

AMB Generali

Financial Results 9M 2004

Presentation November 11, 2004
Investor Relations



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AMB Generali shows good business development in 9M figures

- **Life and health business with constantly positive growth**
 - **Life new business** in regular premiums with **high, above-market growth rate** of **+27%**
 - **Health gross premiums +11%**; again due to strong new business and premium adjustments
- **Improvements in operating profitability**
 - **Reduction** by more than **1,100 administrative-staff FTE**
 - **Combined ratio** with **99.5%** in line with 2004 target
- **Increase of investment income** by **more than 40%** to **€ 2.6 bn**
- **Tax expenditure** goes **down to € 170 m** since in 9M 2003 write-downs on shares were not tax deductible

Net result after tax of € 168 m in line with full year 2004 target



Business development overview

(€)	2003	9M 03 ¹⁾	9M 04	Δ 9M 04/03
Total premiums (German GAAP) ²⁾	11.7 bn	8.8 bn	9.0 bn	2.7%
Consolidated gross premiums (IFRS) ³⁾	10.7 bn	8.1 bn	8.2 bn	1.5%
• Life	6.1 bn	4.3 bn	4.6 bn	4.5%
• Health	1.4 bn	1.0 bn	1.1 bn	10.8%
• P&C	3.2 bn	2.7 bn	2.5 bn	-6.6%
Claims & benefits	9.8 bn	6.8 bn	7.8 bn	1.0 bn
Operating expenses	2.1 bn	1.4 bn	1.6 bn	12.6%
Investment income (net)	3.2 bn	1.8 bn	2.6 bn	766 m
Result of ordinary operations	740 m	553 m	340 m	-213 m
Tax	-731 m	-636 m	-170 m	466 m
Consolidated net income	7 m ⁴⁾	-85 m	168 m	253 m
Shareholders' equity	2.8 bn	2.8 bn	2.9 bn	3.0% ⁵⁾

1) retroactively adjusted due to differentiated recognition of savings portions of unit-linked and Riester contracts subject to FAS 97; adjustment without effect on income

2) consolidated gross premiums incl. savings portions of unit-linked and Riester contracts

3) excl. savings portions of ul and Riester contracts; adjustment without effect on income

4) including extraordinary items

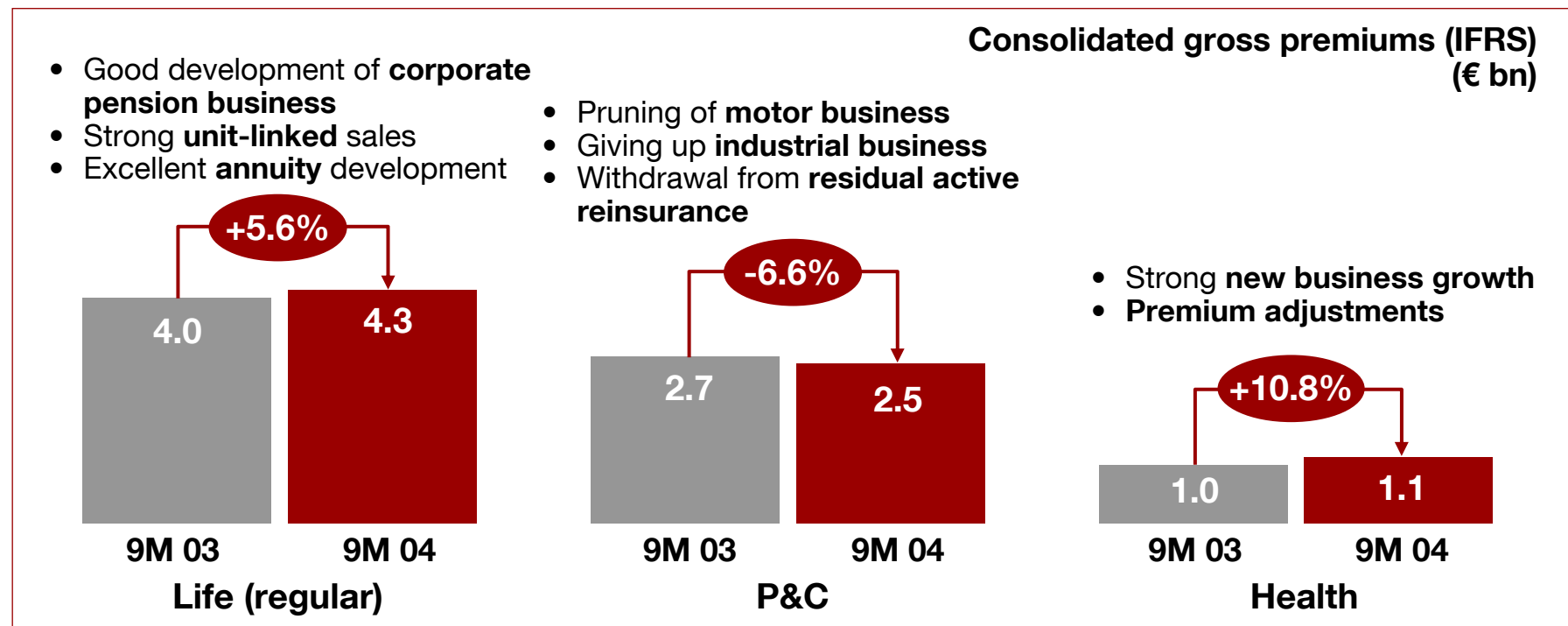
5) compared to 31.12.2003



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Good growth rates in life and health business

(€ bn)	2003	9M 03 ¹⁾	9M 04	Δ 9M 04/03
Total premiums (German GAAP) ²⁾	11.7	8.8	9.0	2.7%
Consolidated gross premiums (IFRS) ³⁾	10.7	8.1	8.2	1.5%

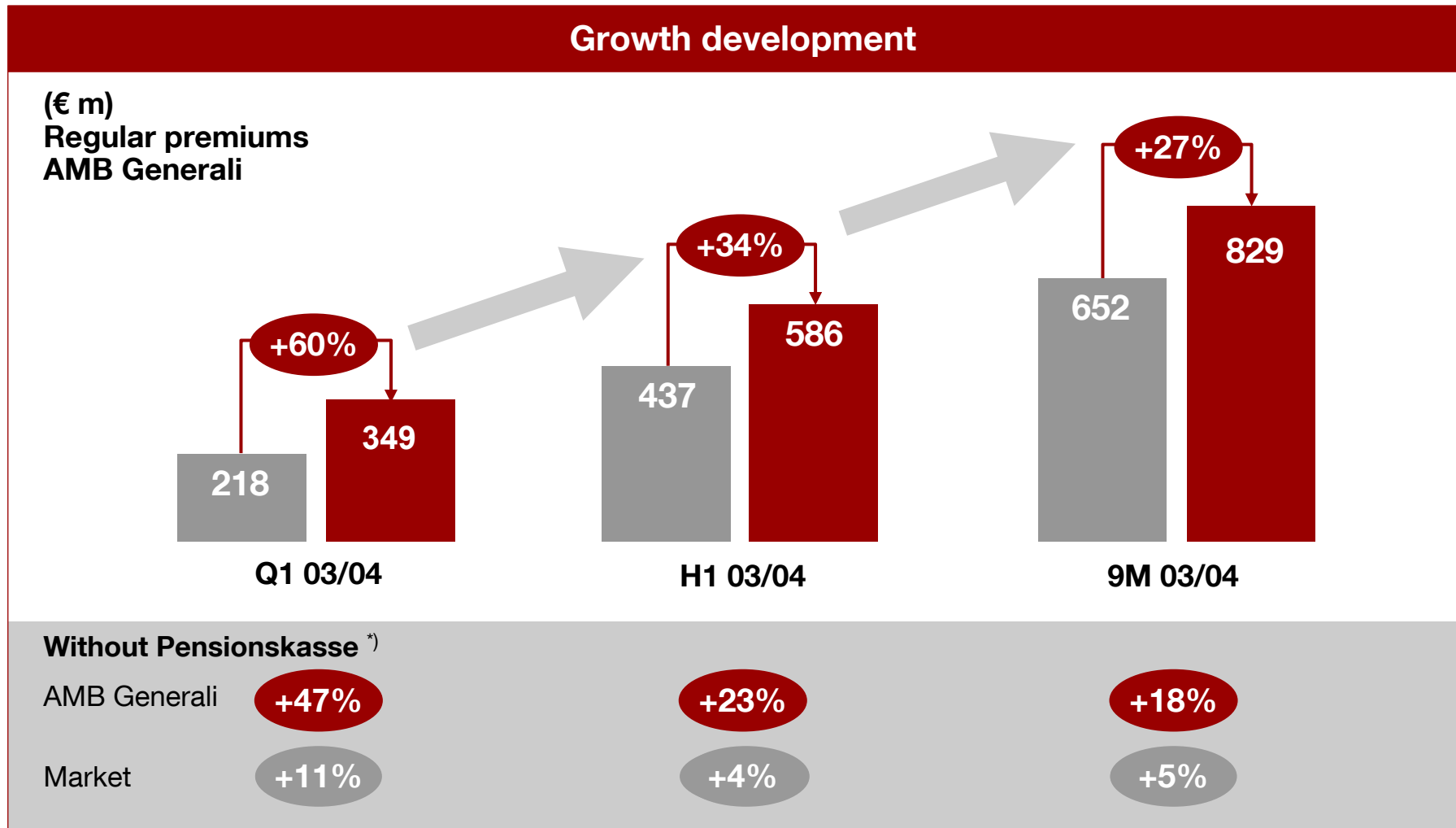


1) retroactively adjusted due to differentiated recognition of FAS 97; adjustment without effect on income

2) consolidated gross premiums incl. savings portions of unit-linked and Riester contracts
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Above-market increase of life new business (1/2)



*) market figures without Pensionskasse and Pensionsfonds; therefore AMB Generali figures have to be adjusted in order to allow comparison



Above-market increase of life new business (2/2)

Growth drivers

- **Positive effect of 2nd Riester step** (mainly Q1 effect of app. € 80 m in life new business regular premiums) still evident in AMB Generali's new business
 - **Without 2nd Riester step**, AMB Generali's new business **growth** of **+15%** is still **clearly above market average**
- **Corporate pension business** with **good development** of **+72%** to **€ 133 m**
 - **Business** with small and medium-sized enterprises **is picking up well**; **Pensionskasse** especially **successful**
- **Amid rising capital markets, sales of unit-linked** products went **up** by **+35%** (to **€ 321 m**)
 - **Focus on** unit-linked **annuities** with **> 80%**
- **Annuities increased** by **+69%** to **€ 554 m** (incl. unit-linked annuities)
 - **Good positioning** for new taxation rules with **annuities** representing **67%** of **new business**
- **First indicators of business pick-up** induced by change of tax rules; **tendency expected** to become **stronger** in **Q4 2004**



Combined ratio continuously below 100%

(%)	2003	9M 03	9M 04	Δ 9M 04/03
Claims ratio	68.0	66.6	67.2	+0.6%-p
Expense ratio	31.5	31.3	32.3	+1.0%-p
Combined ratio	99.5	97.9	99.5	+1.6%-p

- **Structural reinsurance changes causing higher retentions ...**

- **will lead to reduced reinsurance cover with positive effect on combined ratio:**

- Improved portfolio quality due to stringent underwriting discipline allows reduced reinsurance cover

- ⇒ Success achieved in improving the portfolio remains within the retention business of the Group

- **but immediate adverse effect on combined ratio:**

- Reinsurers are temporarily benefitting by a higher share in run-off profits generated by expiring reinsurance contracts

- Decrease of commissions received from reinsurers

- **Reinsurance effect gradually levels off**

Delta between 04/03 **reduced to 1.6%** in 9M from 2.5% in H1 and 4.6% in Q1

In

direct gross business

(without reinsurance effects)

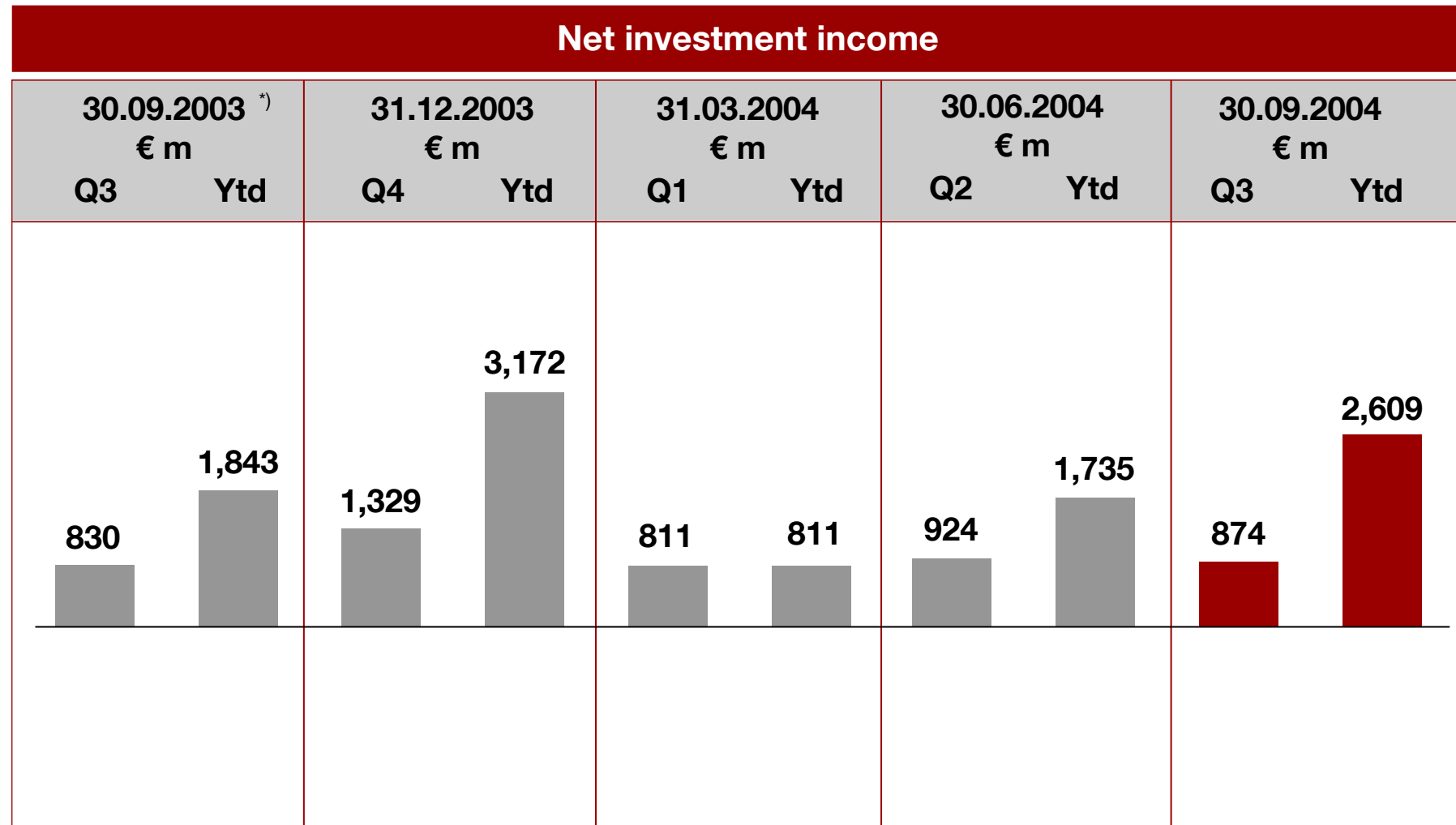
combined ratio improved:

98.8% (9M 03) → 96.4% (9M 04)

Combined ratio in line with 2004 target



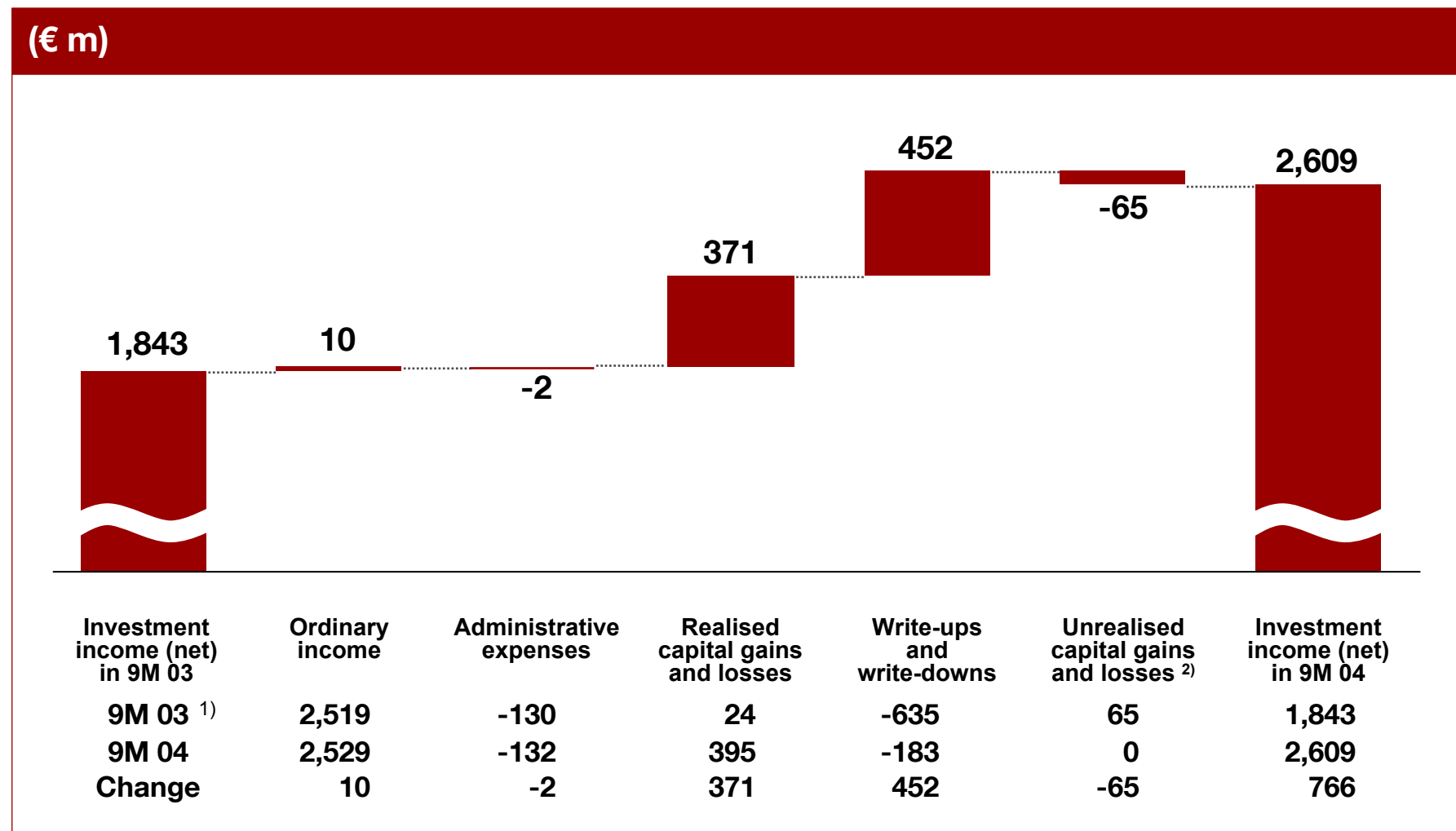
Investment income above previous year's level



Ytd = year to date (accumulated value since start of year)
 *) retroactively adjusted due to differentiated recognition of FAS 97



Reduced write-downs and improved realised capital gains and losses lead to higher investment income



1) retroactively adjusted due to differentiated recognition of FAS 97

2) mostly derivatives

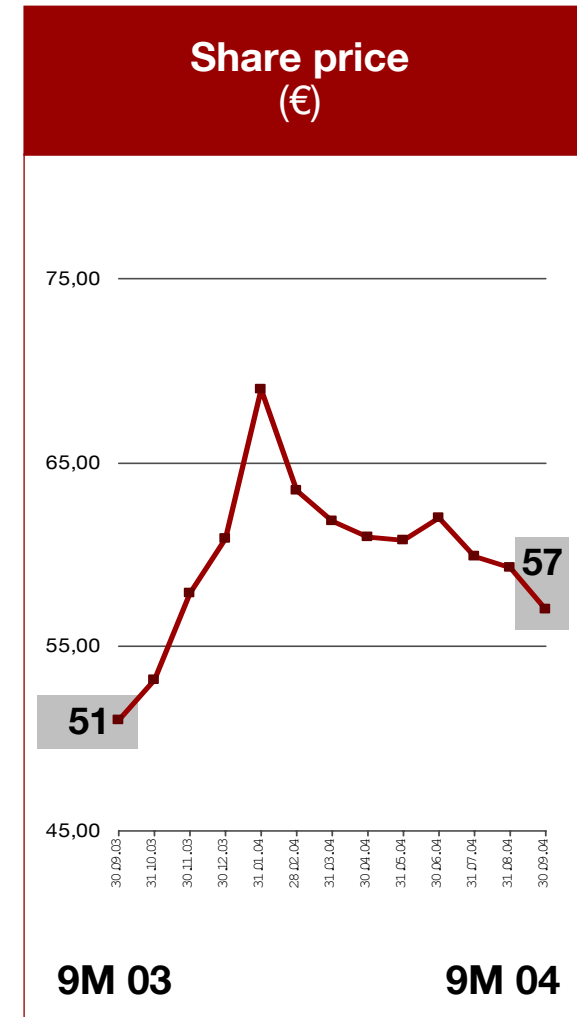
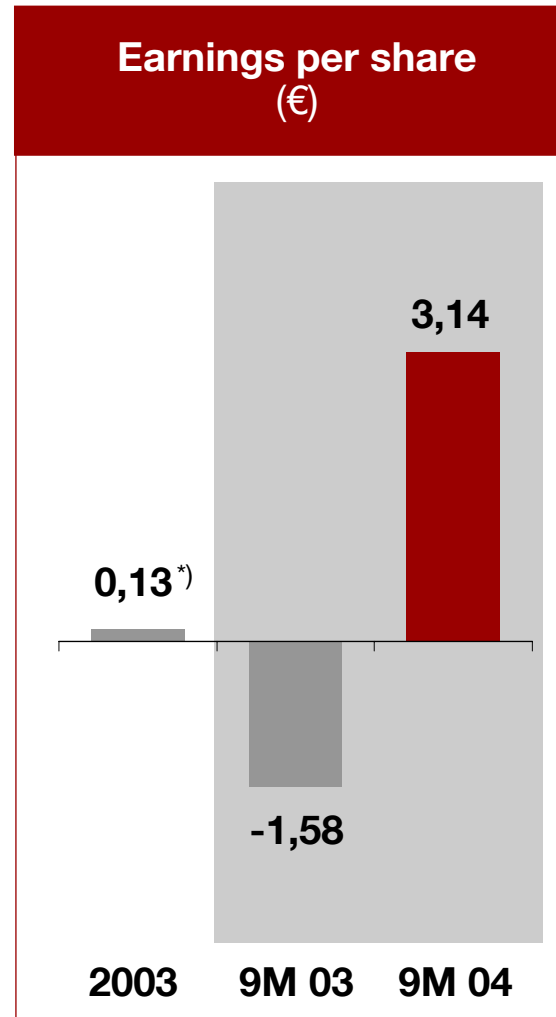
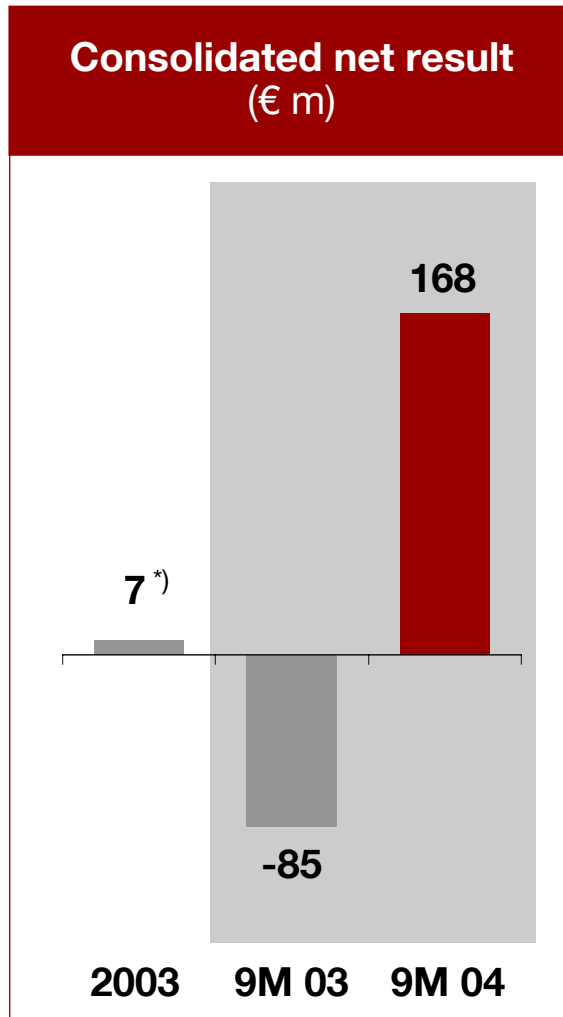


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Capital market development leads to slight unrealised loss in stocks and quoted participations

Unrealised gains/losses from shares, participating interests and fund units				
30.09.2003 € m	31.12.2003 € m	31.03.2004 € m	30.06.2004 € m	30.09.2004 € m
41	62	8	70	<div style="border: 1px solid black; padding: 5px; display: inline-block;"> Additional unrealised gains in fixed income: € 1,504 m </div>
				-80

Positive development of shareholder value



*) including extraordinary items

AMB Generali on track to reach targets

		Achievements	Targets	
		9M 04	2004	2005
Life/Health	<ul style="list-style-type: none"> Premium growth <ul style="list-style-type: none"> – Life regular – Health Life new business value 	+5.6% ✓ +10.8% ✓ € 89.3 m ✓	above market level € 120 m	above market level € 120 m
	P&C	<ul style="list-style-type: none"> Premium growth Combined ratio 	-4.0% ¹⁾ 99.5% ✓	slight decrease of premiums < 100%
Overall	<ul style="list-style-type: none"> General expenses ²⁾ Net income 	€ 1,390 m ✓ € 168 m ✓	€ 1,900 m > € 200 m	€ 1,900 m > € 250 m

1) direct business
2) without commissions



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Back up



Life & health development

(€ m) ¹⁾	2003	9M 03 ²⁾	9M 04	Δ 9M 04/03
Total premiums (German GAAP) ³⁾	8,454	6,063	6,475	6.8%
Gross premiums written (IFRS) ⁴⁾	7,480	5,363	5,666	5.7%
Investment income (net)	2,705	1,552	2,267	715
Claims & benefits (net)	7,815	5,348	6,407	1,059
Expense ratio	16.5%	14.4%	17.0%	2.6%-p
Tax	-637	-520	-113	407
Net income	86	40	134	94

1) before elimination of intra-group transactions between segments
 2) retroactively adjusted due to differentiated recognition of FAS 97

3) gross premiums written incl. savings portions of unit-linked and Riester contracts
 4) excl. savings portions of ul and Riester contracts; adjustment without effect on income



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Life development

(€ m) ¹⁾	2003	9M 03 ²⁾	9M 04	Δ 9M 04/03
Total premiums (German GAAP) ³⁾	7,086	5,040	5,342	6.0%
Gross premiums written (IFRS) ⁴⁾	6,112	4,340	4,533	4.5%
Investment income (net)	2,519	1,434	2,098	664
Claims & benefits (net)	6,542	4,361	5,309	948
Expense ratio	17.5%	15.2%	18.3%	3.1%-p
Tax	-536	-507	-78	429
Net income	89	26	110	84

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Health development

(€ m) ^{*)}	2003	9M 03	9M 04	Δ 9M 04/03
Gross premiums written (IFRS)	1,368	1,023	1,133	10.8%
Investment income (net)	185	117	170	53
Claims & benefits (net)	1,273	987	1,097	110
Claims ratio	57.3%	58.8%	53.8%	-5.0%-p
Expense ratio	12.5%	11.1%	11.8%	0.7%-p
Combined ratio	69.8%	69.9%	65.6%	-4.3%-p
Tax	-101	-13	-35	-22
Net income	-3	14	24	10

*) before elimination of intra-group transactions between segments



P&C development

(€ m) ^{*)}	2003	9M 03	9M 04	Δ 9M 04/03
Gross premiums written (IFRS)	3,222	2,704	2,530	-6.5%
Investment income (net)	316	157	236	79
Claims ratio	68.0%	66.6%	67.2%	0.6%-p
Expense ratio	31.5%	31.3%	32.3%	1.0%-p
Combined ratio	99.5%	97.9%	99.5%	1.6%-p
Tax	-86	-106	-60	46
Net income	6	-60	72	132

*) before elimination of intra-group transactions between segments



Disclaimer

Certain of the statements contained herein are statements of future expectations and other forward-looking statements.

These expectations are based on management's current views and assumptions and involve known and unknown risks and uncertainties.

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