same way. This does not include newly applicable or amended standards.

### Adoption of new standards and the new interpretation

Vienna Insurance Group has applied the IFRS annual improvements (2010–2012 cycle), IAS 19 “Employee benefits”, amendments to IAS 27 “Consolidated financial statements”, IAS 1 “Presentation of financial statements”, IFRS annual improvements (2012–2014 cycle), amendments to IAS 16 “Property, plant and equipment” and amendments to IAS 41 “Agriculture” since 1 January 2016. Application of the amended standards that were relevant for Vienna Insurance Group had either no effect, or no material effect on the condensed consolidated interim financial statements.

### New standards and amendments to existing reporting standards that have not yet been adopted by the EU

		<b>Applicable as of</b>
IFRS 14	Regulatory Deferral Accounts	EU decided this standard shall not be transferred into EU law
IFRS 15	Revenue from contracts with customers	1.1.2018
IFRS 16	Leases	1.1.2019
IFRS 9	Financial instruments	1.1.2018
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture	Still open
Amendments to IFRS 10, 12 and IAS 28	Consolidation of investment companies	1.1.2016
IAS 12	Recognition of deferred tax assets for unrealised losses	1.1.2017
IAS 7	Changes to the statement of cash flows	1.1.2017

Vienna Insurance Group is not planning early adoption of the revised provisions. With the exception of the amendments to IAS 7 and IFRS 9, these amendments are expected to have no effect, or no material effect on the consolidated financial statements. With respect to IAS 7, VIG will revise the consolidated financial statements appropriately in 2017 in accordance with the new presentation and notes disclosure requirements. The amendment of IFRS 9 however can be expected to lead to considerably higher volatility of profit for the period. Further amendments which are likely to have greater effects on VIG primarily concern the treatment of interest clauses in debt instruments and the treatment of impairment.

### Foreign currency translation

#### FOREIGN CURRENCY TRANSACTIONS

The individual Group companies recognise transactions in foreign currency using the mean rate of exchange on the date of each transaction. Monetary assets and liabilities in foreign currency existing on the balance sheet date are translated to euros using the mean rate of exchange on the balance sheet date. Any resulting foreign currency gains and losses are recognised in profit or loss during the reporting period.

## TRANSLATION OF SEPARATE FINANCIAL STATEMENTS IN FOREIGN CURRENCIES

As a rule, for purposes of the IFRS, the functional currency of Vienna Insurance Group subsidiaries located outside the Eurozone is the currency of their respective country. All assets and liabilities reported in the separate financial statements are translated to euros using the mean rate of exchange on the balance sheet date. Items in the income statement are translated using the average month-end mean rate of exchange during the reporting period. In the statement of cash flows, the mean rate of exchange on the balance sheet date is used for changes in balance sheet items; the mean rate of exchange at the end of the month is used for items on the income statement. Foreign exchange gains and losses have been recognised directly in other comprehensive income since 1 January 2004.

The following table shows the relevant exchange rates for the consolidated financial statements:

Name	Currency	Period-end exchange rate 31.3.2016	Period-end exchange rate 31.3.2015	Average exchange rate 1.1.-31.3.2016	Average exchange rate 1.1.-31.3.2015
		1 EUR $\triangleq$	1 EUR $\triangleq$	1 EUR $\triangleq$	1 EUR $\triangleq$
Albanian lek	ALL	138.7700	140.3400	138.3013	140.2321
Bosnian Convertible Marka	BAM	1.9558	1.9558	1.9558	1.9558
Bulgarian lev	BGN	1.9558	1.9558	1.9558	1.9558
Georgian lari	GEL	2.6795	2.4139	2.6856	2.3408
Croatian kuna	HRK	7.5255	7.6450	7.6170	7.6811
Macedonian denar	MKD	61.6942	61.6065	61.6767	61.5004
Moldovan leu	MDL	22.2377	19.9075	22.1215	20.3323
Turkish new lira	TRY	3.2118	2.8131	3.2470	2.7731
Polish zloty	PLN	4.2576	4.0854	4.3652	4.1926
Romanian leu	RON	4.4718	4.4098	4.4924	4.4516
Swiss franc	CHF	1.0931	1.0463	1.0960	1.0722
Serbian dinar	RSD	122.9245	120.2153	122.8276	121.5078
Czech koruna	CZK	27.0510	27.5330	27.0395	27.6236
Ukraine hryvnia	UAH	29.6893	25.4493	28.4538	23.5798
Hungarian forint	HUF	314.1200	299.4300	312.0240	308.8887
Belarusian rubel	BYR	22,779.0000	15,970.0000	22,812.5714	16,574.8889

## DISCLOSURES ON SEASONAL AND ECONOMIC INFLUENCES

Within VIG, 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). Adverse weather events, such as storms, can also occur during the summer and autumn. With respect to the financial result, the majority of dividend income occurs in the 2<sup>nd</sup> quarter.

## CHANGES TO THE SCOPE OF CONSOLIDATION

Acquired companies are added to the scope of consolidation based on an internal Group guideline. The guideline includes quantitative thresholds and quantitative criteria that take into account IFRS 10.

The following companies were added to the scope of consolidation during the reporting period from 1 January 2016 to 31 March 2016:

Companies acquired during the reporting period	Shares acquired (%)	Date of first consolidation	Goodwill in EUR million
Nova	100.00	1.1.2016	0.56

The requirements for including the (90%) interest in BTA Baltic in the consolidated financial statements were still not satisfied as of 31 March 2016, since prior to the closing of the transactions the Group still had no control over this company.

## SEGMENT REPORTING

The new composition of the Vienna Insurance Group Managing Board took effect on 1 January 2016. The resulting changes to areas of responsibility also led to a stronger focus on countries in management of the Group. This was used as a reason to review the accounting business segments and, therefore, also the cash generating units and to adjust them to match the country focus.

In accordance with IFRS, the management focus on countries led to a change in the accounting for Group assets (e.g. insurance portfolios, brands, goodwill, etc.) based on cash generating units. As a result, Group assets are no longer recognised based on balance sheet units of the parent company concerned, but at the country level. This makes it necessary to make retrospective adjustments to previous regional results shown for comparative periods in the interim report.

Segment reporting must also be modified. From now on, a breakdown will be provided by markets, with certain countries combined based on size according to their regional or product-specific factors (Turkey/Georgia, Remaining CEE and Other Markets). The quantitative thresholds in IFRS 8 were used to determine the segments that should be published separately.

## CONSOLIDATED BALANCE SHEET BY SEGMENT

ASSETS	Austria		Czech Republic		Slovakia	
	31.3.2016	31.12.2015	31.3.2016	31.12.2015	31.3.2016	31.12.2015
in EUR '000						
A. Intangible assets	357,612	359,795	432,615	433,355	114,611	114,671
B. Investments	21,844,998	21,245,751	3,190,801	3,231,555	1,210,306	1,226,063
C. Investments of unit- and index-linked life insurance	5,337,732	5,393,111	310,176	312,243	195,964	197,708
D. Reinsurers' share in underwriting provisions	572,014	451,567	126,027	109,362	56,647	48,167
E. Receivables	781,904	657,930	168,875	127,758	65,575	64,811
F. Tax receivables and advance payments out of income tax	25,148	24,961	12,668	9,733	1,495	0
G. Deferred tax assets	1,946	51,105	3,797	4,201	2,722	3,268
H. Other assets	154,248	167,232	132,161	123,591	6,185	6,908
I. Cash and cash equivalents	550,123	539,512	117,067	53,494	86,894	50,232
<b>Total ASSETS</b>	<b>29,625,725</b>	<b>28,890,964</b>	<b>4,494,187</b>	<b>4,405,292</b>	<b>1,740,399</b>	<b>1,711,828</b>

ASSETS	Poland		Romania		The Baltic	
	31.3.2016	31.12.2015	31.3.2016	31.12.2015	31.3.2016	31.12.2015
in EUR '000						
A. Intangible assets	144,390	144,534	249,274	246,194	24,646	24,893
B. Investments	914,363	925,750	476,715	412,853	209,945	196,268
C. Investments of unit- and index-linked life insurance	712,651	671,470	214,455	206,011	34,845	34,352
D. Reinsurers' share in underwriting provisions	57,231	22,701	34,060	30,559	1,260	14,371
E. Receivables	138,115	110,719	153,083	150,406	18,458	12,893
F. Tax receivables and advance payments out of income tax	9,066	7,563	2,455	2,183	179	179
G. Deferred tax assets	3,437	3,500	11,601	12,448	621	632
H. Other assets	11,153	8,028	19,688	9,559	640	533
I. Cash and cash equivalents	26,071	12,092	4,966	42,309	15,582	17,970
<b>Total ASSETS</b>	<b>2,016,477</b>	<b>1,906,357</b>	<b>1,166,297</b>	<b>1,112,522</b>	<b>306,176</b>	<b>302,091</b>

ASSETS	Hungary		Bulgaria		Turkey/Georgia	
	31.3.2016	31.12.2015	31.3.2016	31.12.2015	31.3.2016	31.12.2015
in EUR '000						
A. Intangible assets	43,151	43,461	193,934	194,237	27,781	27,654
B. Investments	151,963	148,428	142,502	131,453	82,424	80,095
C. Investments of unit- and index-linked life insurance	363,286	361,849	0	0	0	0
D. Reinsurers' share in underwriting provisions	7,960	8,077	22,233	16,165	70,023	65,707
E. Receivables	20,710	18,395	45,830	38,902	66,848	54,440
F. Tax receivables and advance payments out of income tax	26	11	426	427	854	651
G. Deferred tax assets	152	197	1,877	1,824	4,789	4,521
H. Other assets	6,822	5,222	2,382	2,130	2,159	1,315
I. Cash and cash equivalents	3,335	6,083	11,043	12,002	22,758	22,041
<b>Total ASSETS</b>	<b>597,405</b>	<b>591,723</b>	<b>420,227</b>	<b>397,140</b>	<b>277,636</b>	<b>256,424</b>

ASSETS	Remaining CEE		Other Markets		Central Functions		Total	
	31.3.2016	31.12.2015	31.3.2016	31.12.2015	31.3.2016	31.12.2015	31.3.2016	31.12.2015
in EUR '000								
A. Intangible assets	131,316	133,693	1,612	1,762	349,180	355,708	2,070,122	2,079,957
B. Investments	712,208	699,581	615,577	599,339	1,812,953	1,812,089	31,364,755	30,709,225
C. Investments of unit- and index-linked life insurance	57,694	48,371	923,537	919,020	0	0	8,150,340	8,144,135
D. Reinsurers' share in underwriting provisions	30,614	26,738	6,678	7,782	267,660	229,544	1,252,407	1,030,740
E. Receivables	63,597	67,717	18,347	17,795	78,581	68,467	1,619,923	1,390,233
F. Tax receivables and advance payments out of income tax	1,248	1,265	0	0	175,967	169,873	229,532	216,846
G. Deferred tax assets	4,045	4,054	2,241	2,801	30,259	35,141	67,487	123,692
H. Other assets	9,043	9,745	4,015	4,649	9,831	11,007	358,327	349,919
I. Cash and cash equivalents	16,720	16,793	110,309	143,289	323,078	187,417	1,287,946	1,103,234
<b>Total ASSETS</b>	<b>1,026,485</b>	<b>1,007,957</b>	<b>1,682,316</b>	<b>1,696,437</b>	<b>3,047,509</b>	<b>2,869,246</b>	<b>46,400,839</b>	<b>45,147,981</b>

**LIABILITIES AND SHAREHOLDERS' EQUITY**

	Austria		Czech Republic		Slovakia	
	31.3.2016	31.12.2015	31.3.2016	31.12.2015	31.3.2016	31.12.2015
in EUR '000						
B. Subordinated liabilities	109,320	112,320	20,332	20,353	0	0
C. Underwriting provisions	21,720,918	20,989,146	2,987,575	2,961,668	1,027,891	994,516
D. Underwriting provisions for unit- and index-linked life insurance	5,147,573	5,185,236	182,320	185,717	210,150	212,097
E. Non-underwriting provisions	444,683	457,698	7,052	7,271	2,867	3,069
F. Liabilities	800,064	739,517	244,538	201,819	76,240	98,179
G. Tax liabilities out of income tax	117,261	104,272	8,852	7,099	2,089	1,982
H. Deferred tax liabilities	190,882	220,958	23,676	23,839	15,288	12,557
I. Other liabilities	99,125	103,616	7,672	12,188	7,098	6,228
<b>Subtotal</b>	<b>28,629,826</b>	<b>27,912,763</b>	<b>3,482,017</b>	<b>3,419,954</b>	<b>1,341,623</b>	<b>1,328,628</b>

**LIABILITIES AND SHAREHOLDERS' EQUITY**

	Poland		Romania		The Baltic	
	31.3.2016	31.12.2015	31.3.2016	31.12.2015	31.3.2016	31.12.2015
in EUR '000						
B. Subordinated liabilities	0	0	0	0	0	0
C. Underwriting provisions	743,967	741,332	445,299	396,331	181,972	165,487
D. Underwriting provisions for unit- and index-linked life insurance	680,823	638,569	204,674	201,260	34,846	34,353
E. Non-underwriting provisions	17,575	17,838	2,970	4,061	105	367
F. Liabilities	105,225	65,223	84,179	81,756	15,385	21,806
G. Tax liabilities out of income tax	86	576	0	0	90	150
H. Deferred tax liabilities	20,096	17,602	0	0	487	409
I. Other liabilities	27,881	21,261	5,264	10,992	698	845
<b>Subtotal</b>	<b>1,595,653</b>	<b>1,502,401</b>	<b>742,386</b>	<b>694,400</b>	<b>233,583</b>	<b>223,417</b>

**LIABILITIES AND SHAREHOLDERS' EQUITY**

	Hungary		Bulgaria		Turkey/Georgia	
	31.3.2016	31.12.2015	31.3.2016	31.12.2015	31.3.2016	31.12.2015
in EUR '000						
B. Subordinated liabilities	0	0	0	0	0	0
C. Underwriting provisions	121,216	114,042	148,038	134,329	177,704	165,110
D. Underwriting provisions for unit- and index-linked life insurance	355,256	353,808	0	0	0	0
E. Non-underwriting provisions	6,972	6,578	15,177	14,855	1,273	1,123
F. Liabilities	16,011	21,271	21,913	15,883	27,193	20,693
G. Tax liabilities out of income tax	20	0	292	109	132	0
H. Deferred tax liabilities	1,152	1,176	1,827	1,893	39	75
I. Other liabilities	3,269	3,089	442	591	1,910	1,948
<b>Subtotal</b>	<b>503,896</b>	<b>499,964</b>	<b>187,689</b>	<b>167,660</b>	<b>208,251</b>	<b>188,949</b>



LIABILITIES AND SHAREHOLDERS' EQUITY	Remaining CEE		Other Markets		Central Functions		Total	
	31.3.2016	31.12.2015	31.3.2016	31.12.2015	31.3.2016	31.12.2015	31.3.2016	31.12.2015
in EUR '000								
B. Subordinated liabilities	0	0	0	0	1,147,635	1,147,635	1,277,287	1,280,308
C. Underwriting provisions	664,368	652,197	566,821	556,799	307,187	274,166	29,092,956	28,145,123
D. Underwriting provisions for unit- and index-linked life insurance	57,694	48,372	921,549	917,190	0	0	7,794,885	7,776,602
E. Non-underwriting provisions	5,239	5,505	6,720	7,003	138,816	138,028	649,449	663,396
F. Liabilities	32,308	34,094	65,464	100,976	280,788	233,362	1,769,308	1,634,579
G. Tax liabilities out of income tax	1,489	2,541	503	455	4,775	4,617	135,589	121,801
H. Deferred tax liabilities	1,885	1,649	498	321	12,211	14,416	268,041	294,895
I. Other liabilities	9,299	9,077	132	548	3,382	3,091	166,172	173,474
<b>Subtotal</b>	<b>772,282</b>	<b>753,435</b>	<b>1,561,687</b>	<b>1,583,292</b>	<b>1,894,794</b>	<b>1,815,315</b>	<b>41,153,687</b>	<b>40,090,178</b>
Shareholders' equity							5,247,152	5,057,803
<b>Total LIABILITIES AND SHAREHOLDERS' EQUITY</b>							<b>46,400,839</b>	<b>45,147,981</b>

The amounts indicated for each 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 region.

## CONSOLIDATED INCOME STATEMENT BY SEGMENT

REGIONS	Austria		Czech Republic		Slovakia		Poland	
	1.1.-31.3.16	1.1.-31.3.15	1.1.-31.3.16	1.1.-31.3.15	1.1.-31.3.16	1.1.-31.3.15	1.1.-31.3.16	1.1.-31.3.15
in EUR '000								
Premiums written – gross	1,347,796	1,340,990	406,818	457,765	190,808	214,743	207,010	238,136
Net earned premiums	911,168	902,143	286,093	349,831	138,840	166,594	174,467	205,600
Financial result excluding at equity consolidated companies	172,312	182,109	21,038	30,351	11,215	11,119	8,907	14,590
Income from investments	211,030	227,971	39,007	42,186	12,180	11,486	11,326	19,748
Expenses for investments and interest expenses	-38,718	-45,862	-17,969	-11,835	-965	-367	-2,419	-5,158
Result from shares in at equity consolidated companies	8,859	3,909	447	712	0	0	0	0
Other income	4,669	4,090	11,929	6,849	4,053	3,313	2,004	4,366
Expenses for claims and insurance benefits	-873,717	-875,021	-180,347	-250,162	-107,653	-133,666	-135,918	-140,573
Acquisition and administrative expenses	-183,042	-171,702	-88,187	-83,629	-27,384	-30,500	-37,676	-64,569
Other expenses	-6,439	-5,918	-8,050	-8,168	-8,284	-7,170	-3,946	-3,904
<b>Profit before taxes</b>	<b>33,810</b>	<b>39,610</b>	<b>42,923</b>	<b>45,784</b>	<b>10,787</b>	<b>9,690</b>	<b>7,838</b>	<b>15,510</b>
Tax expense	-6,203	-8,115	-7,586	-10,708	-4,042	-3,755	-1,655	-3,151
<b>Profit for the period</b>	<b>27,607</b>	<b>31,495</b>	<b>35,337</b>	<b>35,076</b>	<b>6,745</b>	<b>5,935</b>	<b>6,183</b>	<b>12,359</b>

REGIONS	Romania		The Baltic		Hungary		Bulgaria	
	1.1.-31.3.16	1.1.-31.3.15	1.1.-31.3.16	1.1.-31.3.15	1.1.-31.3.16	1.1.-31.3.15	1.1.-31.3.16	1.1.-31.3.15
in EUR '000								
Premiums written – gross	142,306	100,340	34,334	15,135	50,293	60,582	42,281	42,523
Net earned premiums	84,087	61,670	26,767	14,778	35,290	32,909	25,936	26,534
Financial result excluding at equity consolidated companies	2,912	4,575	1,185	1,111	2,096	1,728	2,793	4,292
Income from investments	4,703	6,325	1,801	1,197	2,856	3,539	6,132	7,080
Expenses for investments and interest expenses	-1,791	-1,750	-616	-86	-760	-1,811	-3,339	-2,788
Result from shares in at equity consolidated companies	0	0	0	0	0	0	0	0
Other income	2,530	2,256	161	194	563	724	169	741
Expenses for claims and insurance benefits	-54,756	-38,738	-22,701	-12,041	-25,374	-24,103	-17,270	-18,745
Acquisition and administrative expenses	-26,400	-22,508	-7,897	-3,853	-8,843	-7,960	-6,554	-7,725
Other expenses	-6,872	-5,421	-1,063	-113	-2,786	-2,634	-3,105	-3,326
<b>Profit before taxes</b>	<b>1,501</b>	<b>1,834</b>	<b>-3,548</b>	<b>76</b>	<b>946</b>	<b>664</b>	<b>1,969</b>	<b>1,771</b>
Tax expense	-293	361	-7	0	-137	-97	-197	-148
<b>Profit for the period</b>	<b>1,208</b>	<b>2,195</b>	<b>-3,555</b>	<b>76</b>	<b>809</b>	<b>567</b>	<b>1,772</b>	<b>1,623</b>

REGIONS	Turkey/Georgia		Remaining CEE		Other Markets		Central Functions	
	1.1.-31.3.16	1.1.-31.3.15	1.1.-31.3.16	1.1.-31.3.15	1.1.-31.3.16	1.1.-31.3.15	1.1.-31.3.16	1.1.-31.3.15
in EUR '000								
Premiums written – gross	57,523	46,332	79,505	70,030	106,512	122,609	369,049	371,045
Net earned premiums	23,557	21,543	55,523	47,552	94,106	111,364	278,919	269,601
Financial result excluding at equity consolidated companies	1,669	924	9,407	10,514	4,342	4,468	-23,493	-8,744
Income from investments	3,109	2,336	11,648	10,725	4,979	4,871	21,317	24,709
Expenses for investments and interest expenses	-1,440	-1,412	-2,241	-211	-637	-403	-44,810	-33,453
Result from shares in at equity consolidated companies	0	0	0	0	0	0	12,240	11,427
Other income	623	1,827	1,472	2,494	5,903	1,118	2,868	314
Expenses for claims and insurance benefits	-18,448	-16,536	-37,832	-33,761	-86,667	-15,172	-190,381	-172,920
Acquisition and administrative expenses	-4,426	-5,968	-18,837	-18,246	-4,598	-4,585	-84,829	-87,035
Other expenses	-999	-801	-5,371	-3,409	-6,516	-90,779	-3,254	-8,652
<b>Profit before taxes</b>	<b>1,976</b>	<b>989</b>	<b>4,362</b>	<b>5,144</b>	<b>6,570</b>	<b>6,414</b>	<b>-7,930</b>	<b>3,991</b>
Tax expense	231	188	-1,262	-1,206	-1,559	-1,528	1,770	-2,329
<b>Profit for the period</b>	<b>2,207</b>	<b>1,177</b>	<b>3,100</b>	<b>3,938</b>	<b>5,011</b>	<b>4,886</b>	<b>-6,160</b>	<b>1,662</b>

REGIONS	Consolidation		Total	
	1.1.-31.3.16	1.1.-31.3.15	1.1.-31.3.16	1.1.-31.3.15
in EUR '000				
Premiums written – gross	-328,476	-324,314	2,705,759	2,755,916
Net earned premiums	3,079	500	2,137,832	2,210,619
Financial result excluding at equity consolidated companies	32	277	214,415	257,314
Income from investments	-14,592	-15,878	315,496	346,295
Expenses for investments and interest expenses	14,624	16,155	-101,081	-88,981
Result from shares in at equity consolidated companies	0	0	21,546	16,048
Other income	-12	-16	36,932	28,270
Expenses for claims and insurance benefits	510	1,618	-1,750,554	-1,729,820
Acquisition and administrative expenses	-3,615	-1,085	-502,288	-509,365
Other expenses	261	-1,843	-56,424	-142,138
<b>Profit before taxes</b>	<b>255</b>	<b>-549</b>	<b>101,459</b>	<b>130,928</b>
Tax expense	0	0	-20,940	-30,488
<b>Profit for the period</b>	<b>255</b>	<b>-549</b>	<b>80,519</b>	<b>100,440</b>

## NOTES TO THE CONSOLIDATED BALANCE SHEET

Significant items are presented in detail below.

### 1. INTANGIBLE ASSETS

Composition	31.3.2016	31.12.2015
in EUR '000		
Goodwill	1,580,637	1,579,639
Purchased insurance portfolios	38,863	40,773
Other intangible assets	450,622	459,545
Purchased software	410,414	419,699
Other	40,208	39,846
<b>Total</b>	<b>2,070,122</b>	<b>2,079,957</b>

Development of goodwill	31.3.2016	31.12.2015
in EUR '000		
Acquisition costs	1,838,652	1,836,272
Cumulative impairment as of 31.12. of the previous year	-259,013	-192,551
<b>Book value as of 31.12. of the previous year</b>	<b>1,579,639</b>	<b>1,643,721</b>
Exchange rate changes	434	-617
<b>Book value as of 1.1.</b>	<b>1,580,073</b>	<b>1,643,104</b>
Additions	564	2,758
Impairments	0	-66,223
<b>Book value as of 31.3. and 31.12. respectively</b>	<b>1,580,637</b>	<b>1,579,639</b>
Cumulative impairment as of 31.3. and 31.12. respectively	259,024	259,013
<b>Acquisition costs</b>	<b>1,839,661</b>	<b>1,838,652</b>

Additions mainly result from the acquisition of the subsidiaries indicated in the section “Changes in the scope of consolidation”.

## 2. OTHER SECURITIES

Development	Held to maturity		Available for sale		Held for trading		Recognised at fair value through profit and loss	
	31.3.2016	31.12.2015	31.3.2016	31.12.2015	31.3.2016	31.12.2015	31.3.2016	31.12.2015
in EUR *000								
Acquisition costs	3,080,231	3,059,251						
Cumulative depreciation as of 31.12. of previous years	-14,116	-13,316						
<b>Book value as of 31.12. of the previous year</b>	<b>3,066,115</b>	<b>3,045,935</b>	<b>20,649,481</b>	<b>20,134,501</b>	<b>171,410</b>	<b>194,883</b>	<b>229,374</b>	<b>271,287</b>
Exchange rate changes	-1,520	54,826	1,438	26,852	2,052	-2,831	-552	2,193
<b>Book value as of 1.1.</b>	<b>3,064,595</b>	<b>3,100,761</b>	<b>20,650,919</b>	<b>20,161,353</b>	<b>173,462</b>	<b>192,052</b>	<b>228,822</b>	<b>273,480</b>
Reclassifications	0	-5	5,860	-5,311	4,372	2,912	10	897
Additions	44,922	272,247	1,340,071	5,002,212	27,442	123,743	27,561	88,424
Disposals/repayments	-112,279	-306,317	-967,813	-4,110,530	-31,336	-143,311	-38,457	-147,794
Changes in scope of consolidation	0	0	1,269	-12,420	0	0	0	15,276
Changes in value recognised in profit and loss	0	-249	0	2,240	1,932	-3,986	2,119	-909
Changes recognised directly in equity	0	0	462,649	-369,618	0	0	0	0
Impairments	-10	-322	-483	-18,445	0	0	0	0
<b>Book value as of 31.3. and 31.12. respectively</b>	<b>2,997,228</b>	<b>3,066,115</b>	<b>21,492,472</b>	<b>20,649,481</b>	<b>175,872</b>	<b>171,410</b>	<b>220,055</b>	<b>229,374</b>
Cumulative appreciation/ depreciation as of 31.3. and 31.12. respectively	15,287	14,116						
<b>Acquisition costs</b>	<b>3,012,515</b>	<b>3,080,231</b>						

## 3. REINSURERS' SHARE IN UNDERWRITING PROVISIONS

Composition	Total	
	31.3.2016	31.12.2015
in EUR *000		
Provision for unearned premiums	266,657	125,715
Mathematical reserve	62,709	63,262
Provisions for outstanding claims	906,808	825,929
Provision for profit-unrelated premium refunds	11,065	11,059
Other underwriting provisions	5,168	4,775
<b>Total</b>	<b>1,252,407</b>	<b>1,030,740</b>

#### 4. RECEIVABLES

Composition	Total	
	31.3.2016	31.12.2015
in EUR '000		
<b>Underwriting</b>	<b>971,862</b>	<b>729,433</b>
Receivables from direct insurance business	863,774	621,839
from policyholders	674,798	462,914
from insurance intermediaries	117,298	109,342
from insurance companies	71,678	49,583
Receivables from reinsurance business	108,088	107,594
<b>Non-underwriting</b>	<b>648,061</b>	<b>660,800</b>
Other receivables	648,061	660,800
<b>Total</b>	<b>1,619,923</b>	<b>1,390,233</b>

#### 5. EARNINGS PER SHARE

	1.1.-31.3.2016		1.1.-31.3.2015	
Profit for the period	EUR '000	80,519	EUR '000	100,440
Profit for the period after non-controlling interests	EUR '000	77,592	EUR '000	98,832
Interest expenses for hybrid capital	EUR '000	3,939	EUR '000	4,593
Number of shares	Units	128,000,000	Units	128,000,000
<b>Earnings per share</b>	<b>EUR</b>	<b>2.30</b>	<b>EUR</b>	<b>2.94</b>

#### 6. UNDERWRITING PROVISION – GROSS

Composition	Total	
	31.3.2016	31.12.2015
in EUR '000		
Provision for unearned premiums	1,566,569	1,181,269
Mathematical reserve	21,359,733	21,068,385
<i>thereof for guaranteed policy benefits</i>	<i>19,485,570</i>	<i>19,304,414</i>
<i>thereof for allocated and committed profit shares</i>	<i>940,061</i>	<i>932,810</i>
<i>thereof deferred profit participation</i>	<i>934,102</i>	<i>831,161</i>
Provisions for outstanding claims	4,685,360	4,603,648
Provision for premium refunds	1,428,801	1,238,692
<i>thereof profit-related</i>	<i>1,369,841</i>	<i>1,182,632</i>
<i>thereof profit-unrelated</i>	<i>58,960</i>	<i>56,060</i>
Other underwriting provisions	52,493	53,129
<b>Total</b>	<b>29,092,956</b>	<b>28,145,123</b>

## 7. LIABILITIES

Composition	Total	
	31.3.2016	31.12.2015
in EUR '000		
<b>Underwriting</b>	<b>1,029,462</b>	<b>933,128</b>
Liabilities from direct business	712,076	722,832
<i>to policyholders</i>	457,857	523,949
<i>to insurance intermediaries</i>	178,305	160,306
<i>to insurance companies</i>	75,914	38,577
Liabilities from reinsurance business	247,182	134,462
Deposits from ceded reinsurance business	70,204	75,834
<b>Non-underwriting</b>	<b>739,846</b>	<b>701,451</b>
Liabilities to financial institutions	246,920	283,774
Other liabilities	492,926	417,677
<b>Total</b>	<b>1,769,308</b>	<b>1,634,579</b>

## NOTES TO THE CONSOLIDATED INCOME STATEMENT

### 1. PREMIUMS WRITTEN

Composition	Gross	
	1.1.-31.3.2016	1.1.-31.3.2015
in EUR '000		
Motor third party liability insurance	256,991	239,796
Motor own damage, fire and theft insurance	370,817	318,633
Other property and casualty insurance	913,024	920,003
Life insurance – regular premium	661,002	653,350
Life insurance – single premium	382,617	505,177
Health insurance	121,308	118,957
<b>Total Written premiums</b>	<b>2,705,759</b>	<b>2,755,916</b>

## 2. FINANCIAL RESULT

Composition	Austria	Czech Republic	Slovakia	Poland	Romania	The Baltic	Hungary
	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016
in EUR '000							
Current income	191,212	31,638	11,163	7,321	3,435	1,325	2,294
Income from appreciation	2,173	1,364	393	1,883	224	387	0
<i>of which a reduction in impairment</i>	0	0	0	0	0	0	0
Income from the disposal of investments	17,645	6,005	624	2,122	1,044	89	562
<b>Total income</b>	<b>211,030</b>	<b>39,007</b>	<b>12,180</b>	<b>11,326</b>	<b>4,703</b>	<b>1,801</b>	<b>2,856</b>
Depreciation of investments	9,852	1,744	574	853	308	404	0
<i>thereof impairment of investments</i>	170	0	0	0	0	0	0
Exchange rate changes	455	1,497	11	-62	361	0	343
Losses from disposal of investments	168	10,742	1	95	50	62	23
Interest expenses	9,574	909	107	752	625	70	178
Other expenses	18,669	3,077	272	781	447	80	216
<b>Total expenses</b>	<b>38,718</b>	<b>17,969</b>	<b>965</b>	<b>2,419</b>	<b>1,791</b>	<b>616</b>	<b>760</b>

Composition	Bulgaria	Turkey/ Georgia	Remaining CEE	Other Markets	Central Functions	Consolidation	Total
	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016
in EUR '000							
Current income	5,494	2,106	9,796	4,976	21,316	-14,592	277,484
Income from appreciation	294	904	62	0	0	0	7,684
<i>of which a reduction in impairment</i>	0	0	1	0	0	0	1
Income from the disposal of investments	344	99	1,790	3	1	0	30,328
<b>Total income</b>	<b>6,132</b>	<b>3,109</b>	<b>11,648</b>	<b>4,979</b>	<b>21,317</b>	<b>-14,592</b>	<b>315,496</b>
Depreciation of investments	434	720	580	324	2,494	0	18,287
<i>thereof impairment of investments</i>	92	0	271	198	0	0	731
Exchange rate changes	183	-92	632	0	-590	0	2,738
Losses from disposal of investments	306	174	49	0	1,020	0	12,690
Interest expenses	64	245	503	144	21,171	-14,624	19,718
Other expenses	2,352	393	477	169	20,715	0	47,648
<b>Total expenses</b>	<b>3,339</b>	<b>1,440</b>	<b>2,241</b>	<b>637</b>	<b>44,810</b>	<b>-14,624</b>	<b>101,081</b>



Composition	Austria	Czech Republic	Slovakia	Poland	Romania	The Baltic	Hungary
	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015
in EUR '000							
Current income	188,080	29,658	10,996	9,556	3,444	824	2,390
Income from appreciation	3,044	1,006	325	2,272	183	368	0
<i>of which a reduction in impairment</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Income from the disposal of investments	36,847	11,522	165	7,920	2,698	5	1,149
<b>Total income</b>	<b>227,971</b>	<b>42,186</b>	<b>11,486</b>	<b>19,748</b>	<b>6,325</b>	<b>1,197</b>	<b>3,539</b>
Depreciation of investments	12,450	1,664	274	598	346	1	0
<i>thereof impairment of investments</i>	<i>3,451</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Exchange rate changes	-1,156	-15,804	-262	2,353	159	-13	57
Losses from disposal of investments	2,488	19,561	0	92	22	1	1,166
Interest expenses	9,333	1,127	151	1,162	666	28	371
Other expenses	22,747	5,287	204	953	557	69	217
<b>Total expenses</b>	<b>45,862</b>	<b>11,835</b>	<b>367</b>	<b>5,158</b>	<b>1,750</b>	<b>86</b>	<b>1,811</b>

Composition	Bulgaria	Turkey/ Georgia	Remaining CEE	Other Markets	Central Functions	Consolidation	Total
	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015
in EUR '000							
Current income	5,414	1,794	9,113	4,725	23,413	-15,878	273,529
Income from appreciation	472	441	257	123	0	0	8,491
<i>of which a reduction in impairment</i>	<i>0</i>	<i>28</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>28</i>
Income from the disposal of investments	1,194	101	1,355	23	1,296	0	64,275
<b>Total income</b>	<b>7,080</b>	<b>2,336</b>	<b>10,725</b>	<b>4,871</b>	<b>24,709</b>	<b>-15,878</b>	<b>346,295</b>
Depreciation of investments	308	616	500	23	2,509	0	19,289
<i>thereof impairment of investments</i>	<i>0</i>	<i>0</i>	<i>205</i>	<i>15</i>	<i>0</i>	<i>0</i>	<i>3,671</i>
Exchange rate changes	-357	-244	-1,321	0	-7,621	0	-24,209
Losses from disposal of investments	129	37	13	1	18	0	23,528
Interest expenses	35	235	608	161	19,762	-15,782	17,857
Other expenses	2,673	768	411	218	18,785	-373	52,516
<b>Total expenses</b>	<b>2,788</b>	<b>1,412</b>	<b>211</b>	<b>403</b>	<b>33,453</b>	<b>-16,155</b>	<b>88,981</b>

### 3. EXPENSES FOR CLAIMS AND INSURANCE BENEFITS

Composition	Austria	Czech Republic	Slovakia	Poland	Romania	The Baltic	Hungary
	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016
in EUR '000							
<b>Gross</b>							
<b>Expenses for claims and insurance benefits</b>							
Payments for claims and insurance benefits	820,295	232,353	120,310	130,594	58,842	13,213	32,756
Changes in provision for outstanding claims	7,300	5,800	8,062	-1,433	14,388	4,076	-3,549
<b>Subtotal</b>	<b>827,595</b>	<b>238,153</b>	<b>128,372</b>	<b>129,161</b>	<b>73,230</b>	<b>17,289</b>	<b>29,207</b>
Change in mathematical reserve	154,141	-12,910	1,450	32,901	2,272	9,453	-3,194
Change in other underwriting provisions	0	0	0	64	0	0	-1,311
Expenses for profit-related and profit-unrelated premium refunds	9,936	6,768	531	125	-19	0	1,054
<b>Total expenses</b>	<b>991,672</b>	<b>232,011</b>	<b>130,353</b>	<b>162,251</b>	<b>75,483</b>	<b>26,742</b>	<b>25,756</b>
<b>Reinsurers' share</b>							
<b>Expenses for claims and insurance benefits</b>							
Payments for claims and insurance benefits	-68,013	-44,461	-14,817	-22,358	-17,731	-1,580	-3,849
Changes in provision for outstanding claims	-49,687	-7,298	-7,883	-3,986	-2,996	-2,461	3,642
<b>Subtotal</b>	<b>-117,700</b>	<b>-51,759</b>	<b>-22,700</b>	<b>-26,344</b>	<b>-20,727</b>	<b>-4,041</b>	<b>-207</b>
Change in mathematical reserve	-80	8	0	11	0	0	0
Change in other underwriting provisions	0	0	0	0	0	0	-253
Expenses for profit-unrelated premium refunds	-175	87	0	0	0	0	78
<b>Total expenses</b>	<b>-117,955</b>	<b>-51,664</b>	<b>-22,700</b>	<b>-26,333</b>	<b>-20,727</b>	<b>-4,041</b>	<b>-382</b>
<b>Retention</b>							
<b>Expenses for claims and insurance benefits</b>							
Payments for claims and insurance benefits	752,282	187,892	105,493	108,236	41,111	11,633	28,907
Changes in provision for outstanding claims	-42,387	-1,498	179	-5,419	11,392	1,615	93
<b>Subtotal</b>	<b>709,895</b>	<b>186,394</b>	<b>105,672</b>	<b>102,817</b>	<b>52,503</b>	<b>13,248</b>	<b>29,000</b>
Change in mathematical reserve	154,061	-12,902	1,450	32,912	2,272	9,453	-3,194
Change in other underwriting provisions	0	0	0	64	0	0	-1,564
Expenses for profit-related and profit-unrelated premium refunds	9,761	6,855	531	125	-19	0	1,132
<b>Total expenses</b>	<b>873,717</b>	<b>180,347</b>	<b>107,653</b>	<b>135,918</b>	<b>54,756</b>	<b>22,701</b>	<b>25,374</b>

Composition	Bulgaria		Turkey/ Georgia		Remaining CEE		Other Markets		Central Functions		Consolidation		Total	
	1.1.-31.3.2016		1.1.-31.3.2016		1.1.-31.3.2016		1.1.-31.3.2016		1.1.-31.3.2016		1.1.-31.3.2016		1.1.-31.3.2016	
in EUR '000														
<b>Gross</b>														
<b>Expenses for claims and insurance benefits</b>														
Payments for claims and insurance benefits	15,051	23,456	35,093	36,691	170,761	-152,713					1,536,702			
Changes in provision for outstanding claims	2,344	1,799	5,557	147	63,789	-25,991					82,289			
<b>Subtotal</b>	<b>17,395</b>	<b>25,255</b>	<b>40,650</b>	<b>36,838</b>	<b>234,550</b>	<b>-178,704</b>					<b>1,618,991</b>			
Change in mathematical reserve	3,904	0	8,399	49,531	318	-233					246,032			
Change in other underwriting provisions	0	407	382	0	0	0					-458			
Expenses for profit-related and profit-unrelated premium refunds	103	0	-187	1,361	5	0					19,677			
<b>Total expenses</b>	<b>21,402</b>	<b>25,662</b>	<b>49,244</b>	<b>87,730</b>	<b>234,873</b>	<b>-178,937</b>					<b>1,884,242</b>			
<b>Reinsurers' share</b>														
<b>Expenses for claims and insurance benefits</b>														
Payments for claims and insurance benefits	-2,167	-6,804	-7,709	-3,422	-11,776	149,747					-54,940			
Changes in provision for outstanding claims	-1,965	-278	-3,979	1,802	-32,721	28,450					-79,360			
<b>Subtotal</b>	<b>-4,132</b>	<b>-7,082</b>	<b>-11,688</b>	<b>-1,620</b>	<b>-44,497</b>	<b>178,197</b>					<b>-134,300</b>			
Change in mathematical reserve	0	0	276	557	5	230					1,007			
Change in other underwriting provisions	0	-132	0	0	0	0					-385			
Expenses for profit-unrelated premium refunds	0	0	0	0	0	0					-10			
<b>Total expenses</b>	<b>-4,132</b>	<b>-7,214</b>	<b>-11,412</b>	<b>-1,063</b>	<b>-44,492</b>	<b>178,427</b>					<b>-133,688</b>			
<b>Retention</b>														
<b>Expenses for claims and insurance benefits</b>														
Payments for claims and insurance benefits	12,884	16,652	27,384	33,269	158,985	-2,966					1,481,762			
Changes in provision for outstanding claims	379	1,521	1,578	1,949	31,068	2,459					2,929			
<b>Subtotal</b>	<b>13,263</b>	<b>18,173</b>	<b>28,962</b>	<b>35,218</b>	<b>190,053</b>	<b>-507</b>					<b>1,484,691</b>			
Change in mathematical reserve	3,904	0	8,675	50,088	323	-3					247,039			
Change in other underwriting provisions	0	275	382	0	0	0					-843			
Expenses for profit-related and profit-unrelated premium refunds	103	0	-187	1,361	5	0					19,667			
<b>Total expenses</b>	<b>17,270</b>	<b>18,448</b>	<b>37,832</b>	<b>86,667</b>	<b>190,381</b>	<b>-510</b>					<b>1,750,554</b>			

Composition	Austria	Czech Republic	Slovakia	Poland	Romania	The Baltic	Hungary
	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015
in EUR '000							
<b>Gross</b>							
<b>Expenses for claims and insurance benefits</b>							
Payments for claims and insurance benefits	858,522	258,658	145,574	162,390	50,647	4,620	27,807
Changes in provision for outstanding claims	14,424	3,402	-638	5,011	9,961	-200	2,504
<b>Subtotal</b>	<b>872,946</b>	<b>262,060</b>	<b>144,936</b>	<b>167,401</b>	<b>60,608</b>	<b>4,420</b>	<b>30,311</b>
Change in mathematical reserve	84,428	29,857	9,872	-3,829	118	7,738	-1,469
Change in other underwriting provisions	0	0	0	0	0	0	709
Expenses for profit-related and profit-unrelated premium refunds	12,690	5,337	309	138	-128	0	762
<b>Total expenses</b>	<b>970,064</b>	<b>297,254</b>	<b>155,117</b>	<b>163,710</b>	<b>60,598</b>	<b>12,158</b>	<b>30,313</b>
<b>Reinsurers' share</b>							
<b>Expenses for claims and insurance benefits</b>							
Payments for claims and insurance benefits	-109,723	-41,247	-18,199	-25,730	-18,864	-120	-2,007
Changes in provision for outstanding claims	15,066	-5,845	-3,252	2,590	-2,996	3	-3,479
<b>Subtotal</b>	<b>-94,657</b>	<b>-47,092</b>	<b>-21,451</b>	<b>-23,140</b>	<b>-21,860</b>	<b>-117</b>	<b>-5,486</b>
Change in mathematical reserve	-145	0	0	3	0	0	0
Change in other underwriting provisions	0	0	0	0	0	0	-701
Expenses for profit-unrelated premium refunds	-241	0	0	0	0	0	-23
<b>Total expenses</b>	<b>-95,043</b>	<b>-47,092</b>	<b>-21,451</b>	<b>-23,137</b>	<b>-21,860</b>	<b>-117</b>	<b>-6,210</b>
<b>Retention</b>							
<b>Expenses for claims and insurance benefits</b>							
Payments for claims and insurance benefits	748,799	217,411	127,375	136,660	31,783	4,500	25,800
Changes in provision for outstanding claims	29,490	-2,443	-3,890	7,601	6,965	-197	-975
<b>Subtotal</b>	<b>778,289</b>	<b>214,968</b>	<b>123,485</b>	<b>144,261</b>	<b>38,748</b>	<b>4,303</b>	<b>24,825</b>
Change in mathematical reserve	84,283	29,857	9,872	-3,826	118	7,738	-1,469
Change in other underwriting provisions	0	0	0	0	0	0	8
Expenses for profit-related and profit-unrelated premium refunds	12,449	5,337	309	138	-128	0	739
<b>Total expenses</b>	<b>875,021</b>	<b>250,162</b>	<b>133,666</b>	<b>140,573</b>	<b>38,738</b>	<b>12,041</b>	<b>24,103</b>

Composition	Bulgaria		Turkey/ Georgia		Remaining CEE		Other Markets		Central Functions		Consolidation		Total	
	1.1.-31.3.2015		1.1.-31.3.2015		1.1.-31.3.2015		1.1.-31.3.2015		1.1.-31.3.2015		1.1.-31.3.2015		1.1.-31.3.2015	
in EUR '000														
<b>Gross</b>														
<b>Expenses for claims and insurance benefits</b>														
Payments for claims and insurance benefits	18,545	33,651	32,703	25,857	156,640	-141,162	1,634,452							
Changes in provision for outstanding claims	-49	-8,110	422	2,448	31,984	-19,499	41,660							
<b>Subtotal</b>	<b>18,496</b>	<b>25,541</b>	<b>33,125</b>	<b>28,305</b>	<b>188,624</b>	<b>-160,661</b>	<b>1,676,112</b>							
Change in mathematical reserve	4,909	0	8,253	-13,001	-525	310	126,661							
Change in other underwriting provisions	0	-5	39	0	0	0	743							
Expenses for profit-related and profit-unrelated premium refunds	105	0	-97	1,540	0	0	20,656							
<b>Total expenses</b>	<b>23,510</b>	<b>25,536</b>	<b>41,320</b>	<b>16,844</b>	<b>188,099</b>	<b>-160,351</b>	<b>1,824,172</b>							
<b>Reinsurers' share</b>														
<b>Expenses for claims and insurance benefits</b>														
Payments for claims and insurance benefits	-5,731	-17,363	-9,101	-2,555	-9,583	137,819	-122,404							
Changes in provision for outstanding claims	967	8,353	1,183	360	-5,596	21,223	28,577							
<b>Subtotal</b>	<b>-4,764</b>	<b>-9,010</b>	<b>-7,918</b>	<b>-2,195</b>	<b>-15,179</b>	<b>159,042</b>	<b>-93,827</b>							
Change in mathematical reserve	-1	0	359	523	0	-309	430							
Change in other underwriting provisions	0	10	0	0	0	0	-691							
Expenses for profit-unrelated premium refunds	0	0	0	0	0	0	-264							
<b>Total expenses</b>	<b>-4,765</b>	<b>-9,000</b>	<b>-7,559</b>	<b>-1,672</b>	<b>-15,179</b>	<b>158,733</b>	<b>-94,352</b>							
<b>Retention</b>														
<b>Expenses for claims and insurance benefits</b>														
Payments for claims and insurance benefits	12,814	16,288	23,602	23,302	147,057	-3,343	1,512,048							
Changes in provision for outstanding claims	918	243	1,605	2,808	26,388	1,724	70,237							
<b>Subtotal</b>	<b>13,732</b>	<b>16,531</b>	<b>25,207</b>	<b>26,110</b>	<b>173,445</b>	<b>-1,619</b>	<b>1,582,285</b>							
Change in mathematical reserve	4,908	0	8,612	-12,478	-525	1	127,091							
Change in other underwriting provisions	0	5	39	0	0	0	52							
Expenses for profit-related and profit-unrelated premium refunds	105	0	-97	1,540	0	0	20,392							
<b>Total expenses</b>	<b>18,745</b>	<b>16,536</b>	<b>33,761</b>	<b>15,172</b>	<b>172,920</b>	<b>-1,618</b>	<b>1,729,820</b>							

#### 4. ACQUISITION AND ADMINISTRATIVE EXPENSES

Composition	Austria	Czech Republic	Slovakia	Poland	Romania	The Baltic	Hungary
	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016
in EUR '000							
<b>Acquisition expenses</b>	<b>186,144</b>	<b>101,730</b>	<b>28,371</b>	<b>37,608</b>	<b>28,423</b>	<b>6,428</b>	<b>8,970</b>
<b>Administrative expenses</b>							
Pro rata personnel expenses	17,507	5,007	2,471	5,080	1,558	1,249	1,664
Pro rata material expenses	23,555	7,195	4,598	3,981	2,101	771	2,238
<b>Subtotal</b>	<b>41,062</b>	<b>12,202</b>	<b>7,069</b>	<b>9,061</b>	<b>3,659</b>	<b>2,020</b>	<b>3,902</b>
Received reinsurance commissions	-44,164	-25,745	-8,056	-8,993	-5,682	-551	-4,029
<b>Total</b>	<b>183,042</b>	<b>88,187</b>	<b>27,384</b>	<b>37,676</b>	<b>26,400</b>	<b>7,897</b>	<b>8,843</b>

Composition	Bulgaria	Turkey/ Georgia	Remaining CEE	Other Markets	Central Functions	Consolidation	Total
	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016
in EUR '000							
<b>Acquisition expenses</b>	<b>8,120</b>	<b>8,547</b>	<b>18,281</b>	<b>9,385</b>	<b>89,812</b>	<b>-83,131</b>	<b>448,688</b>
<b>Administrative expenses</b>							
Pro rata personnel expenses	521	1,662	3,221	1,243	262	0	41,445
Pro rata material expenses	642	818	3,960	1,255	589	0	51,703
<b>Subtotal</b>	<b>1,163</b>	<b>2,480</b>	<b>7,181</b>	<b>2,498</b>	<b>851</b>	<b>0</b>	<b>93,148</b>
Received reinsurance commissions	-2,729	-6,601	-6,625	-7,285	-5,834	86,746	-39,548
<b>Total</b>	<b>6,554</b>	<b>4,426</b>	<b>18,837</b>	<b>4,598</b>	<b>84,829</b>	<b>3,615</b>	<b>502,288</b>

Composition	Austria	Czech Republic	Slovakia	Poland	Romania	The Baltic	Hungary
	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015
in EUR '000							
<b>Acquisition expenses</b>	<b>181,447</b>	<b>96,513</b>	<b>33,636</b>	<b>62,308</b>	<b>24,287</b>	<b>3,450</b>	<b>9,040</b>
<b>Administrative expenses</b>							
Pro rata personnel expenses	14,409	6,281	2,109	5,486	2,040	388	1,606
Pro rata material expenses	21,404	4,869	3,503	4,875	2,086	223	2,457
<b>Subtotal</b>	<b>35,813</b>	<b>11,150</b>	<b>5,612</b>	<b>10,361</b>	<b>4,126</b>	<b>611</b>	<b>4,063</b>
Received reinsurance commissions	-45,558	-24,034	-8,748	-8,100	-5,905	-208	-5,143
<b>Total</b>	<b>171,702</b>	<b>83,629</b>	<b>30,500</b>	<b>64,569</b>	<b>22,508</b>	<b>3,853</b>	<b>7,960</b>

Composition	Bulgaria	Turkey/ Georgia	Remaining CEE	Other Markets	Central Functions	Consolidation	Total
	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015
in EUR '000							
<b>Acquisition expenses</b>	<b>8,404</b>	<b>7,893</b>	<b>17,922</b>	<b>8,581</b>	<b>91,203</b>	<b>-84,046</b>	<b>460,638</b>
<b>Administrative expenses</b>							
Pro rata personnel expenses	524	1,702	3,187	1,136	344	0	39,212
Pro rata material expenses	622	1,137	4,137	1,103	456	0	46,872
<b>Subtotal</b>	<b>1,146</b>	<b>2,839</b>	<b>7,324</b>	<b>2,239</b>	<b>800</b>	<b>0</b>	<b>86,084</b>
Received reinsurance commissions	-1,825	-4,764	-7,000	-6,235	-4,968	85,131	-37,357
<b>Total</b>	<b>7,725</b>	<b>5,968</b>	<b>18,246</b>	<b>4,585</b>	<b>87,035</b>	<b>1,085</b>	<b>509,365</b>

## 5. OTHER INCOME AND EXPENSES

Composition Other income	Underwriting	Non- underwriting	Total	Underwriting	Non- underwriting	Total
	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015
in EUR '000						
Austria	2,792	1,877	4,669	2,624	1,466	4,090
Czech Republic	11,018	911	11,929	6,460	389	6,849
Slovakia	3,944	109	4,053	3,246	67	3,313
Poland	296	1,708	2,004	1,055	3,311	4,366
Romania	1,459	1,071	2,530	1,896	360	2,256
The Baltic	25	136	161	144	50	194
Hungary	336	227	563	259	465	724
Bulgaria	159	10	169	733	8	741
Turkey/Georgia	174	449	623	700	1,127	1,827
Remaining CEE	1,191	281	1,472	1,482	1,012	2,494
Other Markets	5,893	10	5,903	1,110	8	1,118
Central Functions	42	2,826	2,868	0	314	314
Consolidation	-12	0	-12	-15	-1	-16
<b>Total</b>	<b>27,317</b>	<b>9,615</b>	<b>36,932</b>	<b>19,694</b>	<b>8,576</b>	<b>28,270</b>

Composition Other expenses	Underwriting	Non- underwriting	Total	Underwriting	Non- underwriting	Total
	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2016	1.1.-31.3.2015	1.1.-31.3.2015	1.1.-31.3.2015
in EUR '000						
Austria	3,657	2,782	6,439	2,522	3,396	5,918
Czech Republic	7,364	686	8,050	7,180	988	8,168
Slovakia	8,273	11	8,284	6,862	308	7,170
Poland	1,576	2,370	3,946	3,043	861	3,904
Romania	6,542	330	6,872	5,031	390	5,421
The Baltic	705	358	1,063	0	113	113
Hungary	1,891	895	2,786	1,876	758	2,634
Bulgaria	2,915	190	3,105	2,101	1,225	3,326
Turkey/Georgia	330	669	999	409	392	801
Remaining CEE	3,056	2,315	5,371	3,514	-105	3,409
Other Markets	6,333	183	6,516	90,533	246	90,779
Central Functions	90	3,164	3,254	-37	8,689	8,652
Consolidation	-14	-247	-261	-16	1,859	1,843
<b>Total</b>	<b>42,718</b>	<b>13,706</b>	<b>56,424</b>	<b>123,018</b>	<b>19,120</b>	<b>142,138</b>

#### Other expenses

The decrease in other expenses over the previous year was mainly due to smaller currency fluctuations, which were due to the Swiss franc being unpegged from the euro rate in the previous year. This exchange rate effect is neutral with respect to the Group result, since an offsetting change took place in the underwriting result.



## ADDITIONAL DISCLOSURES

### 1. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT HIERARCHY

Information on the nature and extent of risks arising from financial instruments is provided in the section titled “Financial instruments and risk management” on page 106 of the consolidated financial statements for 2015.

#### Fair value and book value of financial instruments

The table below shows the book values and fair values of financial instrument holdings:

Fair value and book value of financial instruments	Book value	31.3.2016			Fair value
		Level 1	Level 2	Level 3	
in EUR '000					
<b>FINANCIAL ASSETS</b>					
<b>Land and buildings*</b>	<b>1,911,944</b>	<b>0</b>	<b>60,561</b>	<b>2,816,569</b>	<b>2,877,130</b>
Self-used land and buildings	440,936	0	40,248	600,660	640,908
Investment properties	1,471,008	0	20,313	2,215,909	2,236,222
<b>Shares in at equity consolidated companies</b>	<b>907,682</b>				<b>907,682</b>
<b>Loans and receivables</b>	<b>1,326,238</b>	<b>0</b>	<b>1,423,381</b>	<b>21,670</b>	<b>1,445,051</b>
<b>Reclassified loans</b>	<b>437,571</b>	<b>295,219</b>	<b>191,525</b>	<b>0</b>	<b>486,744</b>
<b>Bonds classified as loans</b>	<b>1,085,560</b>	<b>208,418</b>	<b>1,046,227</b>	<b>19,770</b>	<b>1,274,415</b>
<b>Other securities</b>	<b>24,885,627</b>	<b>21,767,925</b>	<b>3,590,759</b>	<b>211,152</b>	<b>25,569,836</b>
Financial instruments held to maturity	2,261,024	2,248,009	499,101	5,753	2,752,863
Financial instruments reclassified as held to maturity	736,204	870,096	58,478	0	928,574
Financial investments available for sale	21,492,472	18,467,593	2,887,341	137,538	21,492,472
Held for trading	175,872	121,847	2,152	51,873	175,872
Financial instruments recognised at fair value through profit and loss	220,055	60,380	143,687	15,988	220,055
<b>Other investments</b>	<b>810,133</b>				<b>810,133</b>
<b>Investments for unit- and index-linked life insurance</b>	<b>8,150,340</b>	<b>8,150,340</b>	<b>0</b>	<b>0</b>	<b>8,150,340</b>
<b>FINANCIAL LIABILITIES</b>					
<b>Subordinated liabilities</b>	<b>1,277,287</b>	<b>0</b>	<b>1,284,512</b>	<b>20,770</b>	<b>1,305,282</b>
<b>Liabilities to financial institutions</b>	<b>246,920</b>	<b>0</b>	<b>101</b>	<b>246,819</b>	<b>246,920</b>
<b>Financing liabilities</b>	<b>42,367</b>	<b>909</b>	<b>350</b>	<b>41,108</b>	<b>42,367</b>
<b>Derivative financial instruments (included in other liabilities)</b>	<b>5,068</b>	<b>1,249</b>	<b>3,813</b>	<b>6</b>	<b>5,068</b>

\* The market values are derived from internal and external expert reports.

## Fair value and book value of financial instruments

in EUR '000	31.12.2015				Fair value
	Book value	Level 1	Level 2	Level 3	
<b>FINANCIAL ASSETS</b>					
<b>Land and buildings*</b>	<b>1,907,737</b>	<b>0</b>	<b>61,302</b>	<b>2,793,870</b>	<b>2,855,172</b>
Self-used land and buildings	434,306	0	40,847	579,177	620,024
Investment properties	1,473,431	0	20,455	2,214,693	2,235,148
<b>Shares in at equity consolidated companies</b>	<b>886,892</b>				<b>886,892</b>
<b>Loans and receivables</b>	<b>1,335,993</b>	<b>0</b>	<b>1,420,411</b>	<b>22,156</b>	<b>1,442,567</b>
<b>Reclassified loans</b>	<b>439,980</b>	<b>297,560</b>	<b>193,395</b>	<b>0</b>	<b>490,955</b>
<b>Bonds classified as loans</b>	<b>1,104,361</b>	<b>202,652</b>	<b>1,055,281</b>	<b>19,125</b>	<b>1,277,058</b>
<b>Other securities</b>	<b>24,116,380</b>	<b>21,092,333</b>	<b>3,468,166</b>	<b>209,851</b>	<b>24,770,350</b>
Financial instruments held to maturity	2,256,682	2,237,015	477,297	7,421	2,721,733
Financial instruments reclassified as held to maturity	809,433	933,132	65,220	0	998,352
Financial investments available for sale	20,649,481	17,750,295	2,763,552	135,634	20,649,481
Held for trading	171,410	117,560	1,955	51,895	171,410
Financial instruments recognised at fair value through profit and loss	229,374	54,331	160,142	14,901	229,374
<b>Other investments</b>	<b>917,882</b>				<b>917,882</b>
<b>Investments for unit- and index-linked life insurance</b>	<b>8,144,135</b>	<b>8,144,135</b>	<b>0</b>	<b>0</b>	<b>8,144,135</b>
<b>FINANCIAL LIABILITIES</b>					
<b>Subordinated liabilities</b>	<b>1,280,308</b>	<b>0</b>	<b>1,293,721</b>	<b>20,761</b>	<b>1,314,482</b>
<b>Liabilities to financial institutions</b>	<b>283,774</b>	<b>0</b>	<b>100</b>	<b>283,674</b>	<b>283,774</b>
<b>Financing liabilities</b>	<b>44,809</b>	<b>209</b>	<b>348</b>	<b>44,252</b>	<b>44,809</b>
<b>Derivative financial instruments (included in other liabilities)</b>	<b>14,399</b>	<b>1,767</b>	<b>12,591</b>	<b>41</b>	<b>14,399</b>

\* The market values are derived from internal and external expert reports.

Due to reasons of materiality, book value was used as the fair value of all liabilities other than derivative liabilities.

### Measurement process:

Note 36 "Financial instruments and fair value measurement hierarchy" in the 2015 Group Annual Report as of 31 December 2015 provides information on the measurement process.

### OTHER DISCLOSURES ABOUT THE MEASUREMENT PROCESS:

The fair value of shares with a book value of EUR 139,990,000 (31 December 2015: EUR 140,096,000) could not be reliably estimated as of 31 March 2016. The shares are mainly invested in companies that are not listed on any stock exchange.

### Reclassification of financial instruments

Reclassifications were performed based on the criteria and time points indicated in Note 36 "Financial instruments and fair value measurement hierarchy" in the Group Annual Report as of 31 December 2015.

A total of eight reclassifications took place between level 1 and level 2 during the reporting period. These were mainly due to changes in liquidity, trading frequency and trading activity.

### Hierarchy for financial instruments measured at fair value

The tables below show the hierarchy for financial instruments measured at fair value as of 31 March 2016 and 31 December 2015.

Hierarchy for financial instruments measured at fair value	Level 1		Level 2		Level 3	
	31.03.2016	31.12.2015	31.03.2016	31.12.2015	31.03.2016	31.12.2015
in EUR '000						
<b>FINANCIAL ASSETS</b>						
<b>Financial investments available for sale</b>	<b>18,467,593</b>	<b>17,750,295</b>	<b>2,887,341</b>	<b>2,763,552</b>	<b>137,538</b>	<b>135,634</b>
Bonds	16,318,765	15,597,056	2,627,980	2,503,150	81,712	79,710
Shares and other participations	412,872	428,385	183,397	184,174	50,809	50,947
Investment funds	1,735,956	1,724,854	75,964	76,228	5,017	4,977
<b>Held for trading</b>	<b>121,847</b>	<b>117,560</b>	<b>2,152</b>	<b>1,955</b>	<b>51,873</b>	<b>51,895</b>
Bonds	42,016	46,304	0	0	3,991	4,013
Shares and other non-fixed-interest securities	23,852	23,291	51	52	0	0
Investment funds	52,826	45,822	190	186	0	0
Derivatives	3,153	2,143	1,911	1,717	47,882	47,882
<b>Financial instruments recognised at fair value through profit and loss</b>	<b>60,380</b>	<b>54,331</b>	<b>143,687</b>	<b>160,142</b>	<b>15,988</b>	<b>14,901</b>
Bonds	47,611	41,515	129,145	146,781	14,863	13,791
Shares and other non-fixed-interest securities	96	94	14,542	13,361	0	0
Investment funds	12,673	12,722	0	0	1,125	1,110
<b>Investments for unit- and index-linked life insurance</b>	<b>8,150,340</b>	<b>8,144,135</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total financial assets</b>	<b>26,800,160</b>	<b>26,066,321</b>	<b>3,033,180</b>	<b>2,925,649</b>	<b>205,399</b>	<b>202,430</b>
<b>FINANCIAL LIABILITIES</b>						
<b>Derivative financial instruments (included in other liabilities)</b>	<b>1,249</b>	<b>1,767</b>	<b>3,813</b>	<b>12,591</b>	<b>6</b>	<b>41</b>

The level 3 financial instruments still in the portfolio had an effect on the result (net profit or loss) of EUR 1,377,000 (EUR 752,000) as of 31 March 2016.

### Unobservable input factors

Information on unobservable input factors is provided on page 195 of the 2015 consolidated financial statements.

### Sensitivities

Information on sensitivities is provided on page 196 of the 2015 consolidated financial statements.

A present value method is used to determine the fair value of certain corporate bonds that are generally measured at fair value. An issuer-specific risk premium is the primary input for this method, and may not be observable on the market. Depending on time to maturity, a significant increase in this spread, which might be derived from a sector or rating category, would have a large negative effect on the fair value determined in this way. Conversely, a significant decrease in this spread would increase the fair value of these financial investments.

With respect to the value of shares measured using a level 3 method (multiples approach), VIG assumes that alternative inputs and alternative methods do not lead to significant changes in value.

The following sensitivities were calculated for a derivative with the most material fair value: a 100 basis point increase in the discount rate leads to a 34% increase in option value; a 100 basis point decrease leads to a 50% drop in option value.

Due to a lack of available data, no sensitivity analysis information can be provided for the other securities whose fair value in level 3 has been determined by independent third parties.

### Carry-over of assets and liabilities/financial assets and liabilities

Development of financial instruments by level	Financial investments available for sale					
	31.3.2016			31.12.2015		
in EUR '000	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Book value as of 31.12. of the previous year</b>	<b>17,750,295</b>	<b>2,763,552</b>	<b>135,634</b>	<b>16,765,424</b>	<b>3,224,929</b>	<b>144,148</b>
Exchange rate changes	1,602	-27	-137	27,190	907	-1,245
<b>Book value as of 1.1.</b>	<b>17,751,897</b>	<b>2,763,525</b>	<b>135,497</b>	<b>16,792,614</b>	<b>3,225,836</b>	<b>142,903</b>
Reclassification between securities categories	13,307	-7,447	0	-2,738	-2,391	-182
Reclassification to level	579	63,020	0	235,239	72,054	750
Reclassification from level	-63,020	-579	0	-72,054	-226,577	-9,412
Additions	1,277,691	62,379	1	4,831,191	157,684	13,337
Disposals	-919,838	-47,346	-629	-3,704,598	-400,772	-5,160
Change in scope of consolidation	1,269	0	0	0	-12,420	0
Changes in value recognised in profit and loss	0	0	0	0	2,240	0
Changes recognised directly in equity	406,033	53,947	2,669	-325,497	-38,204	-5,917
Impairments	-325	-158	0	-3,862	-13,898	-685
<b>Book value as of 31.3.</b>	<b>18,467,593</b>	<b>2,887,341</b>	<b>137,538</b>	<b>17,750,295</b>	<b>2,763,552</b>	<b>135,634</b>

Development of financial instruments by level	Financial instruments recognised at fair value through profit and loss					
	31.3.2016			31.12.2015		
in EUR '000	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Book value as of 31.12. of the previous year</b>	<b>54,331</b>	<b>160,142</b>	<b>14,901</b>	<b>56,063</b>	<b>190,553</b>	<b>24,671</b>
Exchange rate changes	-47	-499	-6	581	1,500	112
<b>Book value as of 1.1.</b>	<b>54,284</b>	<b>159,643</b>	<b>14,895</b>	<b>56,644</b>	<b>192,053</b>	<b>24,783</b>
Reclassification between securities categories	10	0	0	896	1	0
Reclassification to level	17,176	0	0	0	0	302
Reclassification from level	0	-17,176	0	-302	0	0
Additions	25,521	683	1,357	73,412	6,946	8,066
Disposals	-37,249	-832	-376	-91,430	-37,781	-18,583
Change in scope of consolidation	0	0	0	15,276	0	0
Changes in value recognised in profit and loss	638	1,369	112	-165	-1,077	333
Changes recognised directly in equity	0	0	0	0	0	0
<b>Book value as of 31.3.</b>	<b>60,380</b>	<b>143,687</b>	<b>15,988</b>	<b>54,331</b>	<b>160,142</b>	<b>14,901</b>

**Development of financial instruments by level**

	31.3.2016			31.12.2015		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
in EUR '000						
<b>Book value as of 31.12. of the previous year</b>	<b>117,560</b>	<b>1,955</b>	<b>51,895</b>	<b>135,592</b>	<b>1,793</b>	<b>57,498</b>
Exchange rate changes	232	1,807	13	-235	-2,635	39
<b>Book value as of 1.1.</b>	<b>117,792</b>	<b>3,762</b>	<b>51,908</b>	<b>135,357</b>	<b>-842</b>	<b>57,537</b>
Reclassification between securities categories	4,372	0	0	2,912	0	0
Reclassification to level	0	0	0	7,610	0	1,899
Reclassification from level	0	0	0	-1,899	0	-7,610
Additions	26,845	0	597	106,534	0	17,209
Disposals	-28,478	-2,178	-680	-129,660	1,857	-15,508
Changes in value recognised in profit and loss	1,316	568	48	-3,294	940	-1,632
Changes recognised directly in equity	0	0	0	0	0	0
<b>Book value as of 31.3.</b>	<b>121,847</b>	<b>2,152</b>	<b>51,873</b>	<b>117,560</b>	<b>1,955</b>	<b>51,895</b>

Please refer to Note 29 "Financial result" for information on the effects of changes in value recognised in profit and loss.

**Development of financial instruments assigned to Level 3**

	Subordinated liabilities		Liabilities to financial institutions		Financing liabilities		Derivative financial instruments (included in other liabilities)	
	31.3.2016	31.12.2015	31.3.2016	31.12.2015	31.3.2016	31.12.2015	31.3.2016	31.12.2015
in EUR '000								
<b>Book value as of 31.12. of the previous year</b>	<b>20,761</b>	<b>0</b>	<b>283,674</b>	<b>419,112</b>	<b>44,252</b>	<b>39,834</b>	<b>41</b>	<b>0</b>
Exchange rate changes	-22	0	0	0	0	0	0	0
<b>Book value as of 1.1.</b>	<b>20,739</b>	<b>0</b>	<b>283,674</b>	<b>419,112</b>	<b>44,252</b>	<b>39,834</b>	<b>41</b>	<b>0</b>
Reclassification to level 3	0	20,761	0	0	0	0	0	0
Additions	0	0	3,530	35,380	2,904	5,053	0	41
Disposals	0	0	-29,244	-170,818	-6,048	-635	0	0
Changes in value recognised in profit and loss	31	0	0	0	0	0	-35	0
Changes recognised directly in equity	0	0	-11,140	0	0	0	0	0
<b>Book value as of 31.3.</b>	<b>20,770</b>	<b>20,761</b>	<b>246,820</b>	<b>283,674</b>	<b>41,108</b>	<b>44,252</b>	<b>6</b>	<b>41</b>

## 2. NUMBER OF EMPLOYEES

Employee statistics	31.3.2016	31.12.2015
<b>Austria</b>	<b>5,149</b>	<b>5,133</b>
Field staff	2,783	2,771
Office employees	2,366	2,362
<b>Czech Republic</b>	<b>4,756</b>	<b>4,758</b>
Field staff	2,947	2,953
Office employees	1,809	1,805
<b>Slovakia</b>	<b>1,639</b>	<b>1,580</b>
Field staff	807	790
Office employees	832	790
<b>Poland</b>	<b>1,596</b>	<b>1,723</b>
Field staff	796	838
Office employees	800	885
<b>Romania</b>	<b>2,013</b>	<b>2,106</b>
Field staff	1,187	1,236
Office employees	826	870
<b>The Baltic</b>	<b>399</b>	<b>372</b>
Field staff	157	150
Office employees	242	222
<b>Hungary</b>	<b>468</b>	<b>464</b>
Field staff	37	54
Office employees	431	410
<b>Bulgaria</b>	<b>809</b>	<b>799</b>
Field staff	282	286
Office employees	527	513
<b>Turkey/Georgia</b>	<b>840</b>	<b>837</b>
Field staff	425	421
Office employees	415	416
<b>Remaining CEE</b>	<b>4,701</b>	<b>4,663</b>
Field staff	3,311	3,285
Office employees	1,390	1,378
<b>Other Markets</b>	<b>125</b>	<b>123</b>
Field staff	7	7
Office employees	118	116
<b>Central Functions</b>	<b>431</b>	<b>437</b>
Office employees	431	437
<b>Total</b>	<b>22,926</b>	<b>22,995</b>

The specified employee figures are average values based on full-time equivalent.

### **3. 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.

### **4. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE**

#### **Resolution of the government bank resolution company HETA**

In a decision of 10 April 2016, the FMA ordered the expected “haircut” in accordance with § 74(4) of the Austrian Federal Act on the Recovery and Resolution of Banks (BaSAG). As a result, the nominal value of all subordinated liabilities is reduced to zero. The nominal values of all other liabilities were reduced to 46.02% of their values. At the same time, the FMA published a decision on the challenge to the moratorium that suspended maturity of the bonds and confirmed the decision. VIG will contest both decisions in order to prevent the haircut from becoming final.

# Declaration by the Managing Board

We declare to the best of our knowledge that the consolidated interim financial statements prepared in accordance with applicable accounting standards give a true and fair view of the Group's net assets, financial position and results of operations, the interim management report gives a true and fair view of the net assets, financial position and results of operations of the Group with regard to

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

Vienna, 9 May 2016

The Managing Board



**Elisabeth Stadler**  
General Manager,  
Chairwoman of the Managing Board



**Franz Fuchs**  
Member of the Managing Board



**Roland Gröll**  
Member of the Managing Board



**Judit Havasi**  
Member of the Managing Board



**Peter Höfner**  
Member of the Managing Board



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

## Managing Board areas of responsibility:

**Elisabeth Stadler:** VIG Group management, strategic matters, European matters, Group communication & marketing, sponsoring, people management, business development; country responsibilities: Austria, Czech Republic

**Franz Fuchs:** Performance management personal insurance, performance management motor insurance, asset risk management; country responsibilities: The Baltic, Moldova, Poland, Ukraine

**Roland Gröll:** Group IT/SAP, international processes and methods; country responsibilities: Bosnia and Herzegovina, Croatia, Macedonia, Romania

**Judit Havasi:** Solvency II, planning and controlling, legal; country responsibilities: Slovakia

**Peter Höfner:** Corporate and large customer business, Vienna International Underwriters (VIU), reinsurance, business development; country responsibilities: Albania (incl. Kosovo), Bulgaria, Montenegro, Serbia, Hungary, Belarus

**Martin Simhandl:** Asset management, subsidiaries department, finance and accounting, treasury/capital market; country responsibilities: Germany, Georgia, Liechtenstein, Turkey

The **Managing Board as a whole** is responsible for enterprise risk management (Solvency II), general secretariat, the actuarial department, Group compliance, internal audit and investor relations.



# Additional disclosures in accordance with the Austrian Insurance Supervision Act (VAG)

## BUSINESS DEVELOPMENT BY BALANCE SHEET UNIT

	Property and casualty		Life		Health		Total	
	1.1.-31.3.2016	1.1.-31.3.2015	1.1.-31.3.2016	1.1.-31.3.2015	1.1.-31.3.2016	1.1.-31.3.2015	1.1.-31.3.2016	1.1.-31.3.2015
in EUR '000								
<b>Overall result for direct business</b>								
Gross direct premiums written	1,518,585	1,450,977	1,039,526	1,155,092	105,575	101,691	2,663,686	2,707,760
Gross direct**	62,957	168,187	64,311	49,017	10,323	12,571	137,591	229,775
Underwriting result*	42,390	113,104						
Financial result*	20,567	55,083						
Direct reinsurance cessions	331	-49,519	-3,724	-2,098	-12	16	-3,405	-51,601
<b>Subtotal</b>	<b>63,288</b>	<b>118,668</b>	<b>60,587</b>	<b>46,919</b>	<b>10,311</b>	<b>12,587</b>	<b>134,186</b>	<b>178,174</b>
<b>Overall result for indirect business</b>								
Gross indirect premiums written	37,955	44,701	4,093	3,435	25	20	42,073	48,156
Gross indirect	-10,281	-2,565	223	1,596	20	15	-10,038	-954
Indirect reinsurance cessions	-9,862	-25,203	-183	-126	0	0	-10,045	-25,329
<b>Subtotal</b>	<b>-20,143</b>	<b>-27,768</b>	<b>40</b>	<b>1,470</b>	<b>20</b>	<b>15</b>	<b>-20,083</b>	<b>-26,283</b>
<b>Overall result for direct and indirect retention</b>	<b>43,145</b>	<b>90,900</b>	<b>60,627</b>	<b>48,389</b>	<b>10,331</b>	<b>12,602</b>	<b>114,103</b>	<b>151,891</b>
Other non-underwriting income and expenses	-1,594	-12,318	-2,348	1,905	-152	-134	-4,094	-10,547
Expenses for profit-related premium refunds	0	0	-8,550	-10,416	0	0	-8,550	-10,416
<b>Profit before taxes</b>	<b>41,551</b>	<b>78,582</b>	<b>49,729</b>	<b>39,878</b>	<b>10,179</b>	<b>12,468</b>	<b>101,459</b>	<b>130,928</b>
<b>Tax expense</b>	<b>-13,447</b>	<b>-17,686</b>	<b>-5,281</b>	<b>-10,757</b>	<b>-2,212</b>	<b>-2,045</b>	<b>-20,940</b>	<b>-30,488</b>
<b>Profit for the period</b>	<b>28,104</b>	<b>60,896</b>	<b>44,448</b>	<b>29,121</b>	<b>7,967</b>	<b>10,423</b>	<b>80,519</b>	<b>100,440</b>

\* A breakdown of the underwriting result was only performed for property and casualty insurance. Due to immateriality, investment results were not transferred to the underwriting account in property and casualty insurance. Investment results were transferred in full to the underwriting account for life insurance and health insurance.

\*\* Includes commissions of EUR 310,945,000 (EUR 328,130,000) for direct insurance business.

## PREMIUMS WRITTEN BY BALANCE SHEET UNIT

Property and casualty insurance	1.1.-31.3.2016	1.1.-31.3.2015
in EUR '000		
<b>Direct Business</b>		
Casualty insurance	98,612	95,123
Health insurance	14,464	11,618
Land vehicle own-damage insurance	256,991	239,796
Rail vehicle own-damage	389	302
Aircraft own-damage insurance	3,454	2,736
Sea, lake and river shipping own-damage insurance	2,024	2,313
Transport insurance	17,426	17,095
Fire explosion, other natural risks, nuclear energy	333,807	348,037
Other property	146,946	152,991
Liability insurance for land vehicles having their own drive train	370,817	318,633
Carrier insurance	4,124	3,577
Aircraft liability insurance	2,367	2,025
Sea, lake and river shipping liability insurance	491	670
General liability insurance	172,850	160,004
Credit insurance	407	5,300
Guarantee insurance	6,591	7,264
Insurance for miscellaneous financial losses	54,602	53,273
Legal expenses insurance	16,110	15,753
Assistance insurance, travel health insurance	16,113	14,466
<b>Gross direct premiums written</b>	<b>1,518,585</b>	<b>1,450,976</b>
<b>Indirect business</b>		
Marine, aviation and transport insurance	3,095	2,534
Other insurance	33,617	36,541
Health insurance	1,243	5,627
<b>Gross indirect premiums written</b>	<b>37,955</b>	<b>44,702</b>
<b>Total Written premiums – Gross in property and casualty</b>	<b>1,556,540</b>	<b>1,495,678</b>
Life insurance	1.1.-31.3.2016	1.1.-31.3.2015
in EUR '000		
Direct premiums from regular-premium products	657,687	650,684
Direct premiums from single-premium products	381,839	504,409
<b>Gross direct premiums written</b>	<b>1,039,526</b>	<b>1,155,093</b>
thereof:		
<i>Policies with profit participation</i>	<i>479,943</i>	<i>497,498</i>
<i>Policies without profit participation</i>	<i>114,389</i>	<i>132,709</i>
<i>Unit-linked life insurance policies</i>	<i>433,420</i>	<i>515,380</i>
<i>Index-linked life insurance policies</i>	<i>11,774</i>	<i>9,506</i>
<b>Gross indirect premiums written</b>	<b>4,093</b>	<b>3,434</b>
<b>Total Written premiums – Gross in Life</b>	<b>1,043,619</b>	<b>1,158,527</b>
Health insurance	1.1.-31.3.2016	1.1.-31.3.2015
in EUR '000		
Gross direct premiums written	105,575	101,691
Gross indirect premiums written	25	20
<b>Total Written premiums – Gross in Health</b>	<b>105,600</b>	<b>101,711</b>

## GROSS PREMIUMS WRITTEN BY COUNTRY AND BALANCE SHEET UNIT

Premiums written – gross	1.1.-31.3.2016	1.1.-31.3.2015
in EUR '000		
<b>Property and casualty insurance</b>	<b>1,556,540</b>	<b>1,495,678</b>
Austria	723,524	708,158
Czech Republic	250,751	234,426
Slovakia	105,320	102,970
Poland	109,123	123,447
Romania	125,978	83,698
Turkey	46,759	37,622
Central Functions	39,514	59,803
Other States	155,571	145,554
<b>Life insurance</b>	<b>1,043,619</b>	<b>1,158,527</b>
Austria	523,338	520,628
Czech Republic	155,868	223,239
Slovakia	84,399	111,220
Poland	97,886	114,689
Hungary	28,646	27,220
Liechtenstein	57,486	76,175
Other States	95,996	85,356
<b>Health insurance*</b>	<b>105,600</b>	<b>101,711</b>
Austria	100,832	97,356
Georgia	4,768	4,355
<b>Total</b>	<b>2,705,759</b>	<b>2,755,916</b>

\* Separate balance sheet unit

## OPERATING RESULT FOR DIRECT AND INDIRECT RETENTION BY COUNTRY AND BALANCE SHEET UNIT

	1.1.-31.3.2016	1.1.-31.3.2015
in EUR '000		
<b>Property and casualty insurance</b>	<b>43,145</b>	<b>90,900</b>
Austria	25,827	37,034
Czech Republic	27,440	37,191
Slovakia	2,173	7,172
Poland	2,802	14,927
Romania	-540	2,110
Turkey	3,248	1,851
Central Functions	-28,252	-24,949
Other States	10,447	15,564
<b>Life insurance</b>	<b>60,627</b>	<b>48,389</b>
Austria	14,483	12,968
Czech Republic	26,610	22,088
Slovakia	7,083	5,057
Poland	2,861	2,197
Hungary	1,367	1,178
Liechtenstein	43	72
Other States	8,180	4,829
<b>Health insurance*</b>	<b>10,331</b>	<b>12,602</b>
Austria	10,575	12,679
Georgia	-244	-77
<b>Total</b>	<b>114,103</b>	<b>151,891</b>

\* Separate balance sheet unit

## KEY FIGURES BY BALANCE SHEET UNIT

in %	Property and casualty		Life		Health		Total	
	1.1.-31.3.2016	1.1.-31.3.2015	1.1.-31.3.2016	1.1.-31.3.2015	1.1.-31.3.2016	1.1.-31.3.2015	1.1.-31.3.2016	1.1.-31.3.2015
Cost ratio	33.3%	32.8%	16.2%	24.6%	13.6%	12.8%	24.2%	27.7%
Loss ratio	64.5%	63.5%						
<b>Combined Ratio</b>	<b>97.8%</b>	<b>96.3%</b>						

## DISCLOSURES IN ACCORDANCE WITH § 155(2) NO. 18 VAG

Since no significant run-off result exists for the reporting period or comparative period, the data indicated in § 155(2) no. 18 VAG is not being published.

# General information

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## NOTICE

This report includes forward-looking statements based on current assumptions and estimates that were made by the management of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe to the best of its knowledge. Statements using the words “expectation”, “target” or similar formulations indicate such forward-looking statements. Forecasts related to the future development of the Company are estimates made on the basis of information available as of the date this interim report went to press. Actual results may differ from the forecasts if the assumptions underlying the forecast prove to be wrong or if unexpectedly high risks occur.

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. The possibility of rounding, type-setting or printing errors, however, cannot be ruled out completely.

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.

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