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VIG CEO Elisabeth Stadler: “We feel at home in Hungary now for 25 years”

Planned acquisition of Aegon's Central and Eastern European business temporarily blocked by Hungary

"Our ties to Hungary have grown historically and have always been characterised by mutual appreciation. For a quarter of a century, we have been successfully investing in the Hungarian economy. Therefore, we were surprised by the announcement of the Hungarian authorities," comments CEO Elisabeth Stadler on yesterday's message of the Hungarian Ministry of Interior. *"By assuming and insuring risks of daily life and through long-term investments, we are making a valuable contribution to the national economy, thus contributing to social security and securing jobs,"* Stadler continues.

Following the successful signing of the purchase agreement for the acquisition of the Central and Eastern European business of the Dutch insurer Aegon at the end of November 2020, Vienna Insurance Group has started the usual talks and approval procedures with the local authorities. In Hungary, constructive talks with the Minister of Finance were initiated swiftly. All the more surprisingly, on 6 April 2021 in the afternoon, VIG was informed by the Hungarian Ministry of Interior that it would be denied approval for the acquisition of the Hungarian Aegon companies to a foreign investor.

Vienna Insurance Group has been present in Hungary since 1996. *"In all our markets, we are known as a long-term and reliable partner. We know our markets very well due to our long-term strategy. This is especially true for Hungary; we see this country as our home market. We feel a special bond with our neighbour not only because of our common past. We also do not see ourselves as a foreign investor, but, based on our local multi-brand strategy and our principle of local entrepreneurship and local management, as a supporter and co-developer of the Hungarian insurance market,"* Elisabeth Stadler confirms VIG's sustainably oriented market strategy.

"We are therefore very interested in a further long-term partnership with Hungary for the benefit of both parties. It is a characteristic of our business philosophy to always maintain a consensus-oriented and partnership-based relationship with all public and private institutions in our countries, thereby fulfilling our responsibility to our stakeholders as the leading insurance group in the CEE region," Stadler adds.

Aegon's Central and Eastern European business consists of around 15 companies in Hungary, Poland, Romania and Turkey, with the Hungarian companies (insurance, pension fund, asset management and service company) making up an important part. Vienna Insurance Group plans to continue operating the companies to be acquired in Hungary under a new name in accordance with its local multi-brand strategy. VIG is represented by several companies under at least two different brands in all countries where it is the market leader (Austria, Czech Republic, Slovakia, Bulgaria, Northern Macedonia and the Baltic States). In Hungary, VIG would also become the market leader with the approval of the acquisition of Aegon's insurance company and plans to successfully position a second brand in addition to Union. The closing for the acquisition of Aegon's Central and Eastern European business is expected for the second half of 2021.

Vienna Insurance Group (Wiener Versicherung Gruppe) is the leading insurance group in Austria and Central and Eastern Europe (CEE). Around 50 insurance companies in 30 countries form a Group with a long-standing tradition, strong brands and close customer relations. The more than 25,000 employees in the Vienna Insurance Group (Wiener Versicherung Gruppe) take care of the day-to-day needs of more than 22 million customers. VIG shares have been listed on the Vienna Stock Exchange since 1994. The company has an A+ rating with stable outlook by the internationally recognised rating agency Standard & Poor's. That is the best rating of all companies in the ATX, the leading index of the Vienna Stock Exchange. Vienna Insurance Group (Wiener Versicherung Gruppe) cooperates closely with the Erste Group, the largest retail bank in Central and Eastern Europe.

Disclaimer

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