

No. 16/2023
30 November 2023

Vienna Insurance Group: Strong performance with sustained double-digit premium growth

Vienna Insurance Group (VIG) has increased its gross written premiums to EUR 10.6 billion (EUR +1.1 billion or +11.4%) after the first nine months of 2023. The Group's solvency ratio remains very high at 303.8%.

"The geopolitical and economic environment remains challenging. Nevertheless, VIG delivers a very positive performance and is once again demonstrating that it is very well positioned both operationally and in terms of capital. We are also firmly on track when it comes to result before taxes and expect the earnings for 2023 to be at the upper end of our forecast range", says Hartwig Löger, CEO and Chairman of the Vienna Insurance Group Managing Board.

Gross written premiums over EUR 10 billion

VIG generated a total premium volume of EUR 10,619 million over the first three quarters. This equates to an 11.4% increase year on year. A significant increase in premiums was achieved in all segments. The premium volume in Austria was EUR 3,361 million (+2.3%) and in the Czech Republic it was EUR 1,769 million (+9.2%). In both countries, the growth was due largely to property and casualty and health insurance. Poland posted double-digit premium growth with a premium volume of EUR 1,150 million (+16%) – this figure stems from very good performance in the motor own damage, other property and casualty and single premium life insurance lines of business. The Extended CEE segment (Albania, the Baltic states, Bosnia-Herzegovina, Bulgaria, Croatia, Hungary, Kosovo, Moldova, North Macedonia, Romania, Serbia, Slovakia and Ukraine) achieved a premium volume of EUR 2,994 million (+11.3%). The drivers here included strong performance in Hungary (+EUR 122.5 million) and the Baltic states (+EUR 62.9 million) and robust growth in the motor own damage segment in Romania (+EUR 53 million). The Special Markets (Germany, Georgia, Liechtenstein, Türkiye) generated EUR 769 million in premiums (+42.1%), with growth coming largely from Türkiye across the life, motor, and property and casualty business.

Solvency ratio of 303.8%

The Group's solvency ratio at the end of the third quarter of 2023 was 303.8% (including transitional measures) and thus increased further compared to 282% in the first half of 2023. This underscores VIG's consistently strong capital position, which was also recently confirmed with a rating of A+ with stable outlook by the rating agency Standard & Poor's (S&P). According to S&P, VIG had a robust capital position above the "AAA" level at the end of 2022 and the end of the first half of 2023.

Outlook

Growth forecasts for the VIG core markets in the CEE region remain above the EU average. The VIG companies are delivering strong performance despite a weaker overall macroeconomic environment and a number of extreme weather events locally. VIG is confident that the Group will achieve profit before taxes at the upper end of the EUR 700–750 million range for 2023 as a whole.

Information on reporting

Since 1 January 2023, Vienna Insurance Group has prepared its accounts in accordance with the new accounting standards IFRS 17 (Insurance Contracts) and IFRS 9 (Financial Instruments). The gross written premiums are not part of the mandatory IFRS reporting but will continue to be presented.

Vienna Insurance Group (VIG) is the leading insurance group in the entire Central and Eastern European (CEE) region. More than 50 insurance companies and pension funds in 30 countries form a Group with a long-standing tradition, strong brands and close customer relations. Around 29,000 employees in the VIG take care of the day-to-day needs of around 28 million customers. VIG shares have been listed on the Vienna Stock Exchange since 1994, on the Prague Stock Exchange since 2008 and on the Budapest Stock Exchange since 2022. The VIG Group has an A+ rating with stable outlook by the internationally recognised rating agency Standard & Poor's. VIG cooperates closely with the Erste Group, the largest retail bank in Central and Eastern Europe.

Disclaimer

This press release contains forward-looking statements that concern future developments in Vienna Insurance Group (VIG). These statements are based on current assumptions and forecasts made by the management. Changes in general economic developments, future market conditions, capital markets and other circumstances could result in actual events or results differing significantly from these forward-looking statements. The VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe assumes no obligation to update these forward-looking statements or modify them based on future events or developments.

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