

AMB GENERALI
Holding AG

Roadshow USA
October 2003

Investor Relations

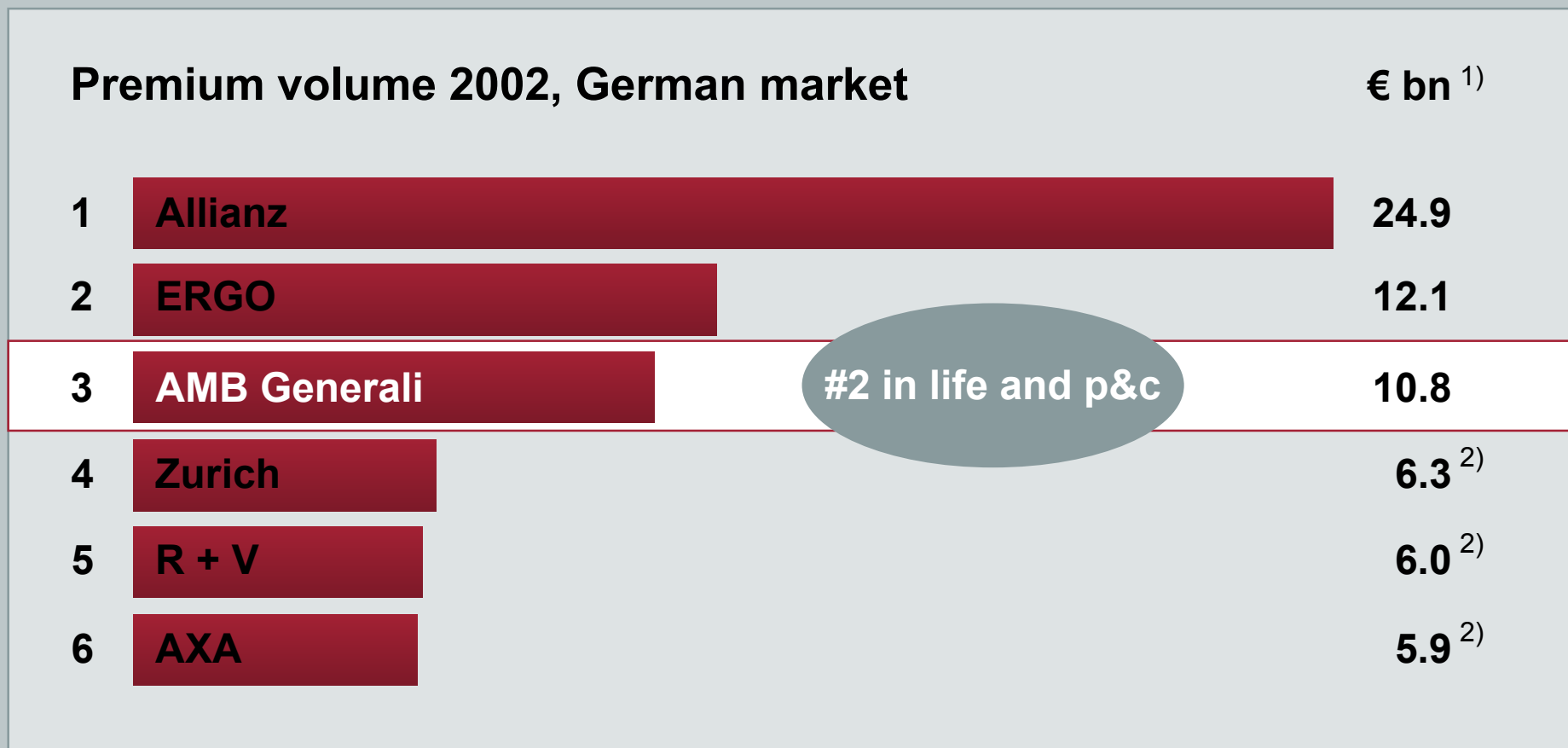
A company of the Generali Group.



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AMB Generali is #3 in German primary insurance market



#2 in life and p&c

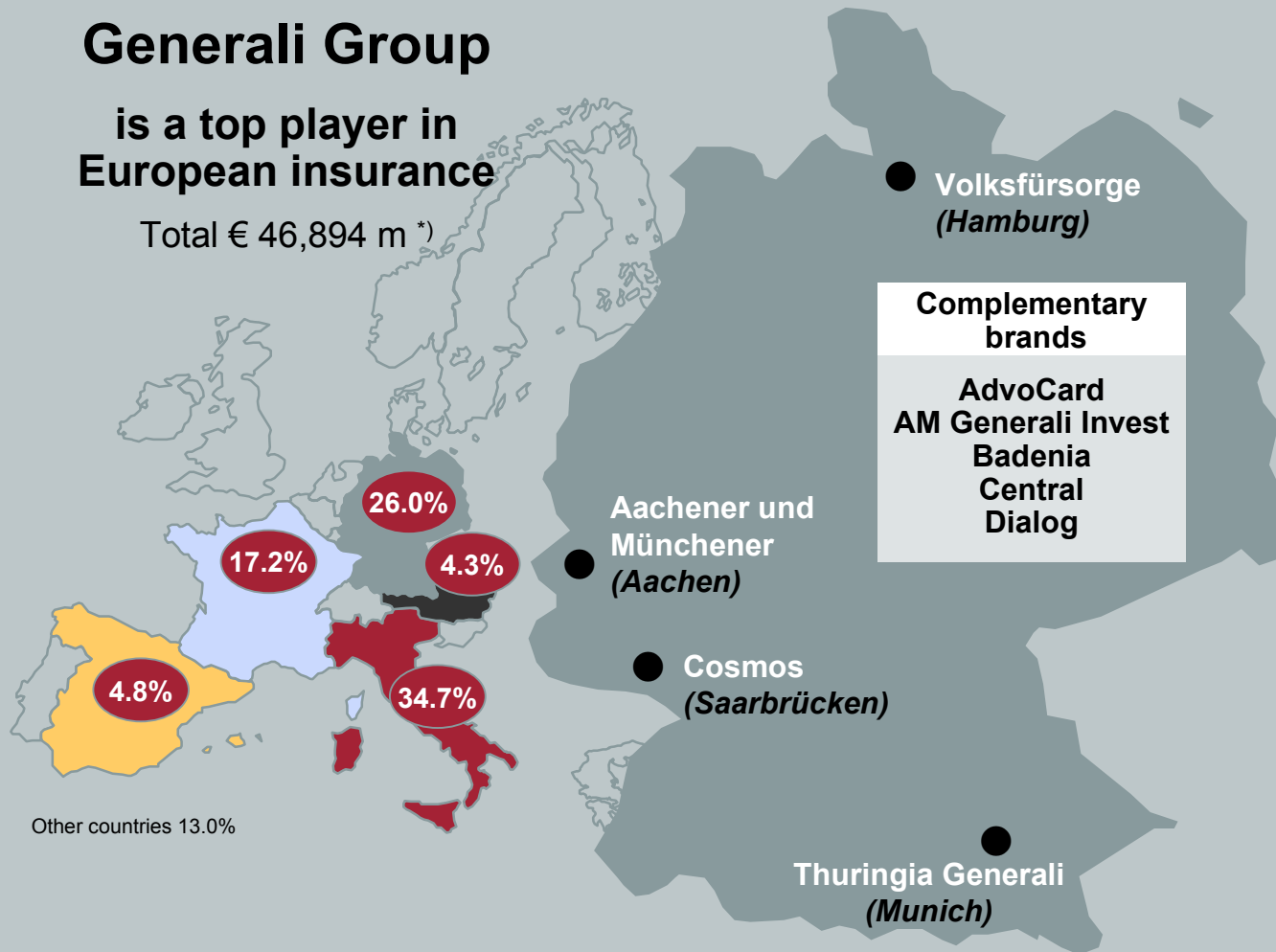
1) gross premiums written, not incl. premiums from business abroad
 2) estimated

AMB Generali as the German part of Generali Group

Generali Group

is a top player in European insurance

Total € 46,894 m *)



AMB Generali

with key position in Generali Group

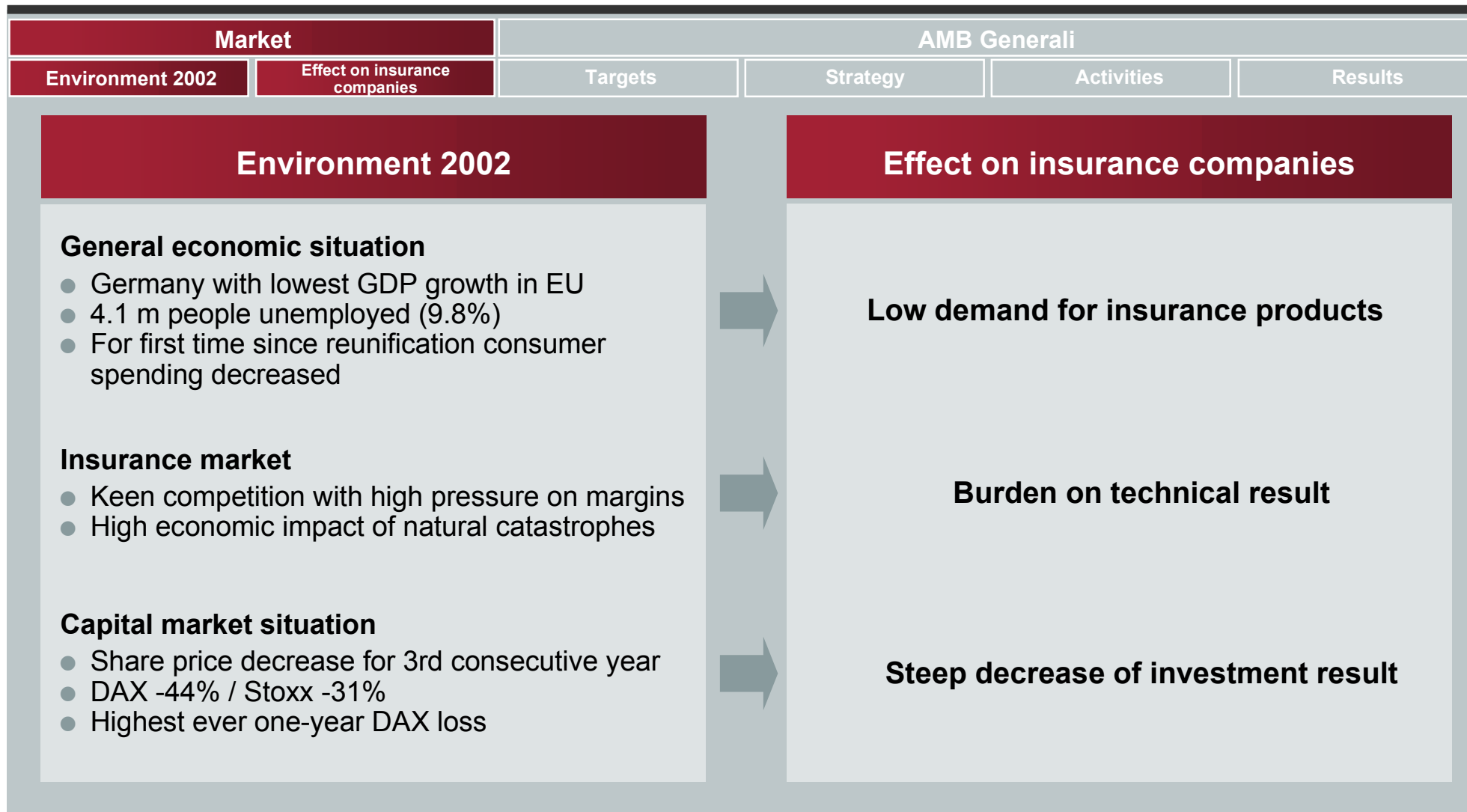


Focus on

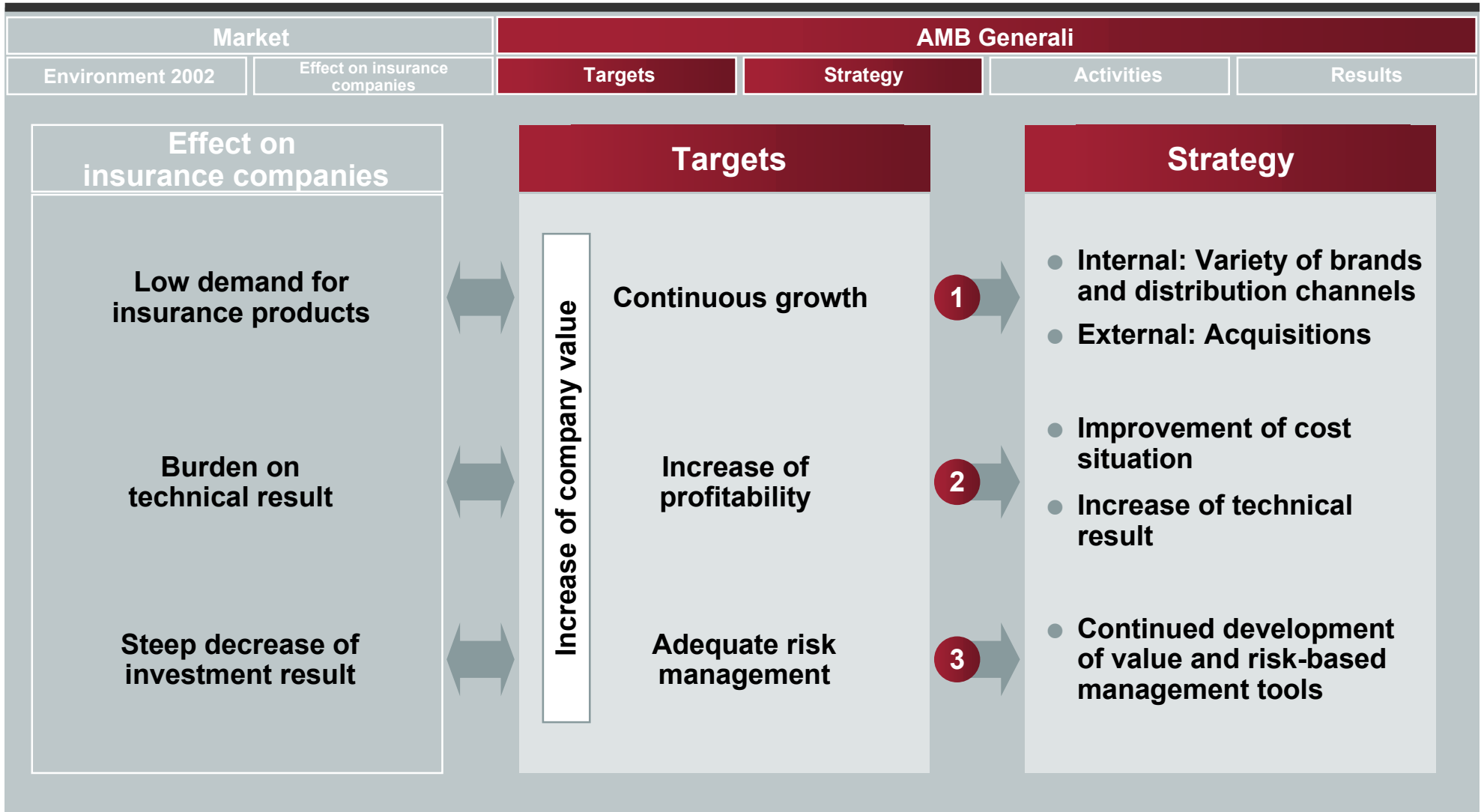
- German market
- Primary insurance
- Private customers
- Variety of brands

*) consolidated premiums 2002

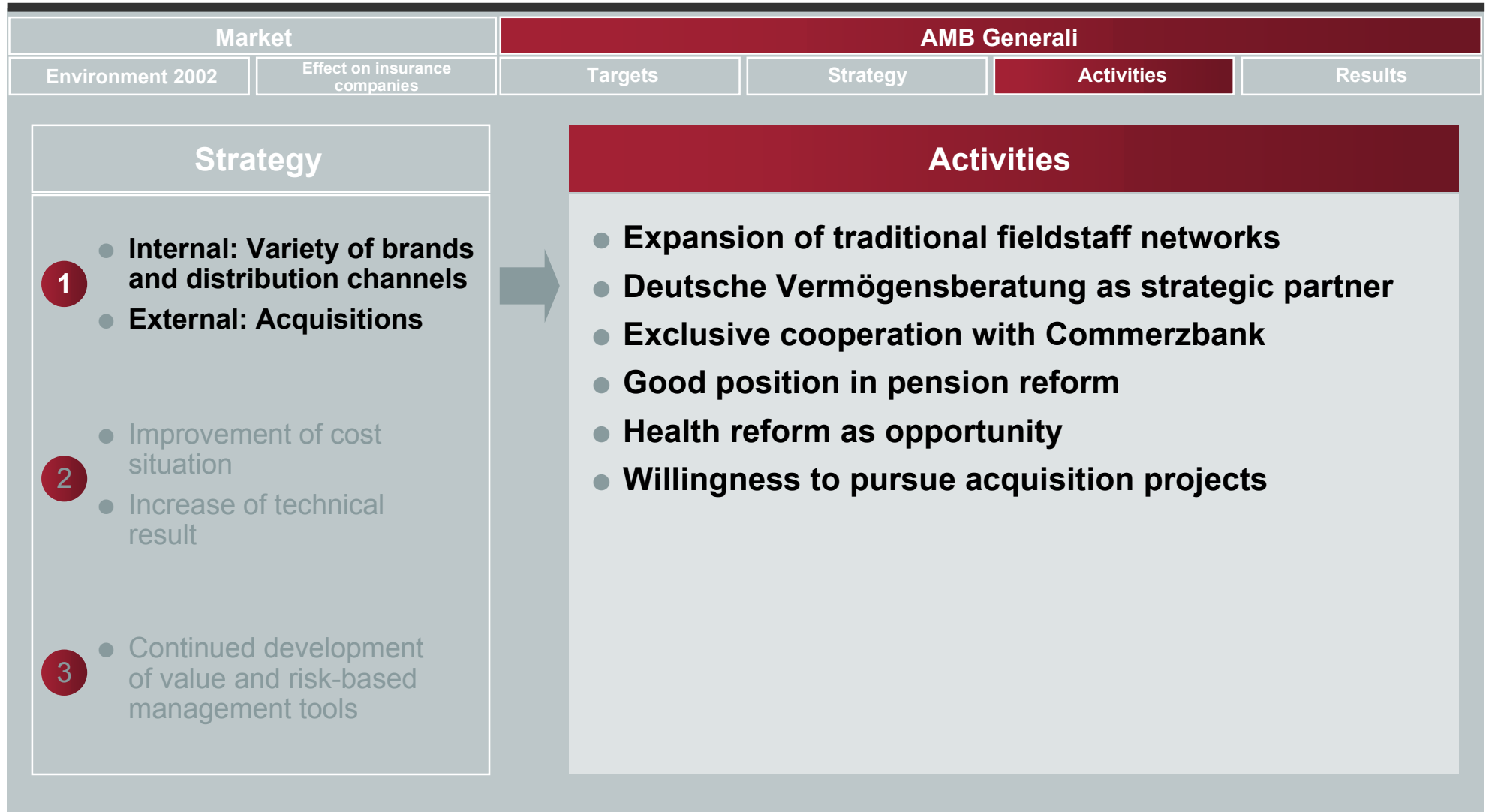
Difficult environment 2002



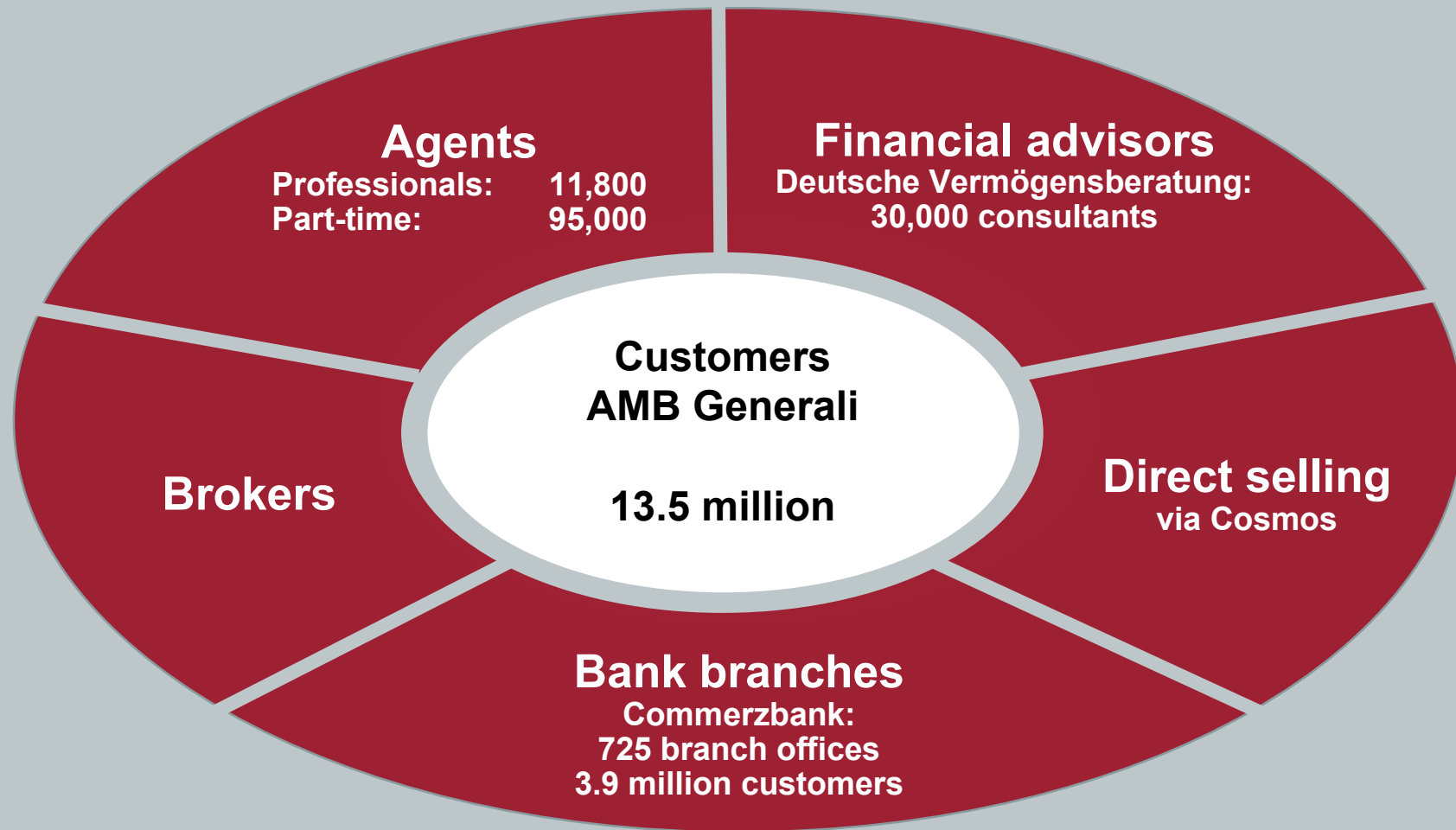
Persistent targets and strategy to cope with market situation



Continuous growth



Variety of brands and distribution channels as core competence area



Deutsche Vermögensberatung as strategic partner

Concept

- Exclusive cooperation for insurance and building society products
- Partner contract for unlimited period
- AMB Generali's stake nearly 50%
- Family-run company
- Structural basis for development by new management-holding company
- Focus on life insurance; second-biggest producer of Riester products in Germany
- Intensified sales activities in p&c, health and building society products

Results & Potentials

2002	€ m	%
Portfolio volume ¹⁾	85,943	+5.3
Life portfolio ²⁾	67,590	+8.2
Life new business ³⁾	322	-13.7
P&C new business ⁴⁾	92	+15.0
Health new business ⁵⁾	59	+25.7
Building society nb ⁶⁾	1,482	+31.9

- ➔ **World's largest financial advisor with 30,000 consultants**
- ➔ **37.5% of AMB Generali's life new business**

1) contract sum
2) sum insured
3) regular premiums

4) annualized insurance premium
5) gross increase in terms of annual premiums written
6) adjusted new business in terms of target contract sums

Exclusive cooperation with Commerzbank

Concept

- Exclusive cooperation for insurance and building society products with service centres in bank branches
- 10-year contract until 2010
- Cooperation underpinned by an 8 percent stake mainly held by Volksfürsorge Leben
- Commerz Partner established as sales support organization
- Focus on life insurance
- Positioning in corporate old-age provision business with small and medium-sized companies

Results & Potentials

€ m	2002	2005e
Life ¹⁾	523 →	1,500
Building society ²⁾	368 →	1,500
Advisors	230 →	660

**4.1% of AMB Generali's
life new business in 2002**

- Reduction of target in building society due to less favourable market
- Doubling of advisors in 2002; adjustment of medium-term target with respect to changes in Commerzbank sales channels

1) premiums for total policy duration
2) contract sum

Good position in pension reform

Private pension

- Riester business with slow start in the market; 3 m contracts until Dec 2002
- But high potential requiring time to unfold

Market potential

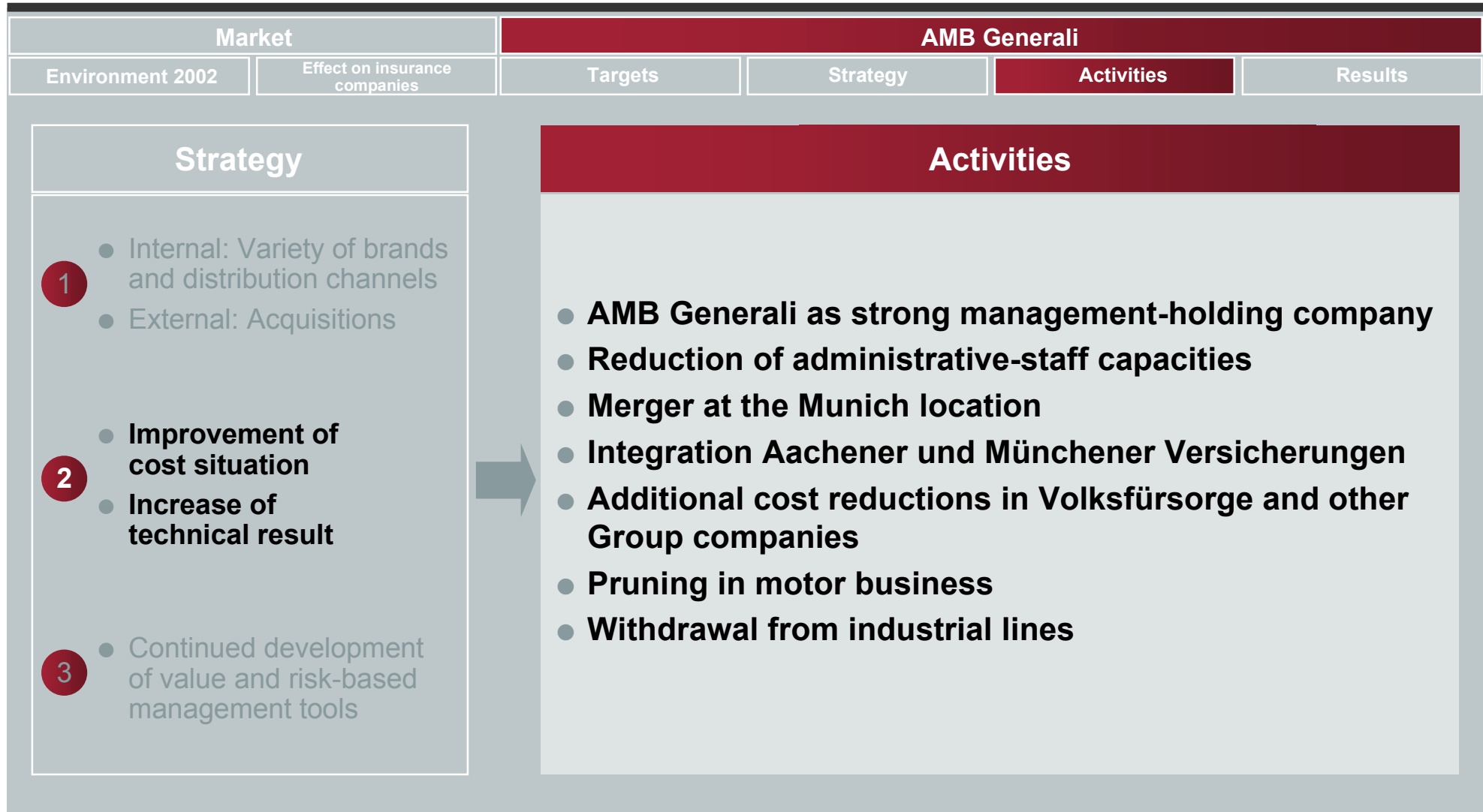


- AMB Generali with
 - 580,000 contracts full year 2002
 - 665,000 contracts half year 2003
 - top position in German market
- Medium-term target:
 - > 15% of Riester insurance products

Corporate pension

- Market segment with high growth potential
- Small and medium-sized companies currently under-proportionally covered
- Need of integrated product distribution and consulting approach
- AMB Generali
 - with focus on small and medium-sized enterprises
 - offering all five product lines
 - expanding consulting and distribution capacities

Increase of profitability

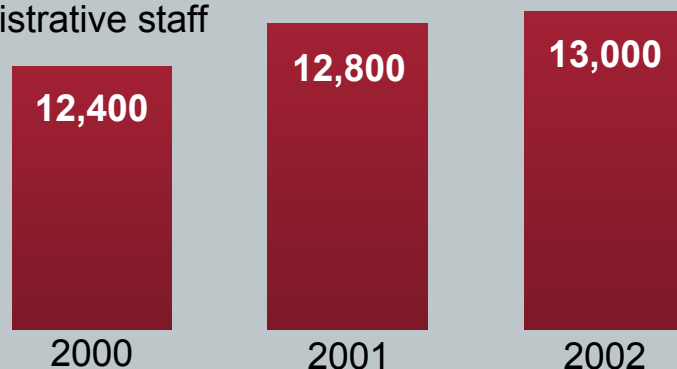


Reduction of administrative-staff capacities

Current situation

- Growth-driven increase of employees

Administrative staff



- Necessity to increase reorganization of processes and structures
 - Integration and merger of companies
 - Reorganization of salesforce
 - Withdrawal from industrial lines

Results

- Job cuts by about 10 percent in administrative staff
 - ➔ in total 1,250 jobs by 2005
 - Aachener und Münchener: app. 350 FTE
 - Thuringia Generali: app. 350 FTE
 - Volksfürsorge: app. 400 FTE
 - Other Group companies: app. 150 FTE
- Significant improvement of cost position
- Reduction largely in socially compatible manner by natural fluctuation

Merger at the Munich location

Project concept

- Integration of structures, processes and products of Thuringia Versicherung and Generali Lloyd Versicherung on Jan. 1, 2003
- Concentration of the company at one location by 2005
- Pruning of Generali Lloyd p&c portfolio
- Project term: only 11 months with more than 20 partial projects

➔ **Realizing synergies of about € 90 m per year starting from 2006 ^{*)}**

Location profile

- Thuringia Generali as the new brand for the Munich location
- Gross premium income of about € 2 bn
- Focus on p&c
(product mix: p&c 58%, life 42%)
- Big traditional fieldstaff organization (about 1,600 professional intermediaries) plus sales focus in broker business

^{*)} incl. integration of the Generali Lloyd companies in the AMB Generali Group and reduction of administrative-staff capacities

Integration between Aachener und Münchener Versicherungen

Project concept

- Integration of structures and processes in the administrative services of Aachener und Münchener Leben and Aachener und Münchener Versicherung
- Withdrawal from industrial lines, run-off until end of 2004
- Harmonization of application landscapes in the two companies

➔ **Realizing synergies of about € 30 m per year starting from 2004 ***

Location profile

- Biggest location of the Group
- Gross premium income of about € 4.2 bn
- Focus on life
(product mix: p&c 29%, life 71%)
- Strategic partnership with Deutsche Vermögensberatung

*) without improvement of result due to withdrawal from industrial lines, incl. reduction of administrative-staff capacities

Increase of technical result through rigid underwriting and pruning

Pruning in motor

- Motor as important p&c line in the AMB Generali Group
- Since mid-90's market-wide price-war in this segment
- AMB Generali with
 - policy of consistent premium increases in line with risks
 - strict pruning of claims-prone contracts where no adequate premiums are possible
 - quality orientation in new business
 - sophisticated claims management

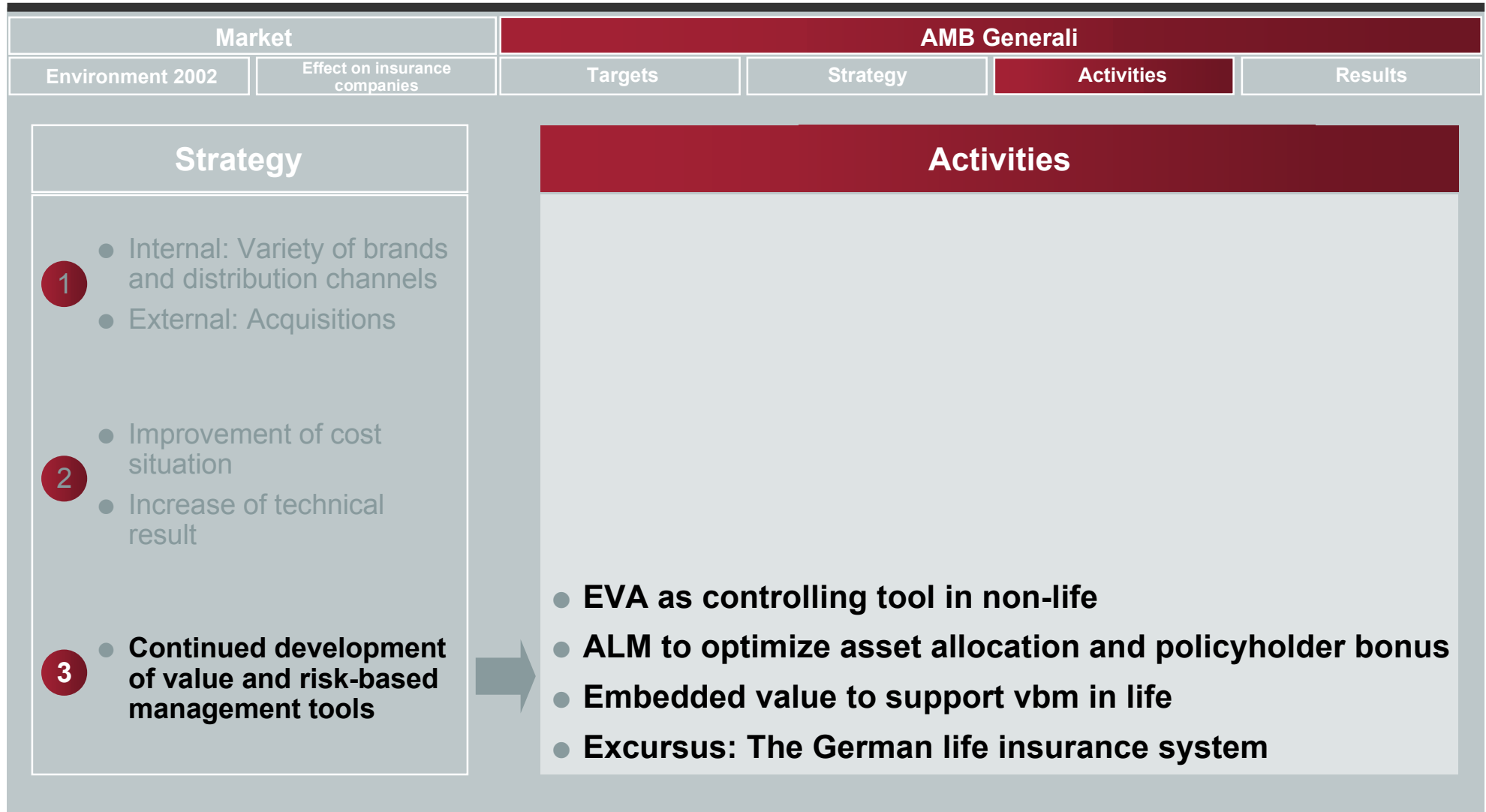
**net effect on result
about € +175 m per year from 2005**

Withdrawal from industrial lines

- Market-wide unprofitable development of industrial business
- AMB Generali with
 - industrial lines of minor importance; strategic focus on private-customer business
 - withdrawal from total industrial business by 2004 (about € 70 m)

**net effect on result
about € +25 m per year from 2005**

Adequate risk management



Continued development of value and risk-based management tools

Non-life

Life

Economic value added

- For measuring value increases
 - by line of business
 - by addressing relevant business levers
- Complete implementation in internal planning and controlling for p&c
- Consequently AMB Generali pursues
 - cancellation of unprofitable business in industrial lines
 - portfolio pruning in motor
 - control of economic capital
 - safe solvency margins

Asset liability management

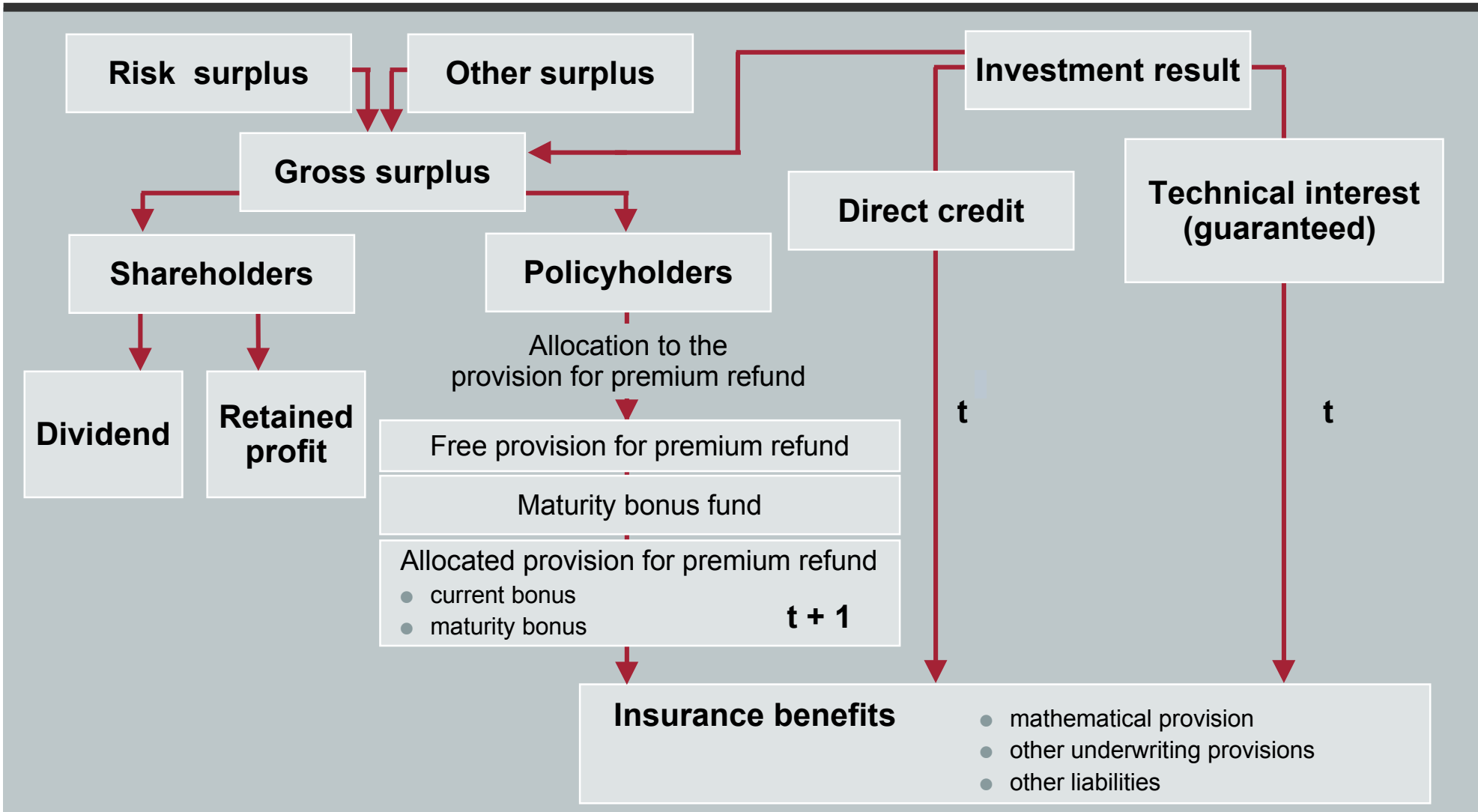
- Simultaneous projection of assets and liabilities to be matched for obtaining an optimized investment structure and for a long-term sustainability of policyholder bonuses
- Quarterly and ad hoc ALM-analysis lead to
 - modification in portfolio structure
 - changes in policyholder bonus rates

➔ 2002	6.0% - 6.75%
2003	4.5% - 5.00%

Embedded value

- Estimation of value of current life business operations
- Calculations and methodological change in accordance with external advisor

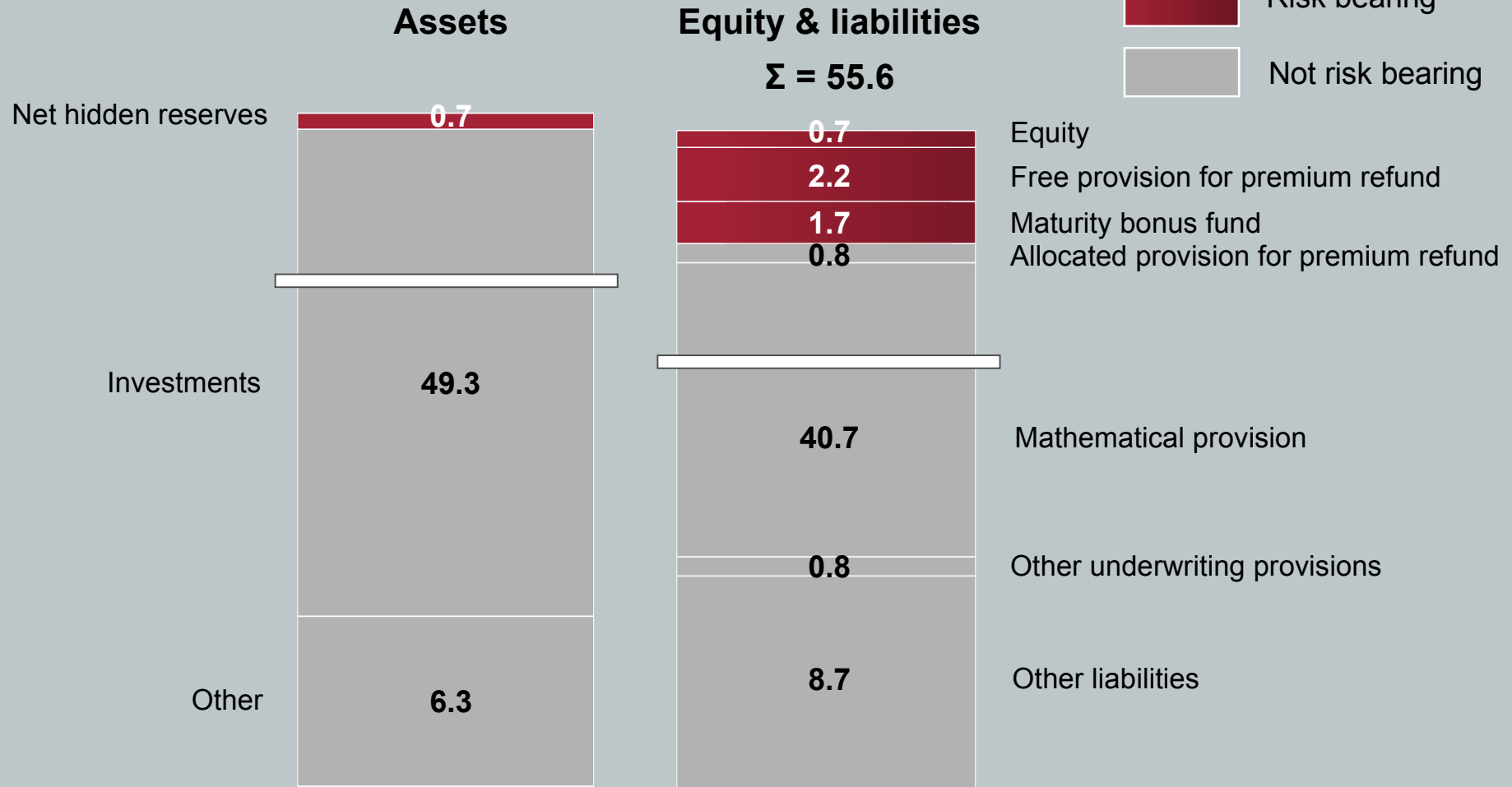
Profit bonus process in German life insurance companies



Typical balance sheet structure with different risk bearing items

Compound balance sheet structure AMB Generali life insurance companies 2002 *

€ bn *

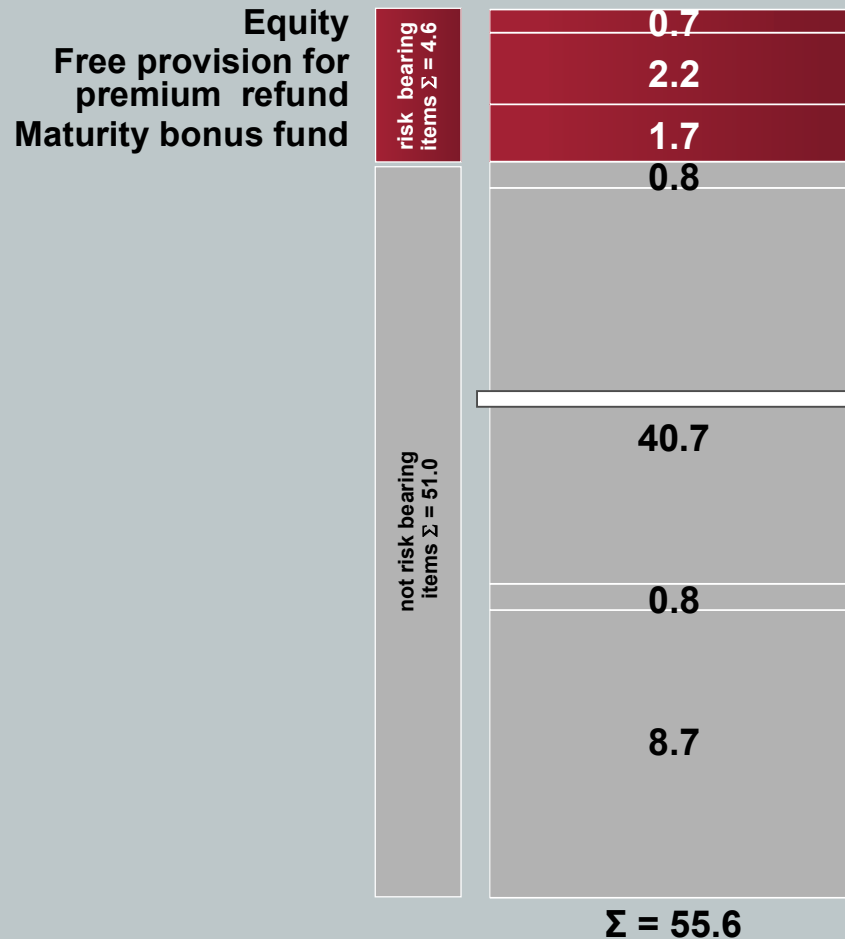


* German GAAP, not consolidated

Apart from equity further risk bearing items on liabilities` side are available

Risk bearing items - liabilities

€ bn *



Free provision for premium refund:

- Works as buffer for changes in gross surplus to ensure smooth profit distribution flow over the years
- Element of solvency under German GAAP

Maturity bonus fund:

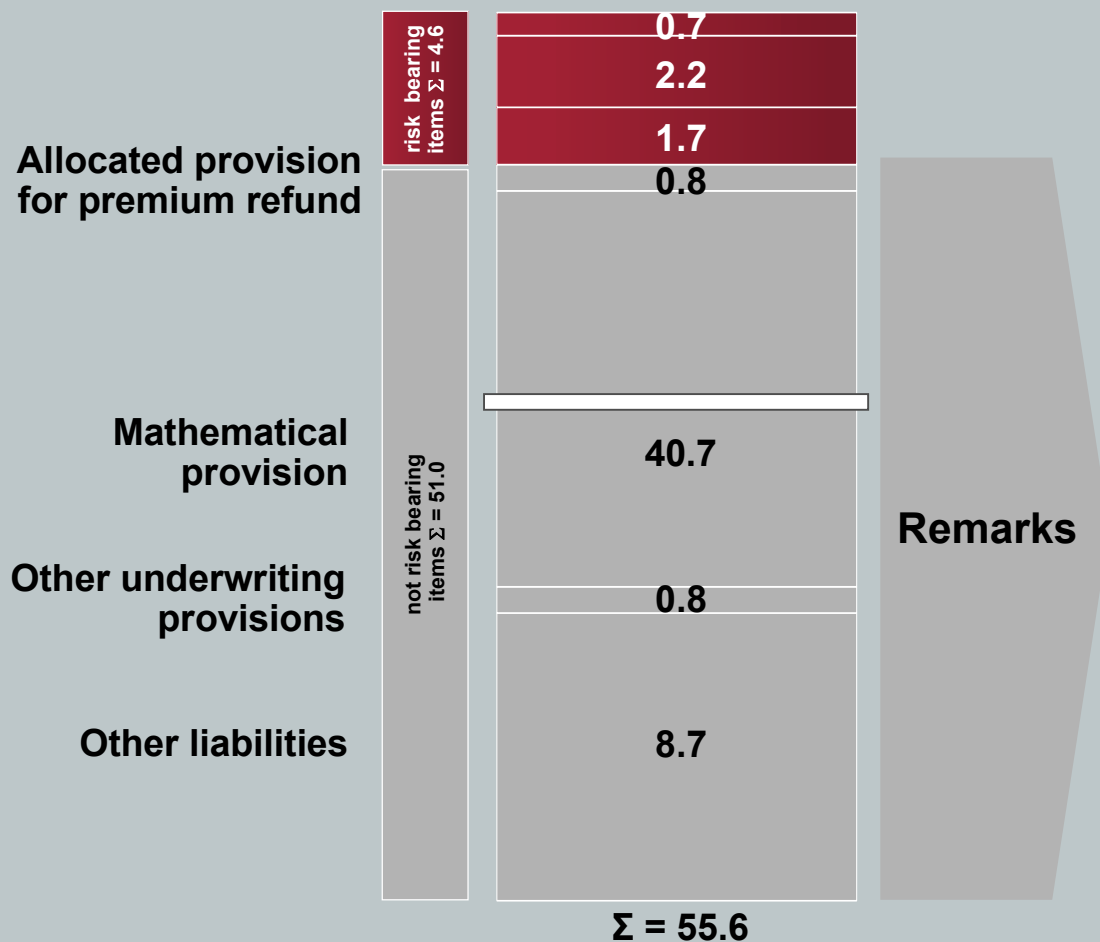
- Serves to cover maturity bonuses
- Element of solvency under German GAAP

* German GAAP, not consolidated

Mathematical provision with conservative valuation approach of guaranteed interest rate

Not risk bearing items - liabilities

€ bn *



Allocated provision for premium refund:

- Includes the full amount of current and maturity bonuses determined for next year
- Roll out of amounts to individual policyholder in the following year

Mathematical provision:

- Present value of future premiums/ liabilities discounted with guaranteed interest rate:

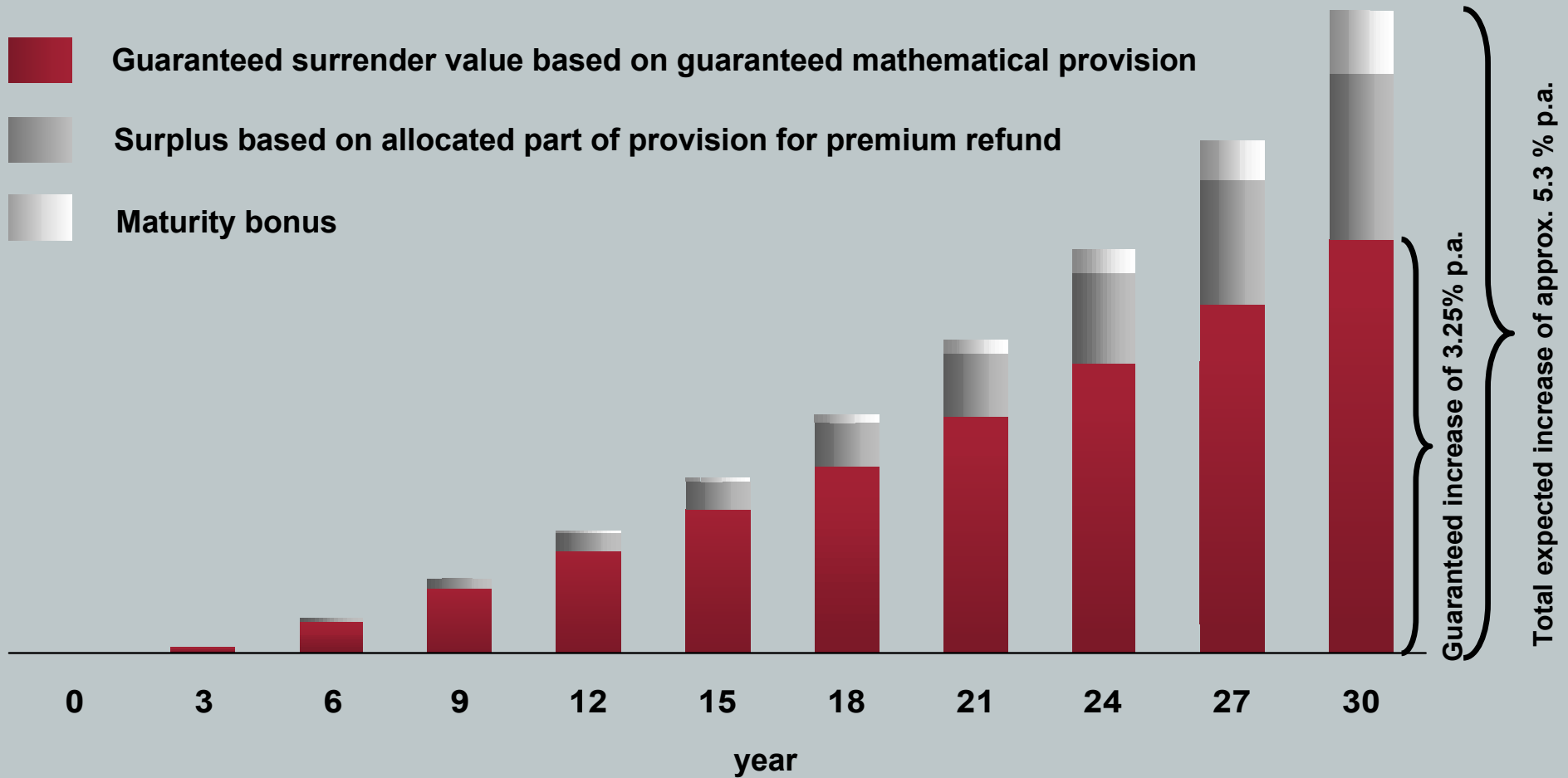
up to 12/31/1986	3.00%	} app. 3.5%
up to 06/30/1994	3.50%	
up to 06/30/2000	4.00%	
up to 12/31/2003	3.25%	
starting from 2004	2.75%	

* German GAAP, not consolidated

Bonus forecast always with conservative guarantee levels

Typical development of liabilities - single contract

- Guaranteed surrender value based on guaranteed mathematical provision
- Surplus based on allocated part of provision for premium refund
- Maturity bonus



Expected results

Market		AMB Generali			
Environment 2002	Effect on insurance companies	Targets	Strategy	Activities	Results
<p>Activities</p> <ul style="list-style-type: none"> ● Expansion of traditional fieldstaff networks ● Deutsche Vermögensberatung as strategic partner ● Exclusive cooperation with Commerzbank ● Good position in pension reform ● Health reform as opportunity ● Willingness to pursue acquisition projects ● AMB Generali as strong management-holding company ● Reduction of administrative-staff capacities ● Merger at the Munich location ● Integration Aachener und Münchener Versicherungen ● Additional cost reductions in Volksfürsorge and other Group companies ● Pruning in motor business ● Withdrawal from industrial lines ● EVA as controlling tool in non-life ● ALM to optimize asset allocation and policyholder bonus ● Embedded value to support vbm in life 		<p>Expected Results by 2005</p> <p>Life:</p> <ul style="list-style-type: none"> ● Premium growth above market average ● Increased value of new business <p>Non-life:</p> <ul style="list-style-type: none"> ● Premium growth at market level ● Combined ratio below 100% ● Motor business turnaround with net effect of about € +175 m ● Industrial business withdrawal with net effect of about € +25 m <p>Overall:</p> <ul style="list-style-type: none"> ● Reduction by 1,250 employees ● Costs frozen at 2002 level ● Extended application of value-based management methods 			

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Development tendencies first half year 2003

- **Stable development of total premiums** despite pruning in p&c
- Pruning in p&c leads to **improvement of combined ratio** by about **5%**
- **Investment income improves significantly**
- Burden resulting from stock market crisis basically coped with in financial statements; on balance, no **hidden losses** under dividend-bearing securities
- **Group result** affected by **substantial tax expenditure of € 589 m**, mainly due to German-GAAP write-downs on shares

Consolidated net result after tax: € -115 m

Result substantially improved in second quarter from € -87 m to € -28 m

Business development - an overview

(€)	2002	H1 02 ³⁾	H1 03	Δ H1 03/02
Total premiums (German GAAP)¹⁾	11.6 bn	6.1 bn	6.1 bn	0.2%
Consolidated gross premiums (IAS)²⁾	10.8 bn	5.6 bn	5.6 bn	-0.3%
● Life	6.1 bn	2.8 bn	2.9 bn	1.4%
● Health	1.2 bn	0.6 bn	0.7 bn	9.8%
● Property & casualty	3.5 bn	2.2 bn	2.0 bn	-5.4%
Claims & benefits	6.8 bn	4.3 bn	4.3 bn	2.0%
Investment income (net)	-928 m	933 m	1,098 m	17.6%
Result of ordinary operations	-166 m	174 m	475 m	301 m
Tax	-65 m	-17 m	-589 m	-572 m
Consolidated net income	-235 m	155 m	-115 m	-270 m
Shareholders' equity	2.8 bn	3.2 bn	2.9 bn	2.9%⁴⁾

1) consolidated gross premiums incl. savings portions of unit-linked and Riester contracts
 2) excl. savings portions of unit-linked contracts; without effect on income

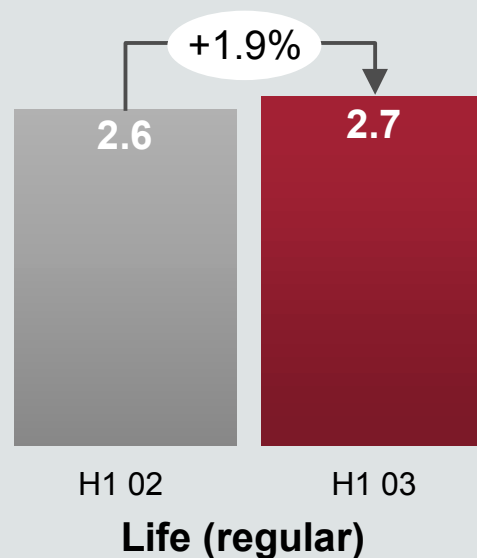
3) retroactively adjusted
 4) in relation to 31.12.2002

Stable development of total premiums despite pruning in p&c

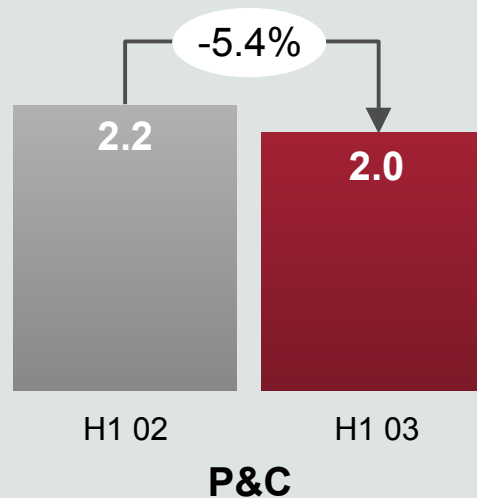
(€ bn)	2002	H1 02 ³⁾	H1 03	Δ H1 03/02
Total premiums (German GAAP) ¹⁾	11.6	6.1	6.1	0.2%
Consolidated gross premiums (IAS) ²⁾	10.8	5.6	5.6	-0.3%

Consolidated gross premiums (IAS) (€ bn)

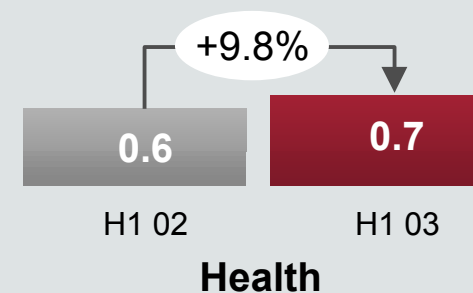
- Reduction of unit-linked due to capital markets



- Pruning of motor
- Withdrawal from industrial business



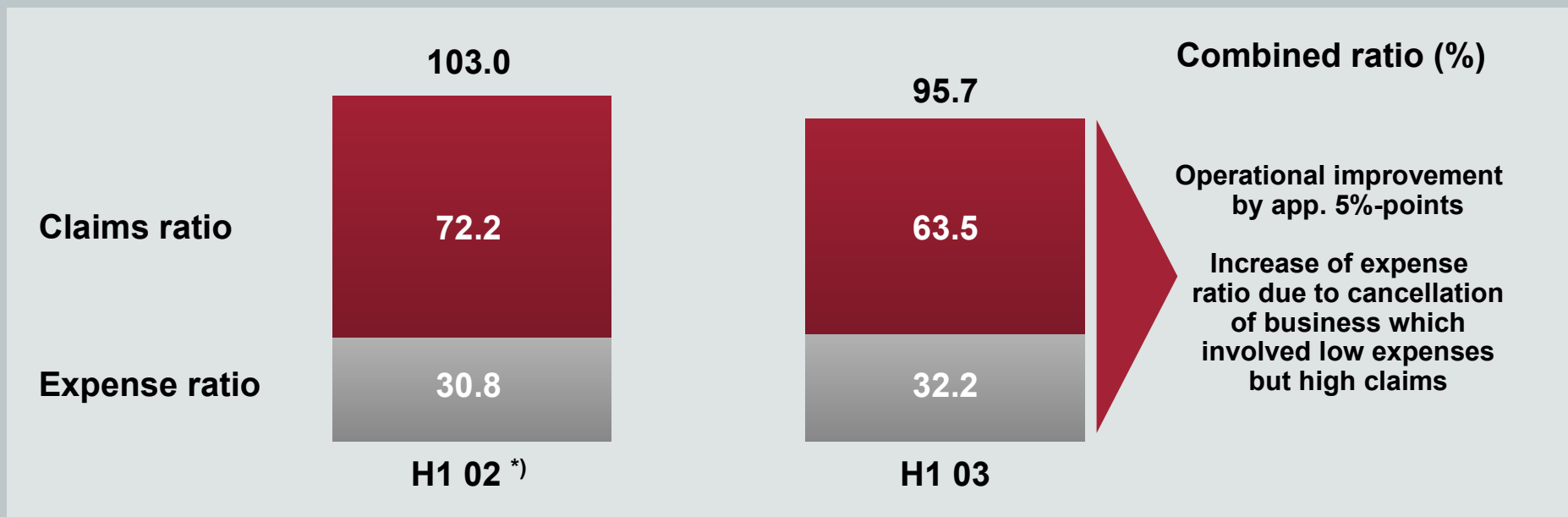
- New business growth
- Portfolio premium increases



1) consolidated gross premiums incl. savings portions of unit-linked and Riester contracts
 2) excl. savings portions of unit-linked contracts; without effect on income
 3) retroactively adjusted

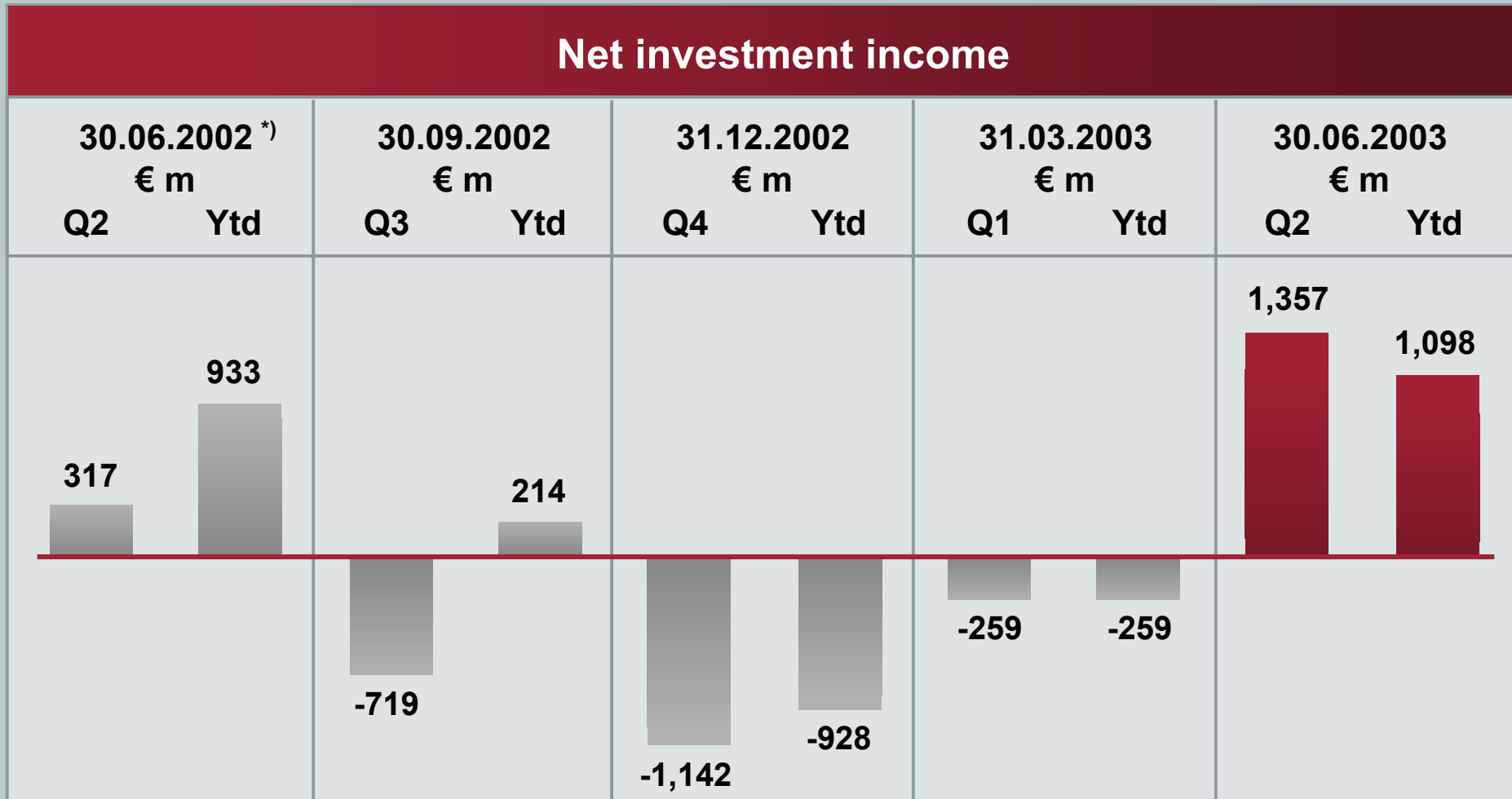
Better combined ratio illustrates operational improvements

Combined ratio p&c (%)	2002	H1 02 *)	H1 03
Claims ratio	75.1	72.2	63.5
Expense ratio	32.6	30.8	32.2
Combined ratio	107.7	103.0	95.7



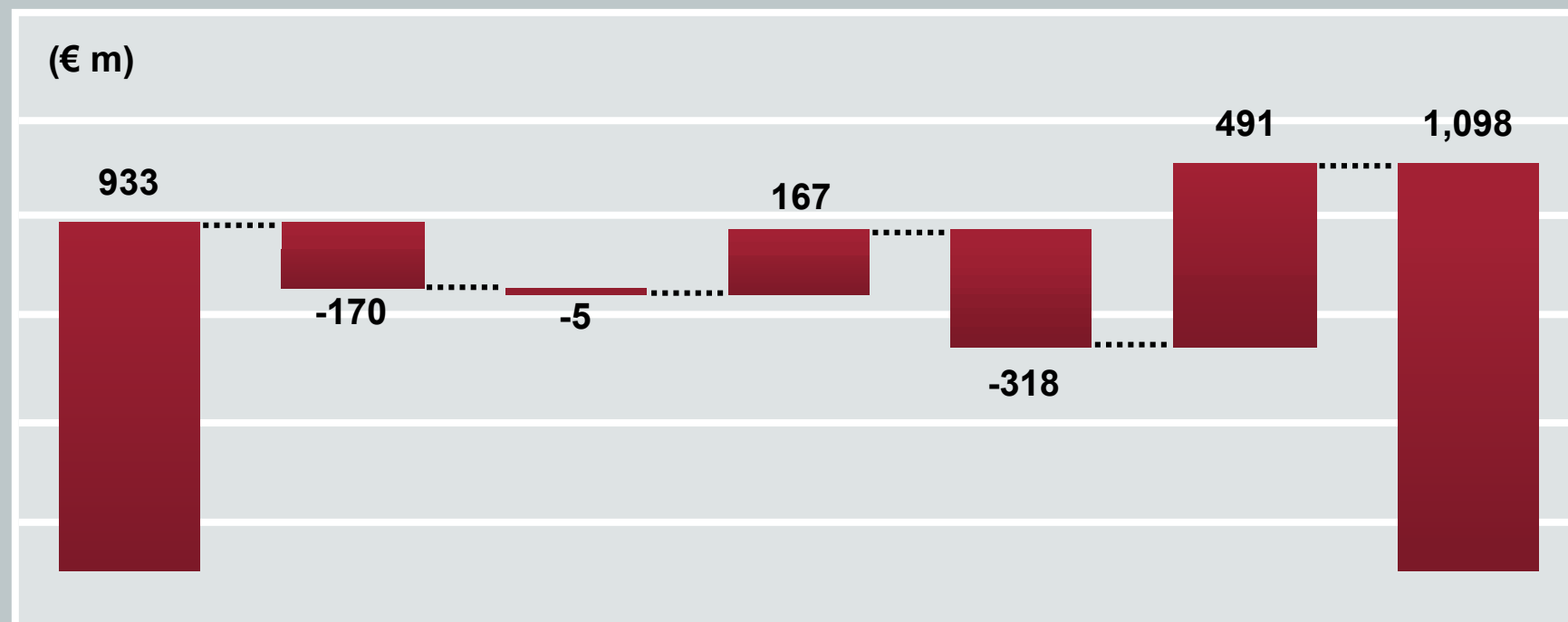
*) retroactively adjusted

Investment income improves significantly



Ytd = year to date (accumulated value since start of year)
*) retroactively adjusted

Investment income mainly influenced by realized and unrealized capital gains

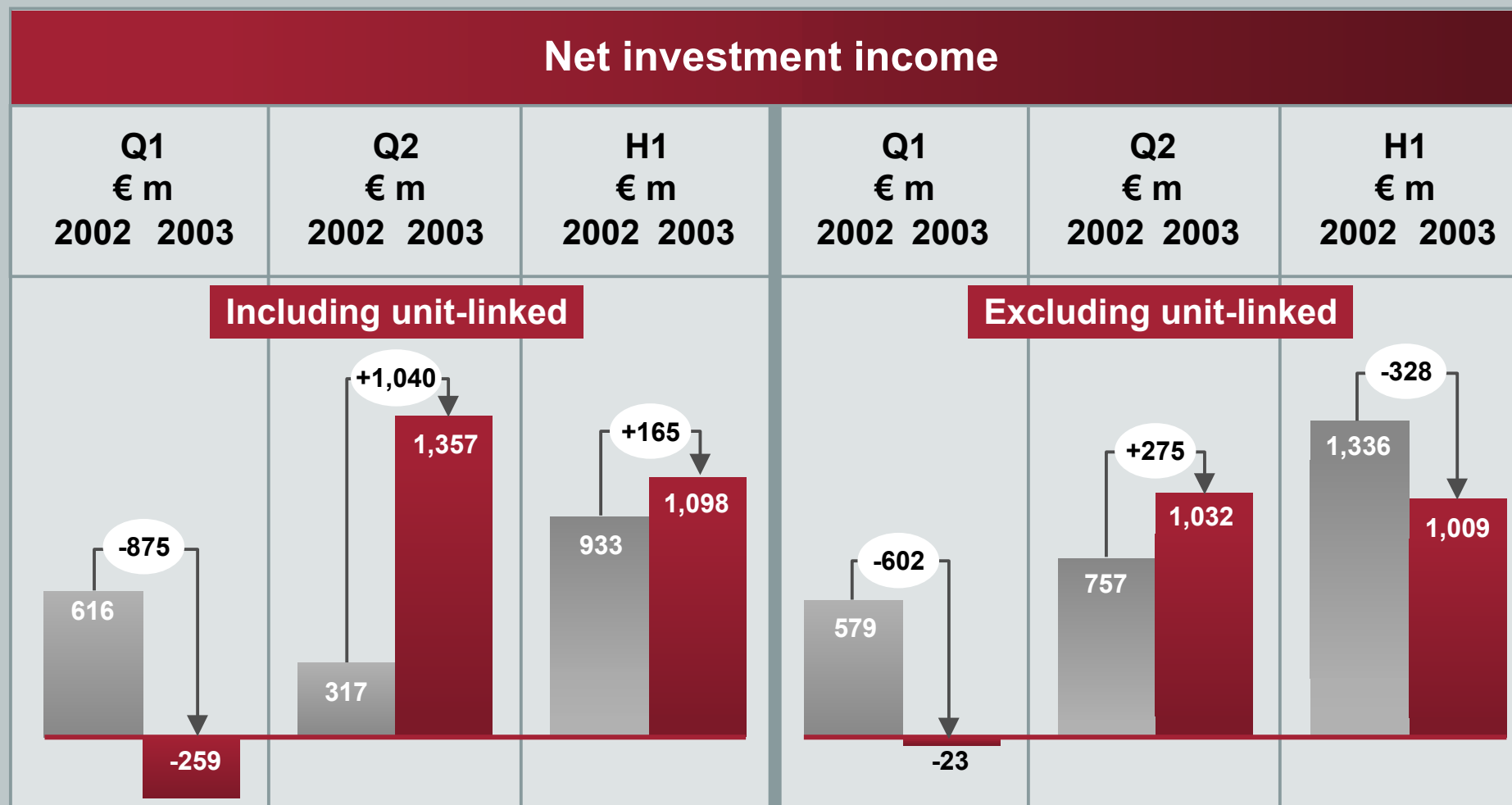


	Investment income (net) in H1 02	Ordinary income	Administrative expenses	Realized capital gains and losses	Write-ups and write-downs	Unrealized capital gains and losses ²⁾	Investment income (net) in H1 03
H1 02 ¹⁾	933	1,875	-78	-220	-279	-365	933
H1 03	1,098	1,705	-83	-53	-597	126	1,098
Change	165	-170	-5	167	-318	491	165

1) retroactively adjusted
2) from unit-linked business

I.4. Financial results H1 2003

Investment income decreases in H1 03 after eliminating unit-linked business which has no effect on income



Burden of stock market crisis basically coped with in balance sheet

Unrealized gains/losses on shares, participating interests and fund units

31.03.2002 € m	30.06.2002 € m	30.09.2002 € m	31.12.2002 € m	31.03.2003 € m	30.06.2003 € m
-826	-1,705	-2,902	-1,125	-918	10
					Additional un-realized gains in fixed income: € 2.5 bn

IAS write-downs reflect current capital market situation

Write-downs on shares, participating interests and fund units

30.06.2002		30.09.2002		31.12.2002		31.03.2003		30.06.2003	
€ m		€ m		€ m		€ m		€ m	
Q2	Ytd	Q3	Ytd	Q4	Ytd	Q1	Ytd	Q2	Ytd
-245	-245	-625	-870	-1,639	-2,509	-536	-536	-4	-540

Ytd = year to date (accumulated value since start of year)

High tax expenditure affects net income

(€ m)	2002	H1 02	H1 03	Δ H1 03/02
Result of ordinary operations	-166	174	475	301
● Tax	-65	-17	-589	-572
● Minority interests	-4	-2	-1	1
Consolidated net income ^{*)}	-235	155	-115	-270

● Tax treatment

- Actual taxes under German GAAP Financial Statements determine the amount of tax expenditure; German GAAP tax position directly transferred to IAS
- Write-downs and realized capital losses from shares, participating interests and fund units increase the taxable income especially in life and health entities

➔ Write-downs lead to high tax expenditure, having a direct impact on IAS

● Current discussion

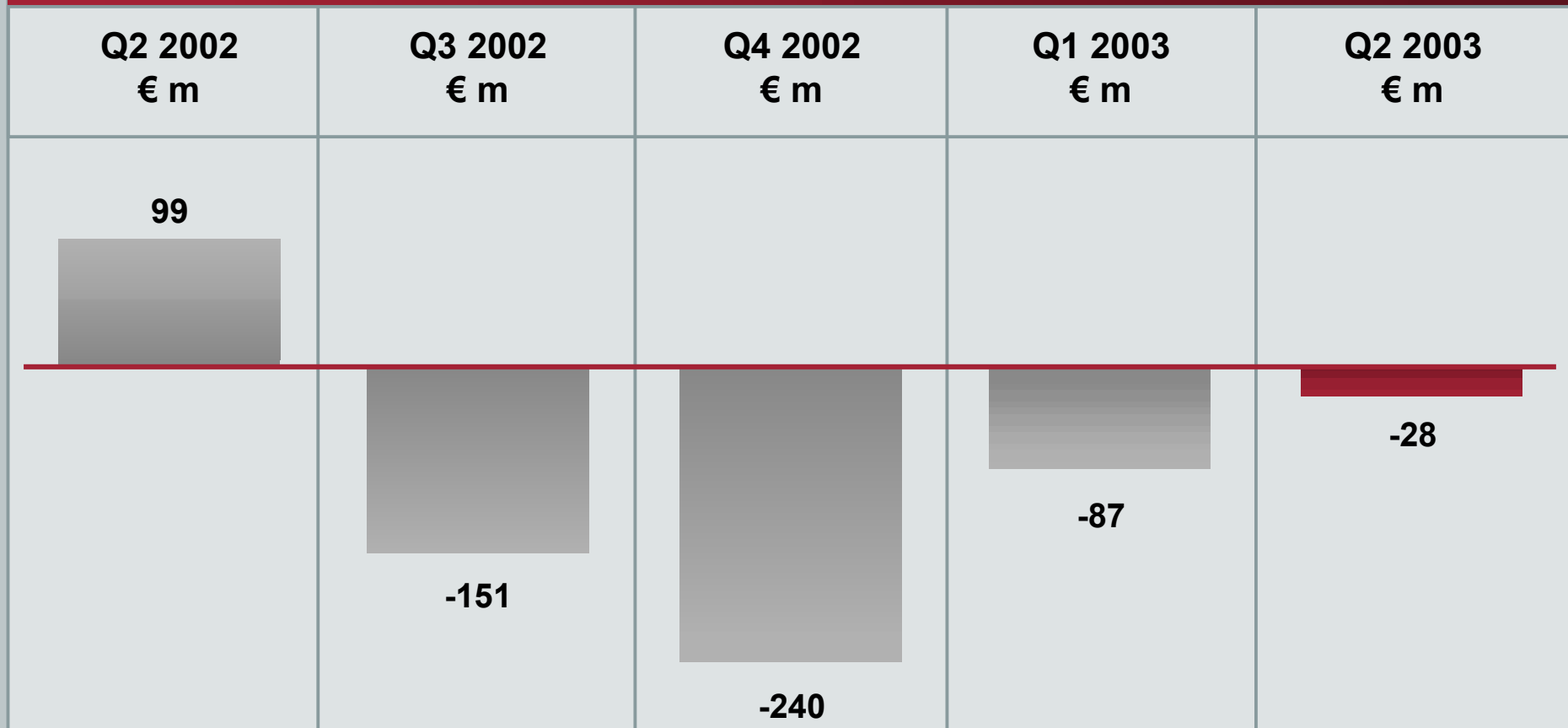
- Plans for changing tax situation are to be discussed by Government in August

➔ Effects on result not yet foreseeable

*) no extraordinary influences

Sustained upward development confirms positive tendency for 2003

Consolidated net income by quarters



AMB Generali maintains positive outlook

- **Expected growth 2003**
 - Market-average in life / health
 - Decrease of premiums in p&c due to strategic pruning measures

- **Improvements in technical results due to successful...**
 - ...pruning of p&c portfolio
 - ...realizing Group-wide synergies

- **Maintaining positive result expectation**
 - Result continues to be sensitive to capital market volatility
 - Positive pre-tax result expected

- **No current need for capital increase to fulfil solvency requirements**

Enclosures

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Life & health development

(€ m) ¹⁾	2002	H1 02 ⁴⁾	H1 03	Δ H1 03/02
Total premiums (German GAAP) ²⁾	8,142	3,918	4,046	3.3%
Gross premiums written (IAS) ³⁾	7,309	3,482	3,583	2.9%
Investment income (net)	-1,113	538	960	78.3%
Claims & benefits (net)	4,617	3,129	3,278	4.8%
Expense ratio	13.3%	17.6%	13.4%	
Net income	-74	-7	10	

1) before elimination of intra-group transactions between segments
 2) gross premiums written incl. savings portions of unit-linked and Riester products

3) excl. savings portions of unit-linked contracts; without effect on income
 4) retroactively adjusted

Life development

(€ m) ¹⁾	2002	H1 02 ⁴⁾	H1 03	Δ H1 03/02
Total premiums (German GAAP) ²⁾	6,891	3,300	3,368	2.1%
Gross premiums written (IAS) ³⁾	6,062	2,864	2,905	1.4%
Investment income (net)	-1,173	532	895	68.4%
Claims & benefits (net)	3,497	2,581	2,638	2.2%
Expense ratio	13.2%	18.5%	14.1%	
Net income	-63	1	1	-39.9%

1) before elimination of intra-group transactions between segments
 2) gross premiums written incl. savings portions of unit-linked and Riester products

3) excl. savings portions of unit-linked contracts; without effect on income
 4) retroactively adjusted

Health development

(€ m) ¹⁾	2002	H1 02 ²⁾	H1 03	Δ H1 03/02
Gross premiums written (IAS)	1,246	618	678	9.8%
Investment income (net)	60	7	65	876.4%
Claims & benefits (net)	1,119	547	640	17.0%
Claims ratio	61.1%	59.6%	60.0%	
Expense ratio	13.9%	13.4%	10.6%	
Combined ratio	75.0%	73.0%	70.6%	
Net income	-12	-9	9	

1) before elimination of intra-group transactions between segments
 2) retroactively adjusted

Property & casualty development

(€ m) ¹⁾	2002	H1 02 ²⁾	H1 03	Δ H1 03/02
Gross premiums written (IAS)	3,861	2,328	2,240	-3.8%
Investment income (net)	419	366	103	-71.9%
Claims ratio	75.1%	72.2%	63.5%	
Expense ratio	32.6%	30.8%	32.2%	
Combined ratio	107.7%	103.0%	95.7%	
Net income	2	208	-56	

1) before elimination of intra-group transactions between segments
 2) retroactively adjusted

Embedded value to support value-based management in life

- Embedded value (EV) estimates the value of the current life business operations
- Components of EV:

$$\begin{array}{ccccccc} \text{Embedded} & & \text{Present Value of} & & \text{Shareholders'} & & \text{Cost of} \\ \text{Value} & = & \text{Future Profits} & + & \text{Net Worth} & - & \text{Capitalization} \\ \text{(EV)} & & \text{(PVFP)} & & & & \text{(COC)} \end{array}$$

- In line with Generali Group wide approach
- Change in methodology with respect to valuation of free RfB
- External opinion from Tillinghast - Towers Perrin

Embedded value components in detail

Present value of future profits

- Statutory after-tax earnings generated by life business in force including value of internal reinsurance and fee income arising in AM Generali Invest associated with unit-linked life business
- Contains shareholders' interest in all unrealized capital gains and losses (UCG/UCL)
- Values free RfB by "attribution approach"
- Deterministic calculation based on realistic assumptions and current economic market conditions
- Includes future premium increases on existing business (except for future "Riester-steps")

Shareholders' net worth

- Statutory shareholders' equity

Cost of capitalization

- Assumes lock-in of 100% of shareholders' net worth
- Present value of difference between risk discount rate and shareholders' part of expected investment return
- Not allocated to PVFP or new business value

Methodological change concerning value of free RfB

Two approaches to value free RfB

RfB generated
from existing business portfolio

Generation approach

- Free RfB is carried forward; shareholder receives proportionate share of investment income on this RfB
 - ➔ Implicit assumption that value of free RfB can be extracted
 - ➔ Leads to high free RfB on in-force
- No attribution of existing RfB to new business
 - ➔ New business has to amortize initial acquisition expenses

RfB attributed to fund acquisition cost and to increase interest margin on technical reserves

Attribution approach

- Instead of explicit valuation, free RfB is assumed to be managed in certain proportion to in-force reserves (uplift on investment return assumption)
 - ➔ Substantially lower value for in-force block
 - ➔ No consumption of free RfB assumed
- Benefit of interest uplift is allocated to both in-force and new business

Change of AMB Generali towards attribution approach

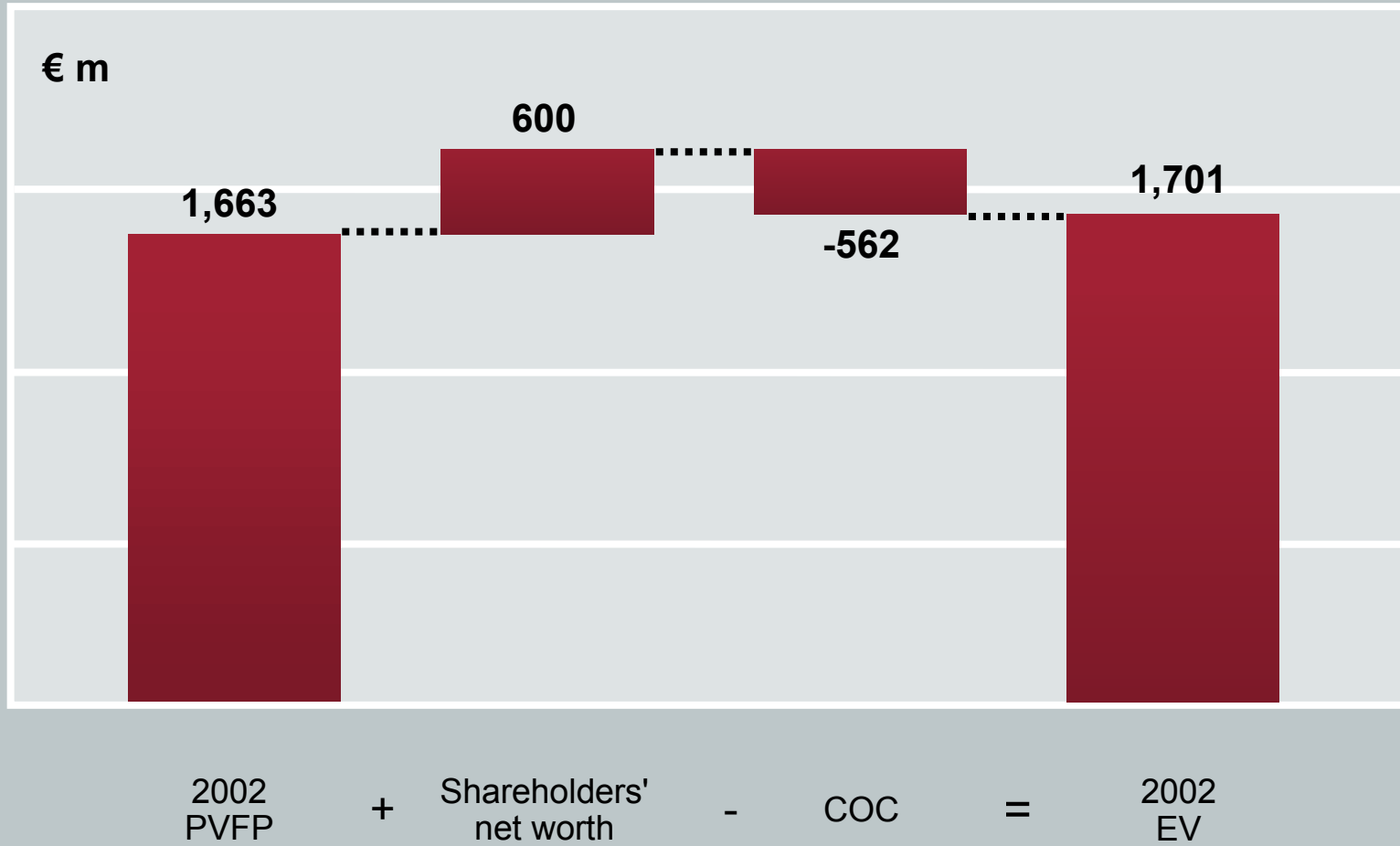
- Following discussions with Tillinghast
- In line with trends in German market EV calculations

Embedded value and value of new business assumptions

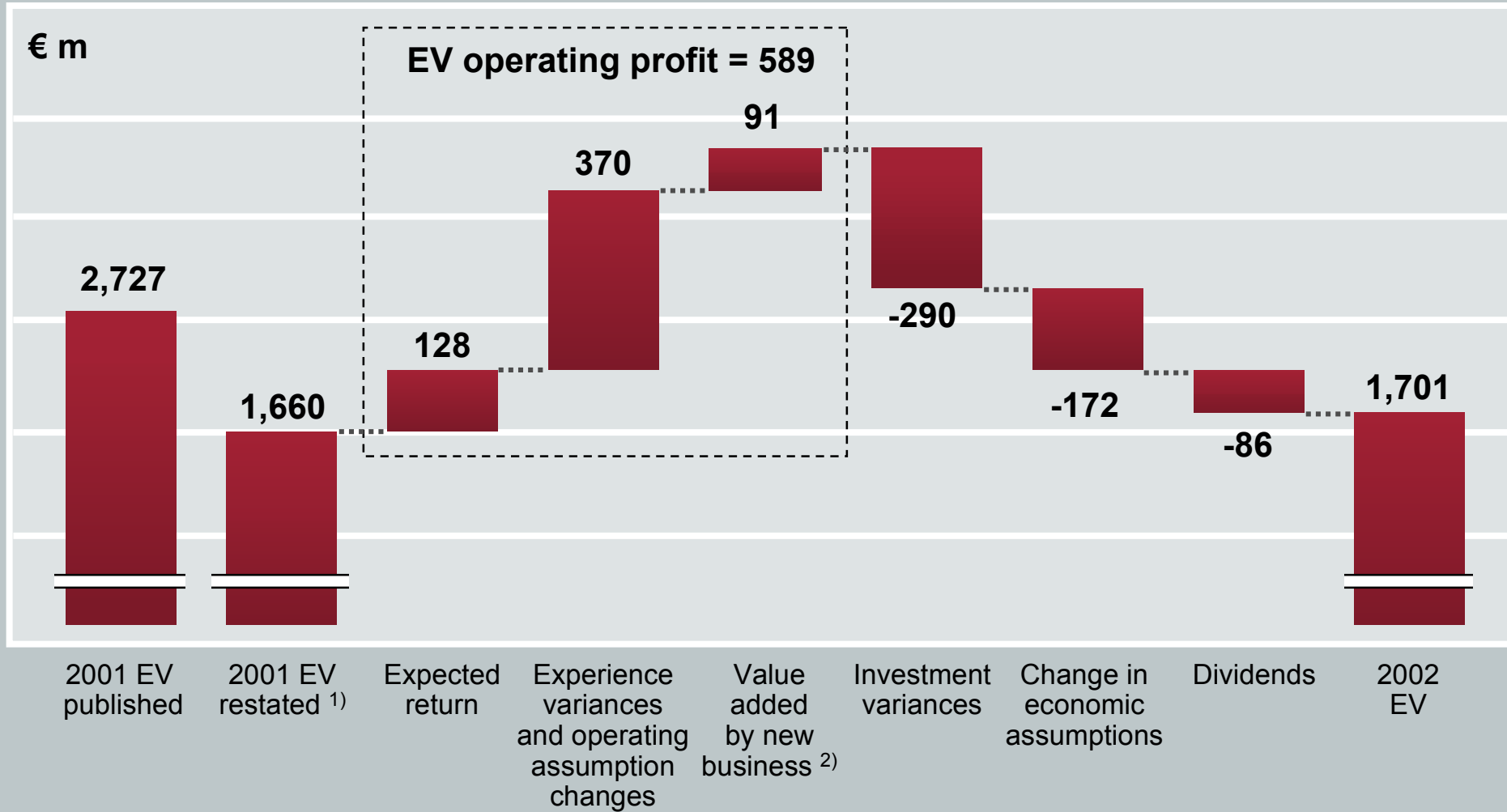
	EV 2001	EV 2002
Risk discount rate (RDR)	7.75%	7.05%
Risk-free rate (10-year government bonds)	5.00%	4.30%
Fixed income return	5.30%	4.68%
Equity return	7.75%	7.05%
Average long-term asset mix (FI / Eq / Other)	70 / 25 / 5	80 / 15 / 5
Book return	include emergence of UCG/UCL	
Tax rate ¹⁾	0%	0%
Average long-term shareholders' participation ²⁾	6.7%	9.2%
Bonuses, demographic and expense assumptions	company specific experience	

1) 35%-40% for reinsurance and fund management earnings
 2) different rates for traditional and unit-linked business which reflect company specific planning and expectations

Embedded value results 2002



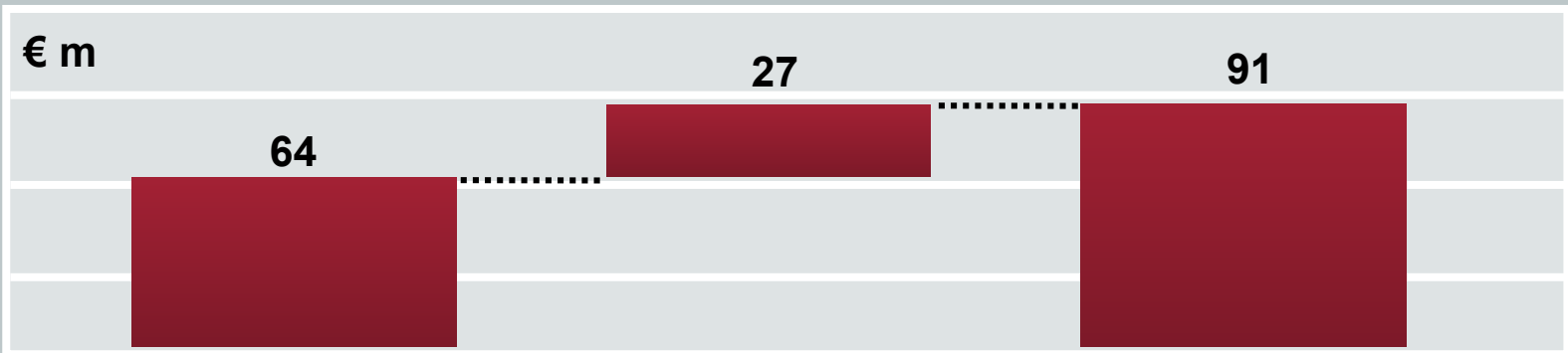
Source of change analysis



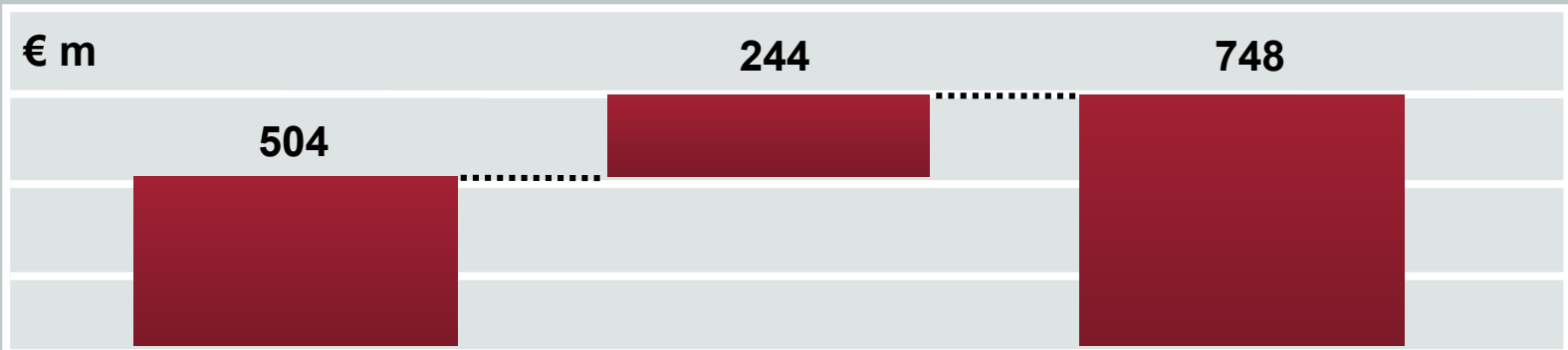
1) after methodological change
2) on 2002 assumptions

New business margin for selected lines of business

New business value



Annual premium equivalent *)



Value / APE

12.6%

Traditional life
(incl. "Riester")

11.2%

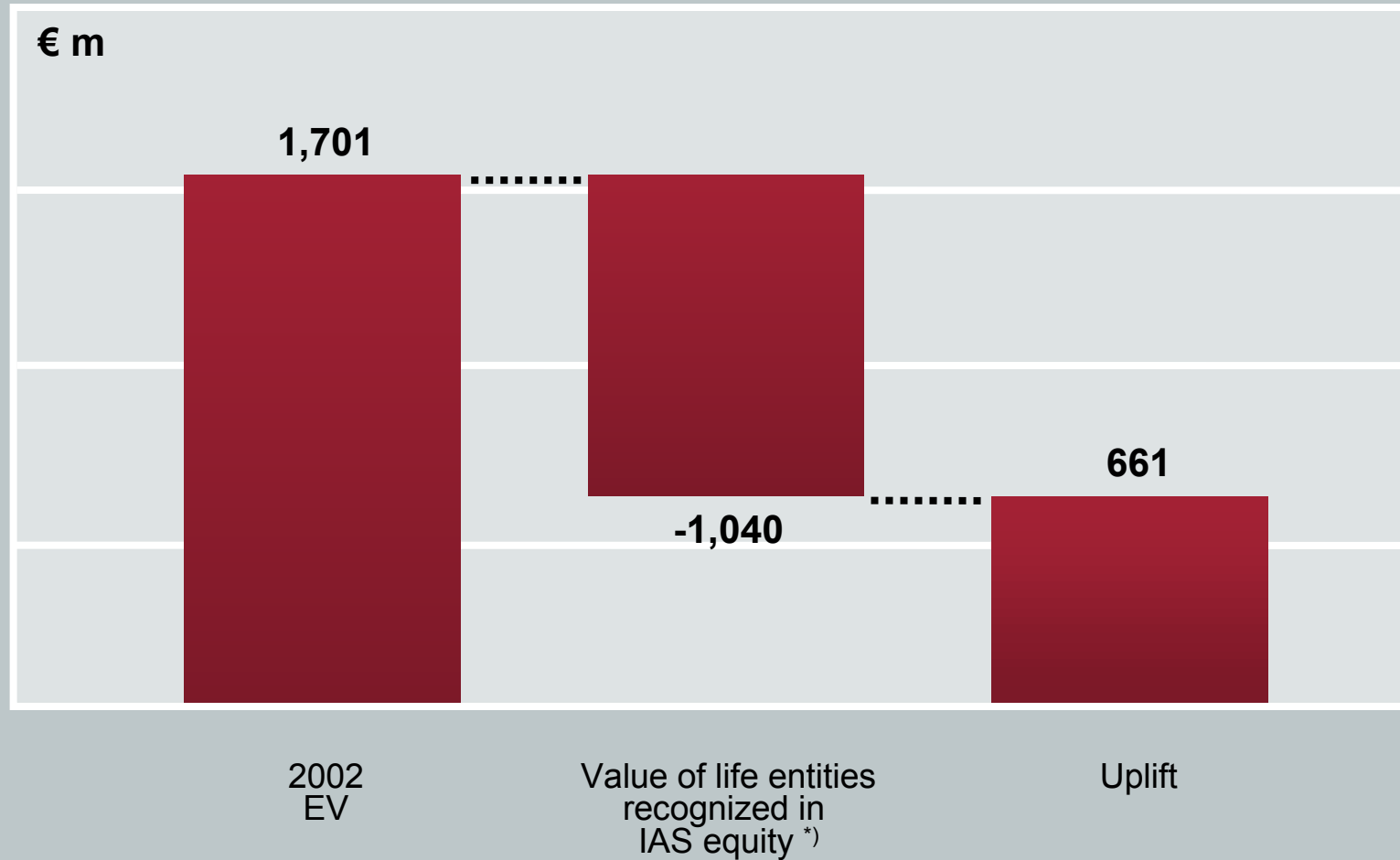
UL (incl. net fund
management fees)

12.1%

Total new
business value

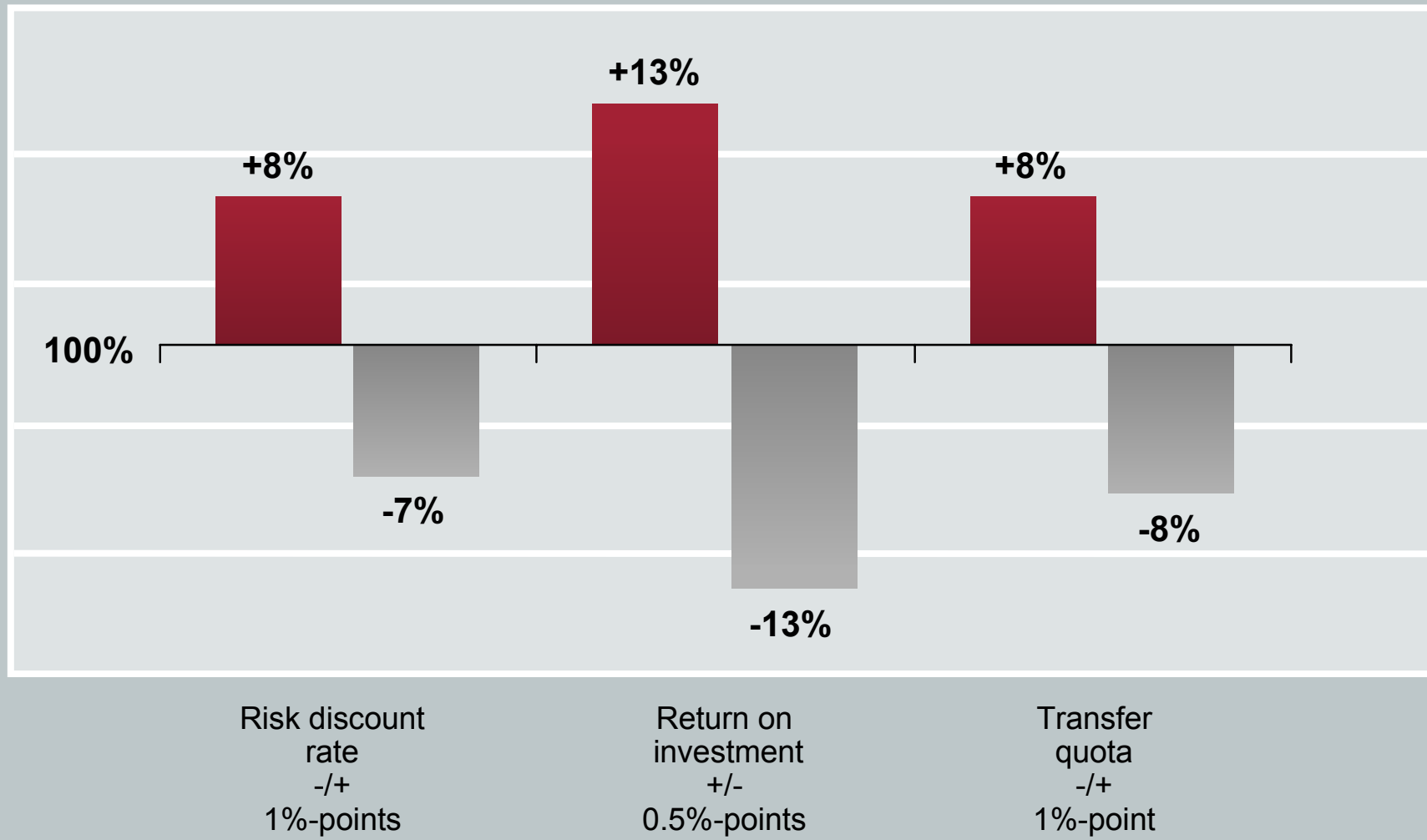
*) regular premiums plus 10% of single premiums on new policies issued in 2002

Value of € 661 m not recognized in 2002 IAS balance sheet



*) includes IAS value of business acquired and goodwill

Sensitivity analysis of PVFP



Embedded value with external advice

Tillinghast - Towers Perrin, management consultants and actuaries, has reviewed the methodology and assumptions used, and the calculations performed by the AMB Generali Group in the determination of the embedded value as at 31 December 2001 and 2002, of the 2002 embedded value earnings and of the value added by new life business written in 2002, but did not perform a detailed check of all the calculations. On the basis of the data made available, Tillinghast has reported to the AMB Generali Group that it considers that the methodology and assumptions used to determine these values are reasonable and that the resulting values are also reasonable.

Effects on reported results 2002

Capital markets

- Share prices decreased for 3rd consecutive year
- 2002 DAX: -44%
Stoxx: -31%
- Highest ever one-year DAX loss

Update on IAS accounting

- Amendments of stricter IAS impairment-test rules (IAS 39)
- For better comparability, saving portions of unit-linked and Riester products not recognized as premiums but directly accumulated in mathematical provision

Effects on reported results

- Difficult capital-market situation and strict impairment tests lead to high write-downs but also to reduction of unrealized losses (mainly in life)
- Slightly lower recognition of premiums under international accounting rules in comparison to German GAAP

Business development 2002

(€)	2002	2001	Δ 02 / 01
● Total premiums German GAAP¹⁾ :	11.6 bn	11.2 bn	4.1%
■ Life regular premiums	6.5 bn	6.1 bn	5.4% ⁴⁾
● Consolidated gross premiums written IAS²⁾ :	10.8 bn	10.5 bn³⁾	3.2%
■ Life regular premiums	5.6 bn	5.4 bn ³⁾	3.9% ⁵⁾
■ Health	1.2 bn	1.2 bn	5.8%
■ P&C	3.5 bn	3.4 bn	3.0%
● Investment income (net) :	- 928 m	3,343 m³⁾	
● Consolidated net income :	- 235 m	316 m	
● EPS :	- 4.38	5.89	

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

2) first time excl. savings portions of unit-linked contracts; without effect on income

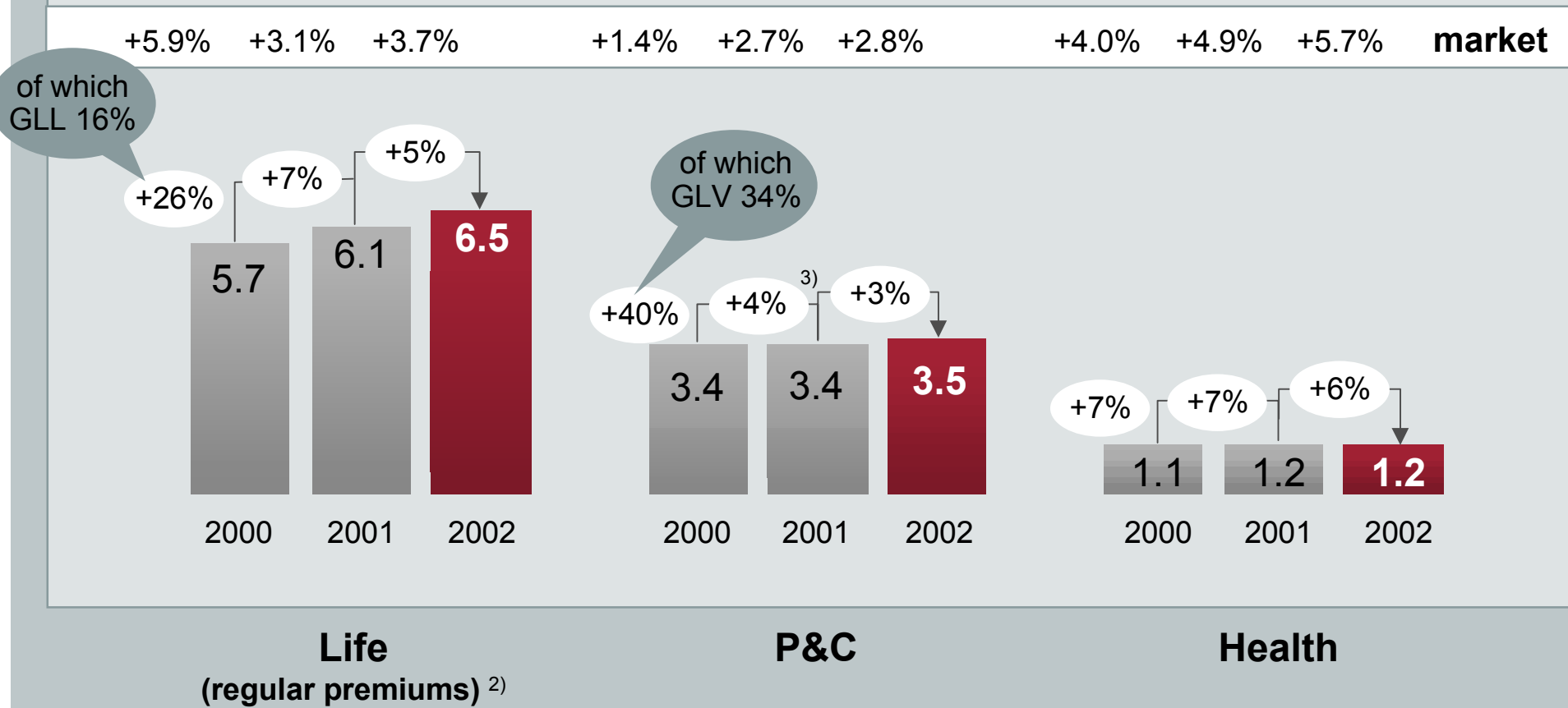
3) retroactively adjusted

4) life total: € 6.9 bn, +4.3%

5) life total: € 6.1 bn, +2.8%

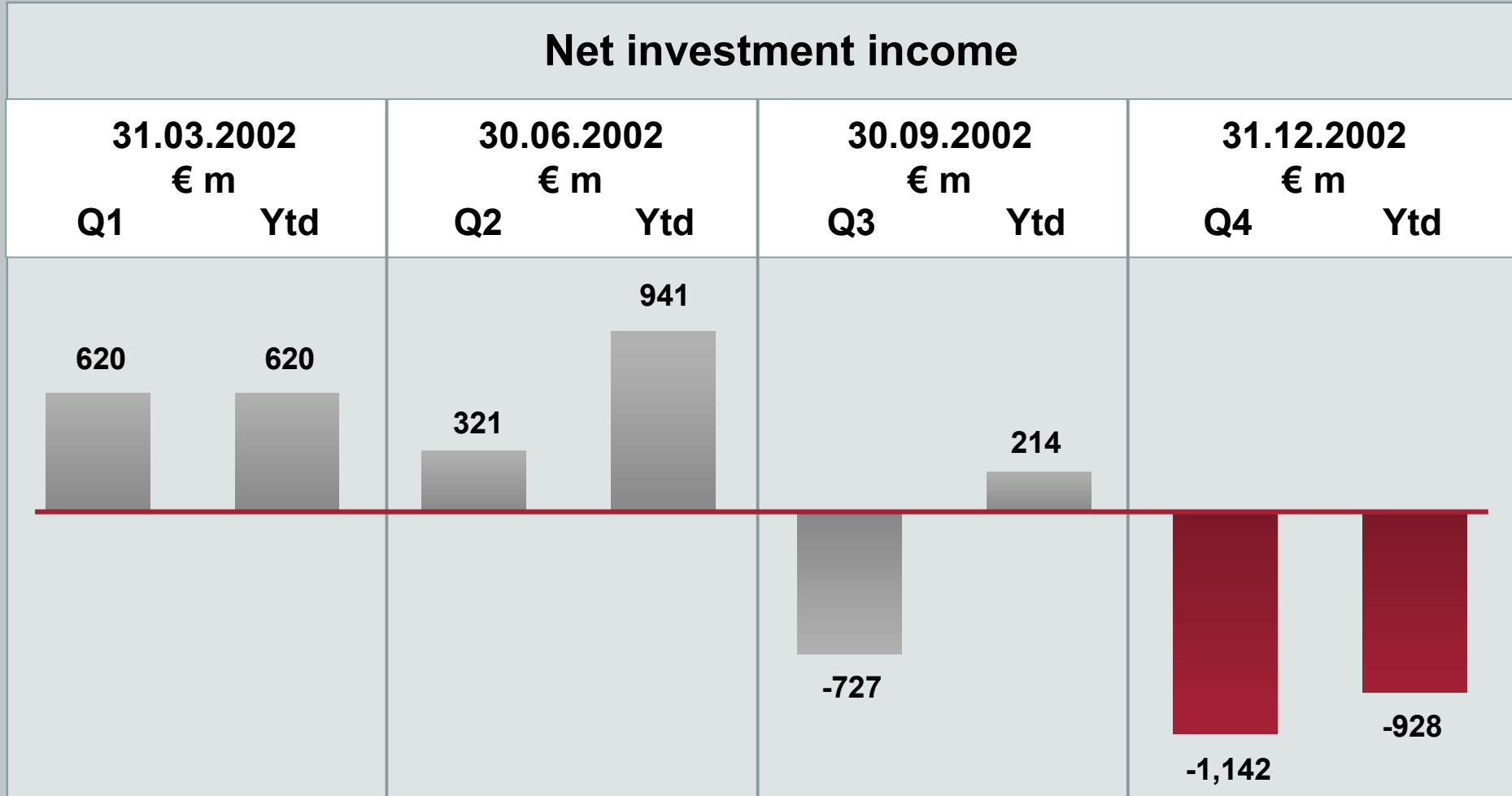
Continuously good growth rates

Premium growth (German GAAP) ¹⁾



1) consolidated gross premiums in € bn
 2) life total 2002: € 6.9 bn, +4.3%
 3) adjusted for Generali Lloyd strategic portfolio pruning; unadjusted growth rate 2001: +1.1%

Impairment test as main influence on investment income



Amendments of IAS 39 lead to stricter impairment rules

Q3 2002 and prior

- Decision to recognize impairment losses based on variety of criteria
- Presumption of durable devaluation: market value 20% below acquisition costs over a continuous period of 9 months
- Check of durability using following criteria: industry affiliation, net asset value, PE-ratio and analysts' assessments
- Write-down on higher interim value (e.g. net asset value) possible

→ AMB Generali wrote down on interim value

Q4 2002

- Stricter interpretation by European auditors
- Discussion about "significant and prolonged"
- Driven by practice mainly used in the US (SEC-view)
- If impaired → only market value as possible value

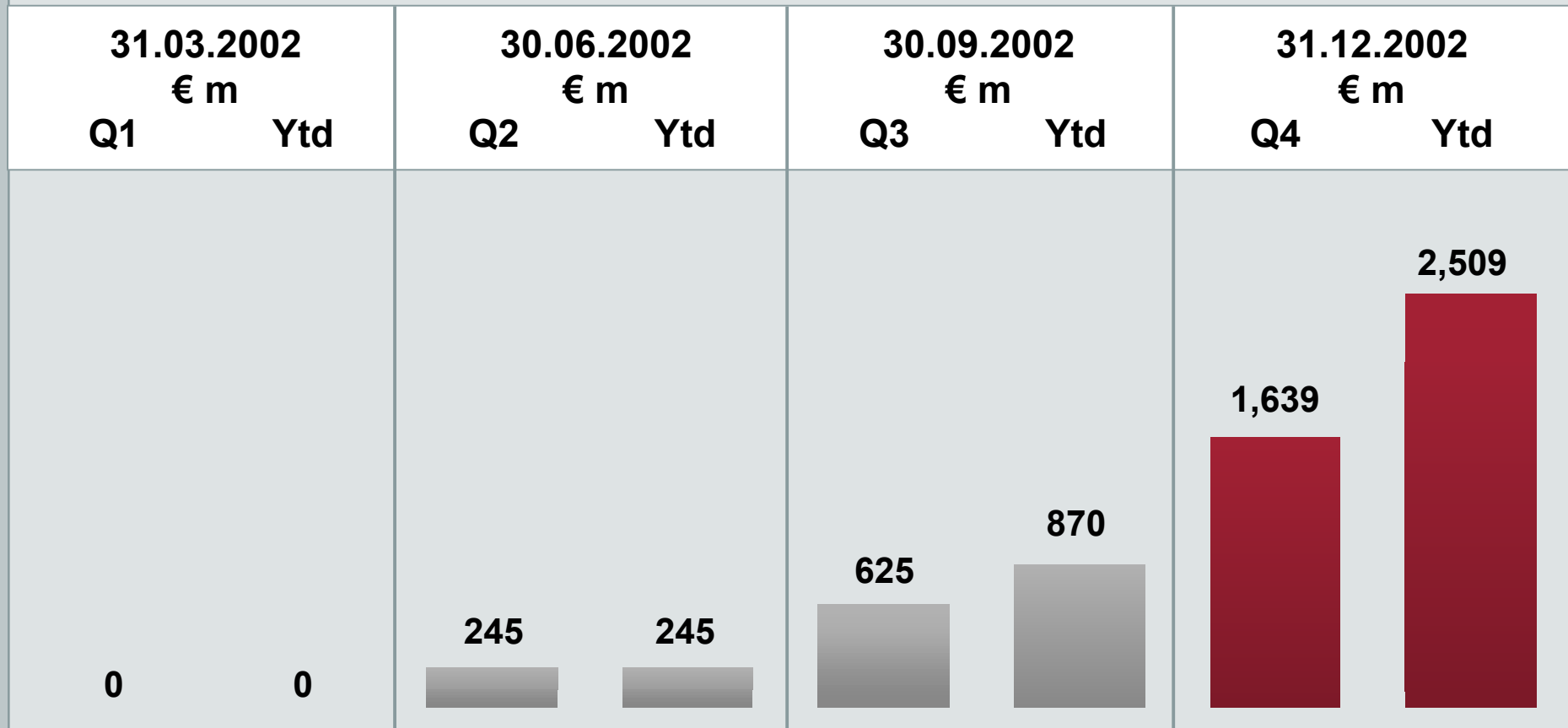
2003 onwards

- Proposed amendments planned of standard IAS 39 "financial instruments" (ED) in 2003
- Significant and prolonged decline in the market value automatically triggers off impairment
- According to current best practice under US-GAAP "significant and prolonged" means: market value 20% below acquisition costs over a period of 6 months

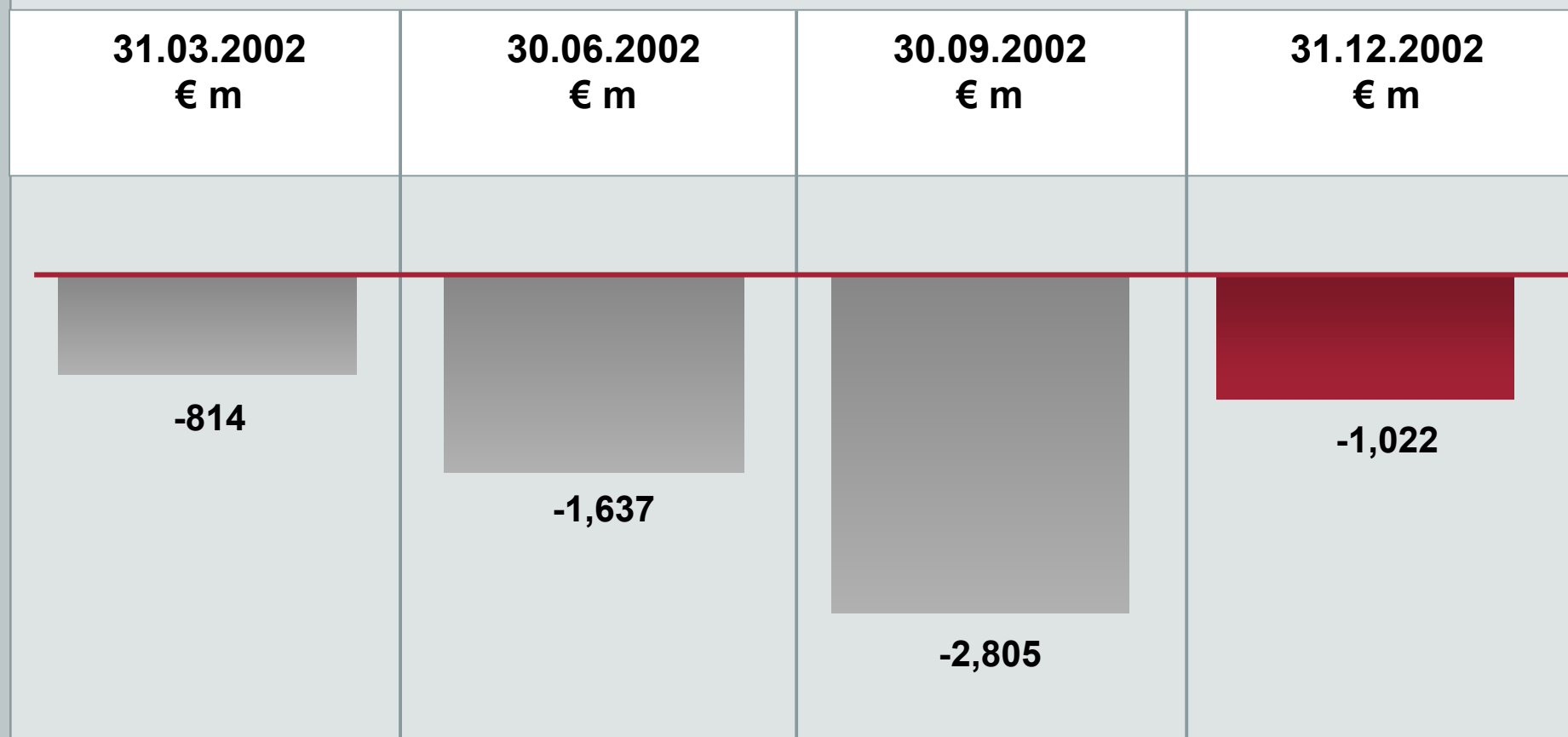
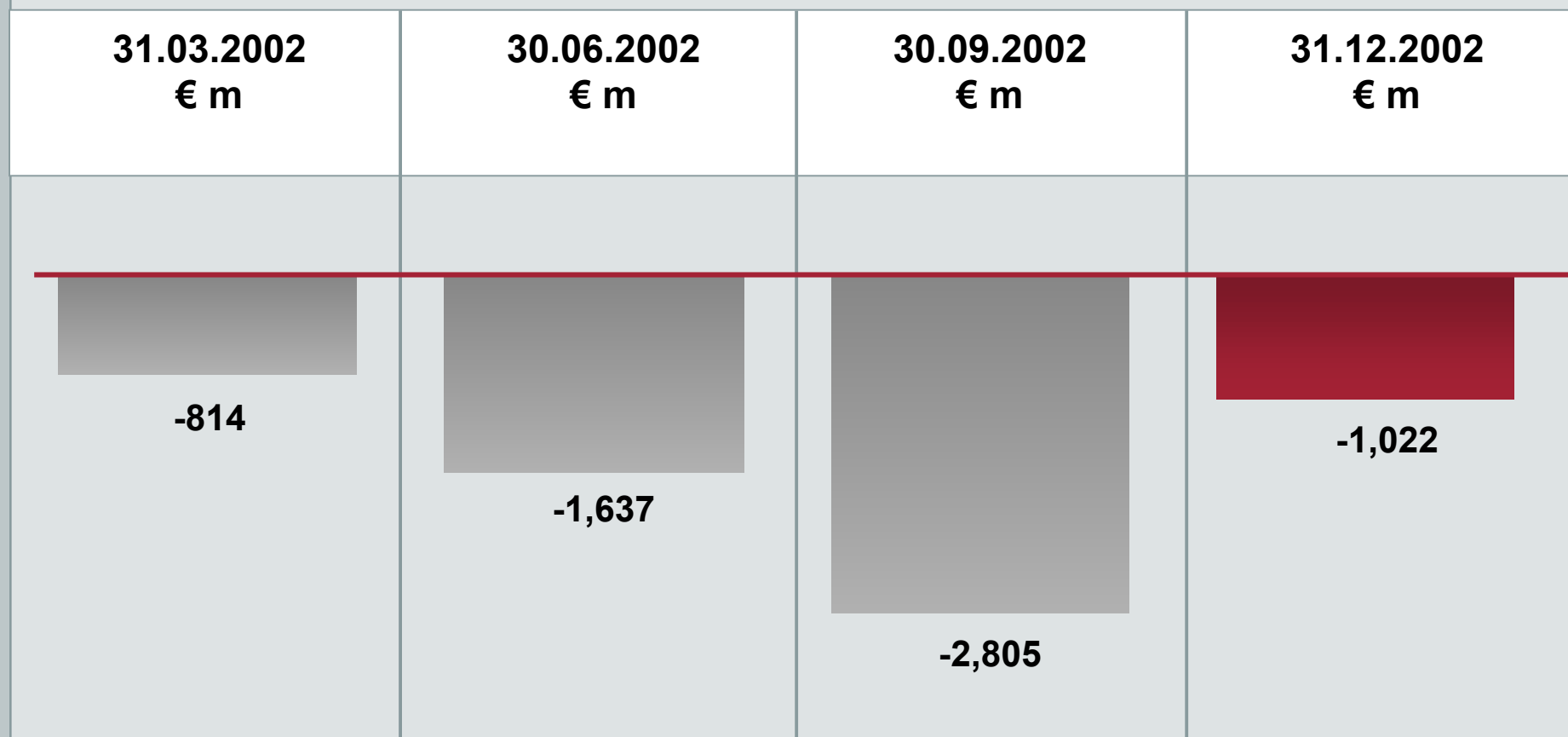
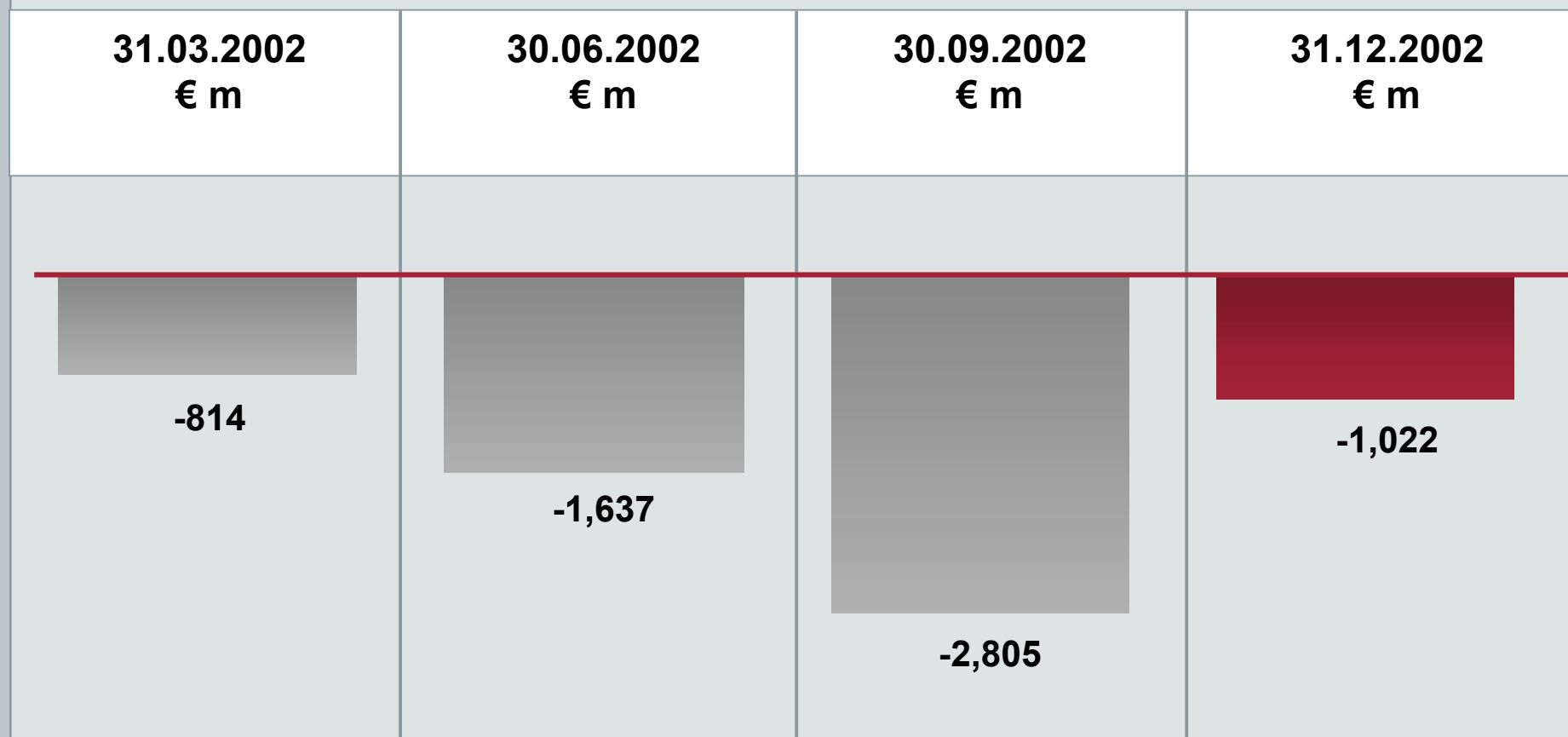
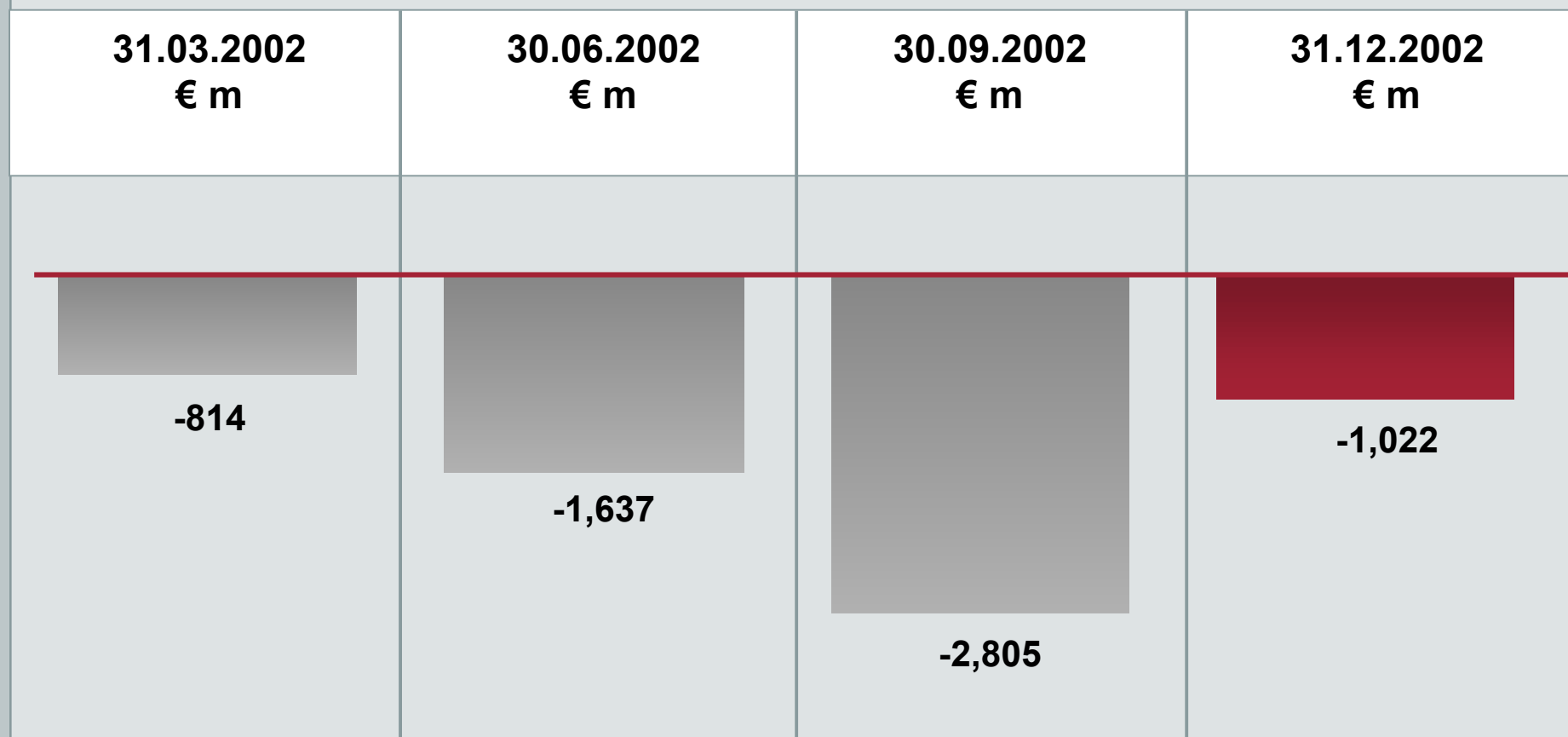
AMB Generali decided to apply this strictest interpretation of IAS 39 on shares held directly as well as in special funds and on participating interests

Strict impairment application triggered off additional write-downs

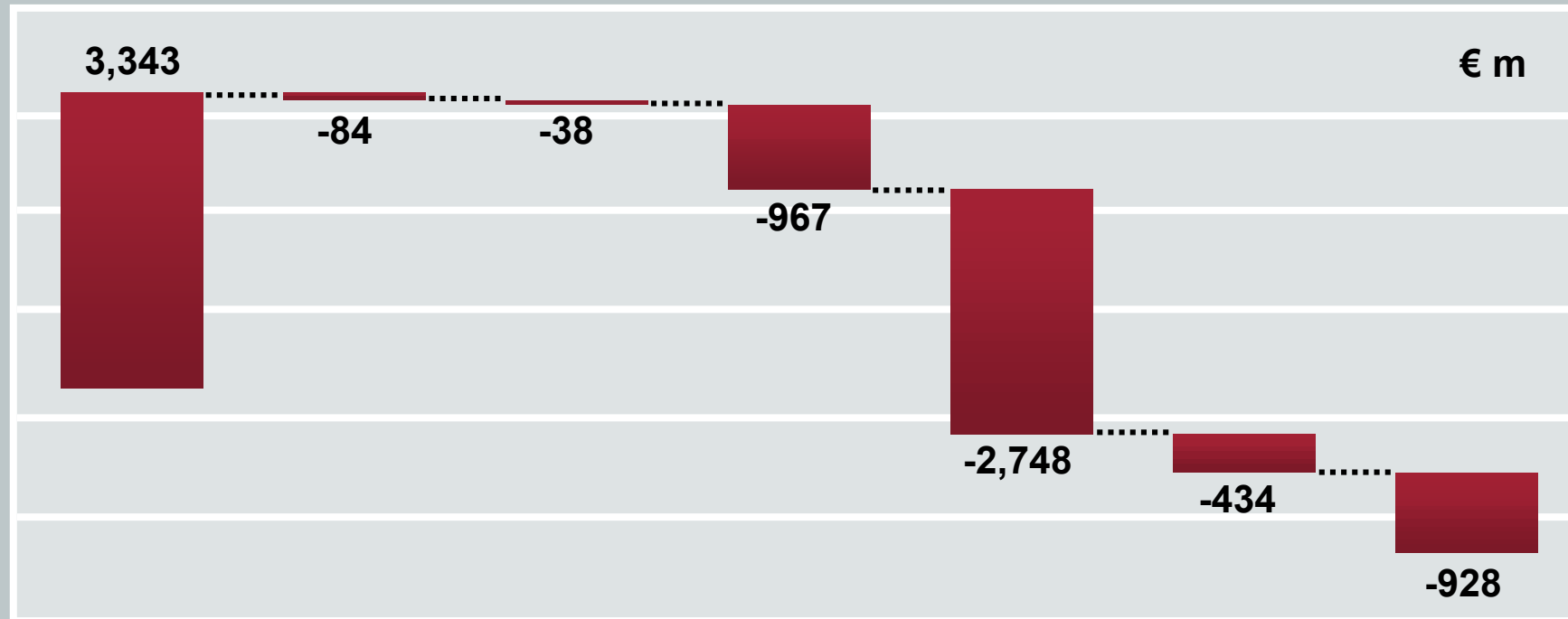
Write-downs on shares and participating interests



Increase of write-downs lead to decrease of unrealized gains and losses**Unrealized gains and losses on shares and participating interests**

31.03.2002 € m	30.06.2002 € m	30.09.2002 € m	31.12.2002 € m
 -814	 -1,637	 -2,805	 -1,022

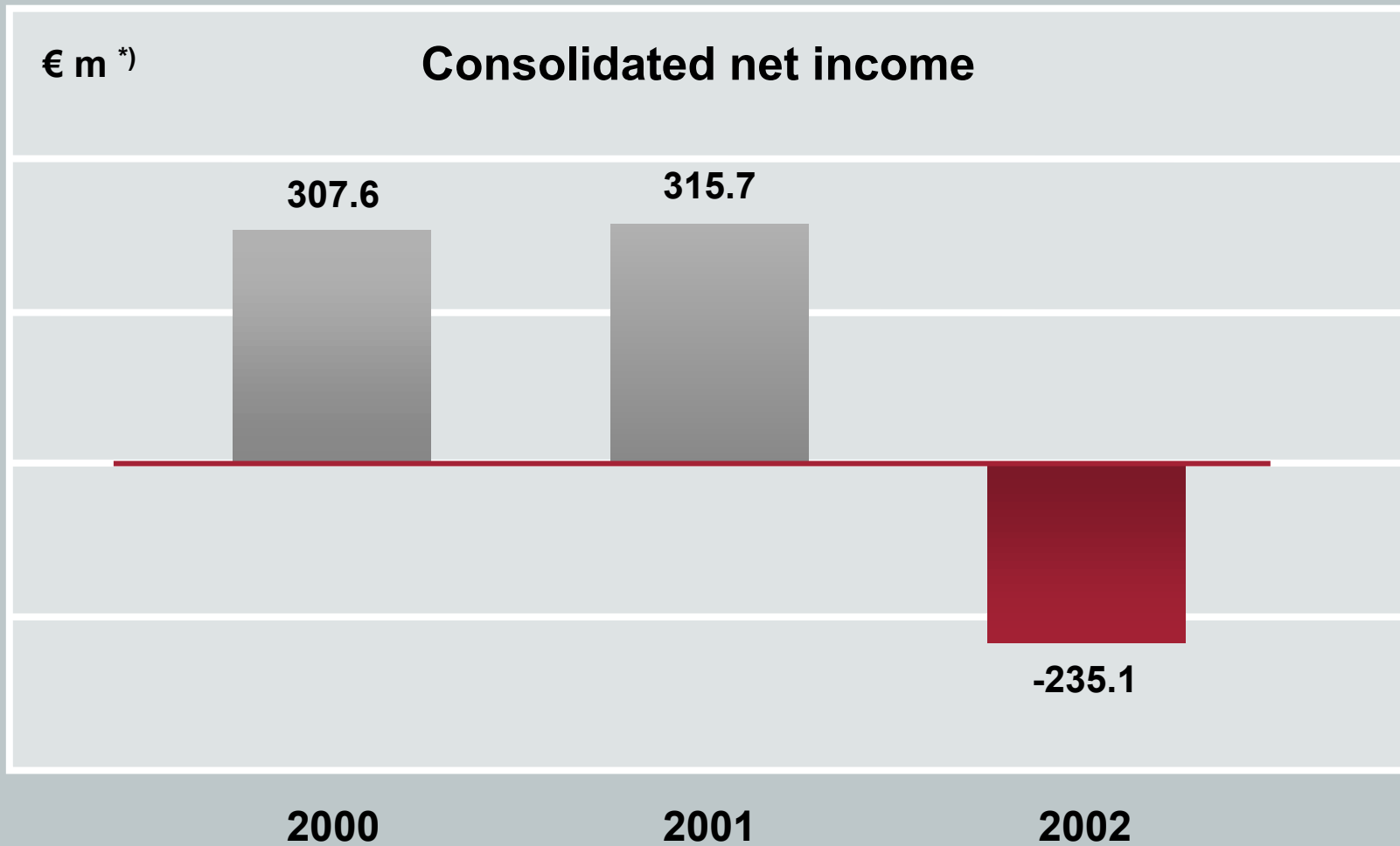
Investment result suffered due to write-downs



	Investment income (net) in 2001	Ordinary income	Administrative expenses	Realized capital gains and losses	Write-ups and write-downs	Unrealized capital gains and losses	Investment income (net) in 2002
2001 *)	3,657	-172	491	-181	-452	3,343	
2002	3,573	-210	-476	-2,929	-886	-928	
Change	-84	-38	-967	-2,748	-434	-4,271	

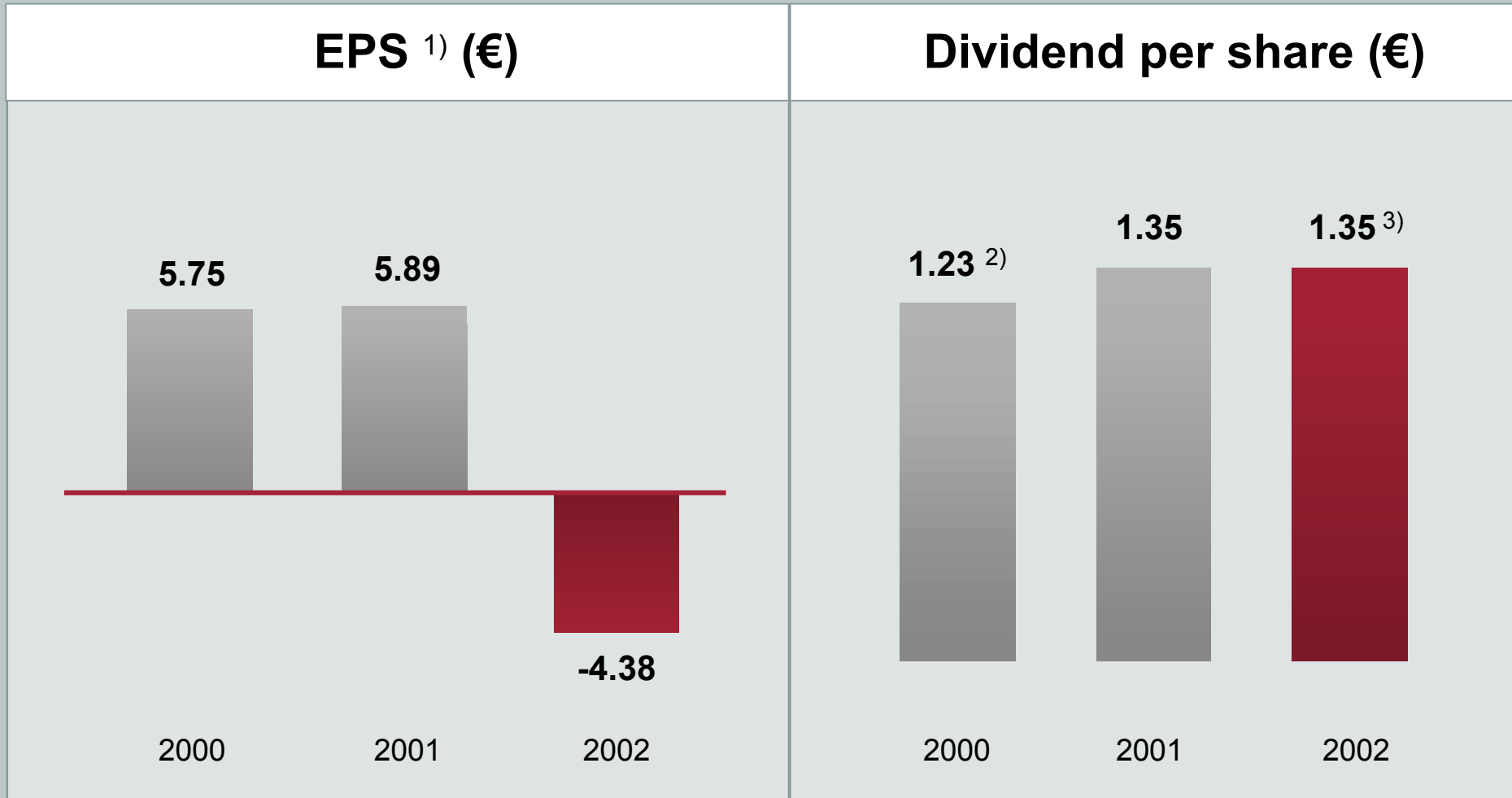
*) retroactively adjusted

Group results strongly affected by high write-downs and natural catastrophes



*) excl. extraordinary influences

Maintenance of dividend level



1) excl. extraordinary influences
 2) additional tax-driven bonus dividend of € 4.02 in 2000
 3) dividend proposal

Consolidated Group results

AMB Generali (€ m)	2002	Δ 2002/01	2001
Total premiums German GAAP ¹⁾	11,646	+4.1%	11,189
Gross premiums written IAS ²⁾	10,813	+3.2%	10,478 ³⁾
● Life ²⁾	6,059	+2.8%	5,894 ³⁾
● Health	1,246	+5.8%	1,178
● P&C	3,508	+3.0%	3,405
Life new business (in terms of regular premiums)	859	-13.4%	992
Assets under management	68,031	-2.0%	69,411 ³⁾
Investment results	-928		3,343 ³⁾
Net income for the year incl. extraordinary influences	-235		362
Net income for the year excl. extraordinary influences	-235		316
Earnings per share (€)	-4,38		5.89
Equity	2,796	-17.2%	3,377
Number of staff ⁴⁾	21,674	+2.3%	21,189
● Administrative staff	14,806	+1.2%	14,629
● Field staff (without self-employed agents)	6,868	+4.7%	6,560

1) incl. savings portions of unit-linked and Riester contracts
 2) first time excl. savings portions of unit-linked and Riester contracts; without effect on income

3) retroactively adjusted
 4) incl. companies not consolidated

Decrease of AuM due to adverse capital markets

AuM / IAS market value (€ m)

Investments of unit-linked life insurance
Other investments

Other securities (mainly fixed-interest securities)

Shares, fund units, participating interests a.o.
variable-yield securities

Mortgages and other loans

Interests in affiliates and associates
Real estate

69,411 *)

2,862

3,316

36,790

10,612

12,296

211

3,324

2001

68,031

2,730

3,843

38,455

6,748

12,892

225

3,138

2002

*) retroactively adjusted

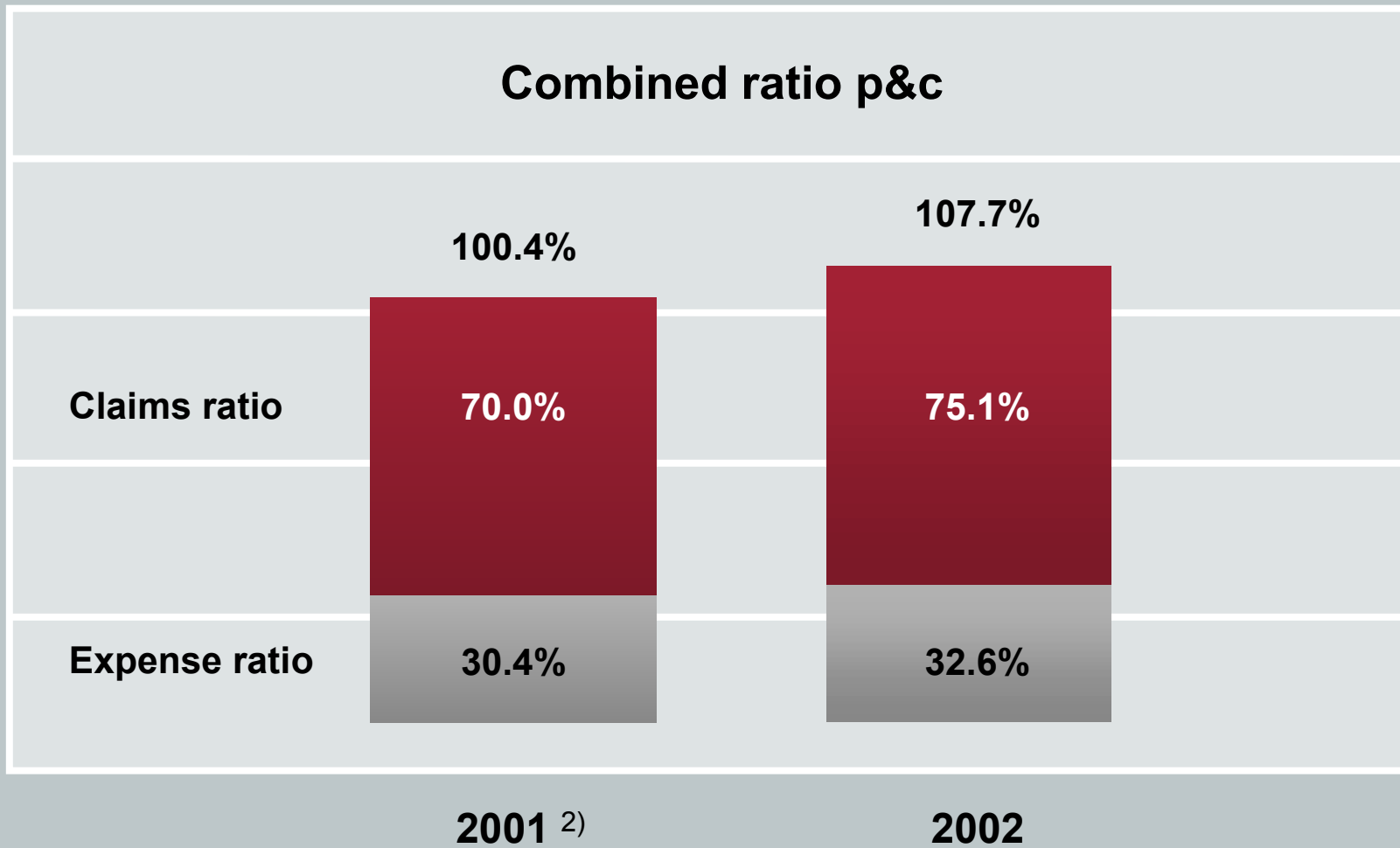
Development in insurance segments

Segments (€ m)	Life / Health ¹⁾			P&C ¹⁾		
	2002	2001	Δ 2002/01	2002	2001	Δ 2002/01
Gross premiums written	7,309	7,076 ⁴⁾	+3.3%	3,861	3,734 ⁴⁾	+3.4%
Earned premiums (net)	6,926	6,728 ⁴⁾	+2.9%	3,191	3,045 ⁴⁾	+4.8%
Claims (net)	4,617	8,472 ⁴⁾	-45.5%	2,473	2,185 ⁴⁾	+13.1%
Operating expenses (net)	922	902 ⁴⁾	+2.3%	1,040	927 ⁴⁾	+12.2%
Claims ratio				75.1%	70.0% ⁴⁾	
Expense ratio	13.3%	13.4% ⁴⁾		32.6%	30.4% ⁴⁾	
Investment result ²⁾	-1,113	2,678 ⁴⁾		419	758 ⁴⁾	-44.7%
Net income for the year ²⁾	-74	222		2	391	-99.6%
Assets under management	58,039	57,761 ⁴⁾	+0.5%	9,763	9,742 ⁴⁾	+0.2%
Deferred acquisition costs (DAC)	6,062	5,628	+7.7%	311	294	+5.9%
Underwriting provisions ³⁾	59,524	59,237	+0.5%	6,035	5,672	+6.4%

1) before elimination of intra-group transactions between segments; first time excl. savings portions of unit-linked and Riester products
 2) incl. extraordinary influences

3) incl. underwriting provisions concerning unit-linked life insurance
 4) retroactively adjusted

Combined ratio 2002 burdened by natural catastrophes and additional project costs ¹⁾

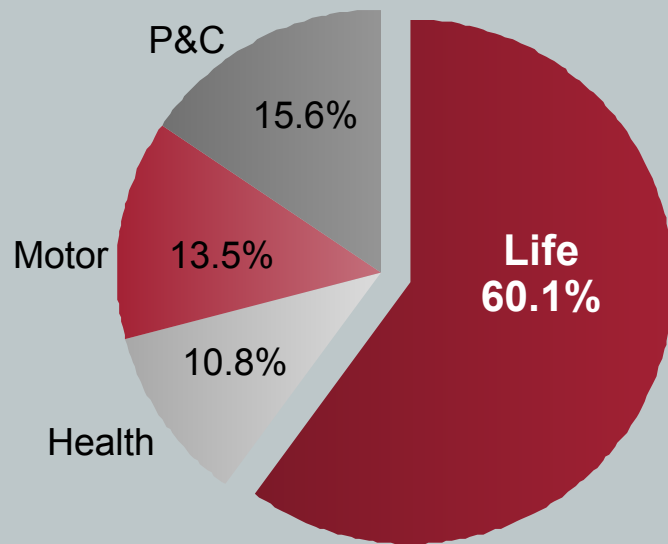


1) mainly related to merger in Munich
2) retroactively adjusted

Well balanced portfolio with focus on life insurance

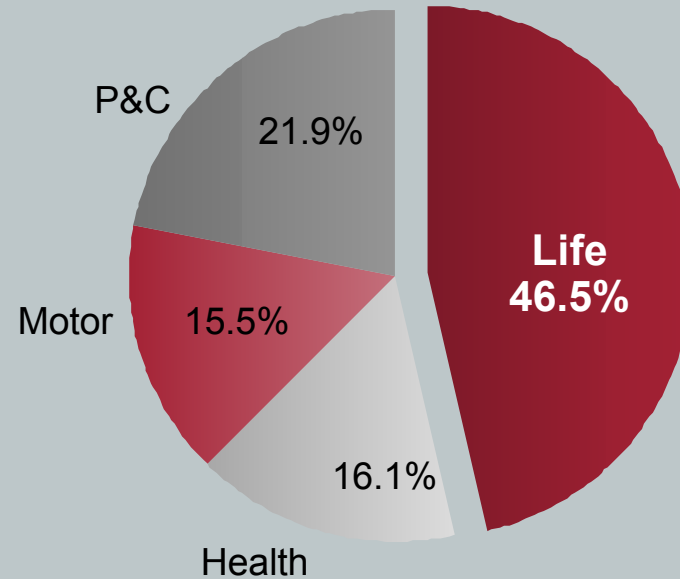
Business mix 2002 ¹⁾

AMB Generali



Total € 11,477 m
(8.1% market share)

German insurance market ²⁾



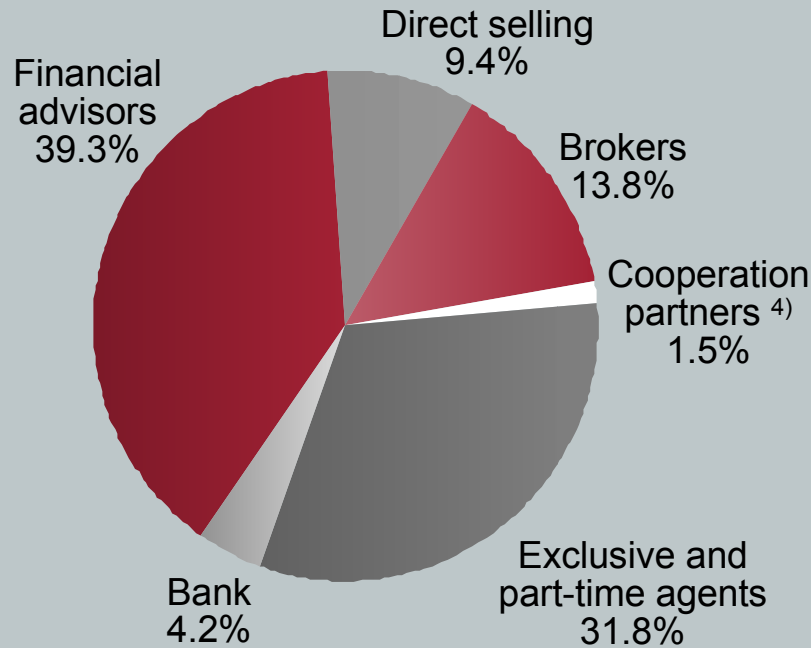
Total € 141,400 m

1) gross premiums written, direct business, not incl. premiums from provisions for premium refunds
2) source: GDV

New business produced by multitude of distribution channels

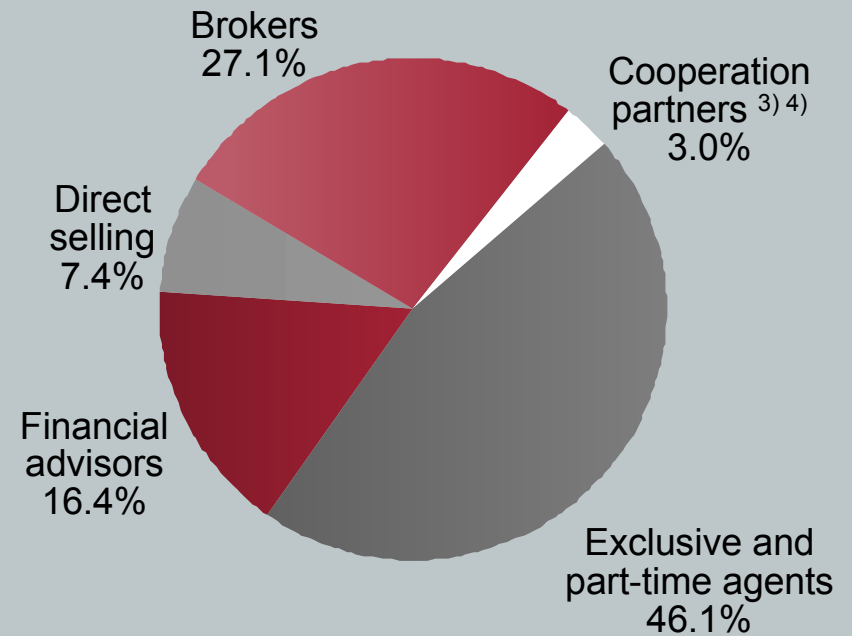
New business 2002

Life ¹⁾



Total € 859 m

P&C / Legal expenses ²⁾



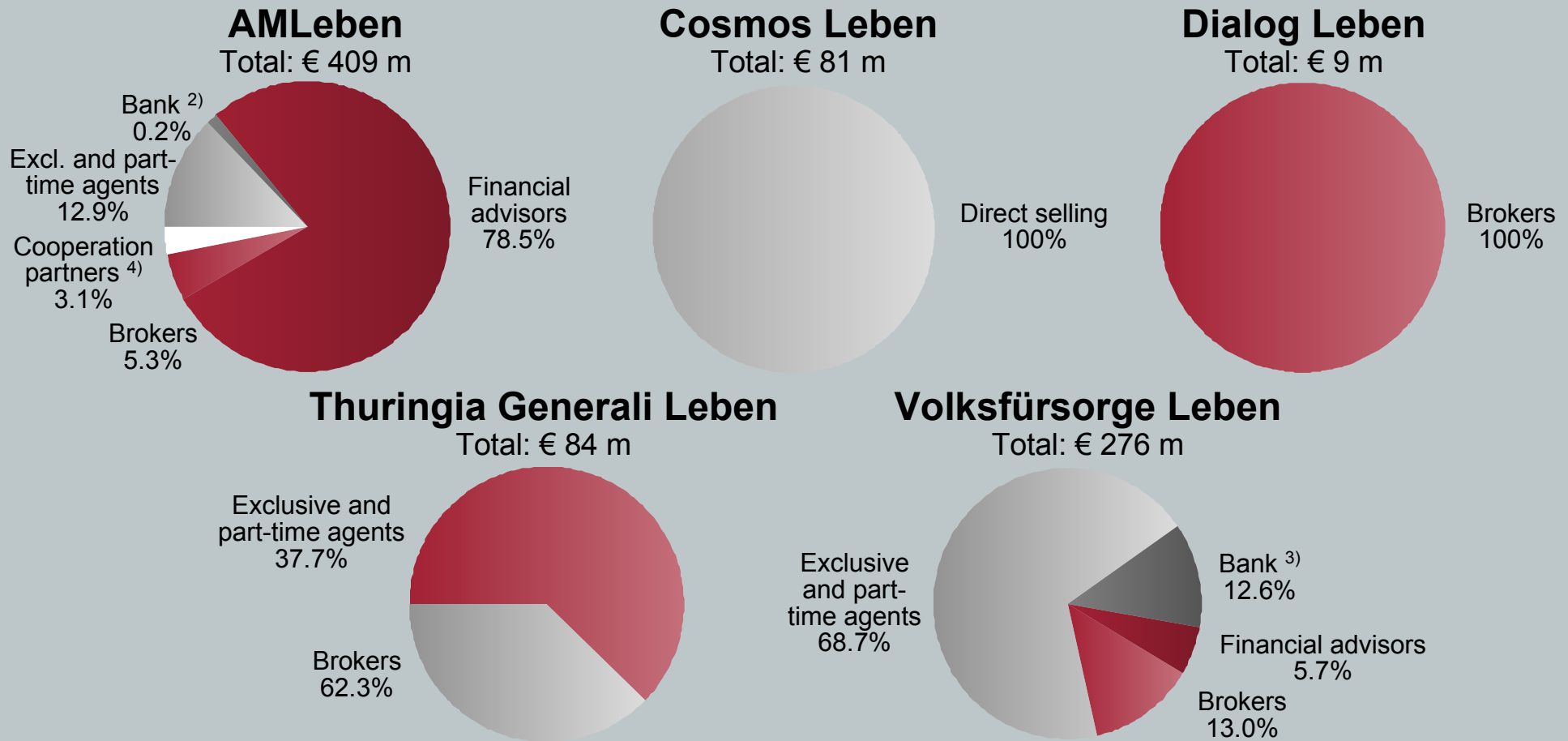
Total € 607 m

1) adjusted new business, regular premiums
annual premiums

3) incl. bank: 0.1%
4) exclusive and part-time agents of other Group companies

Life insurers benefit from distribution variety

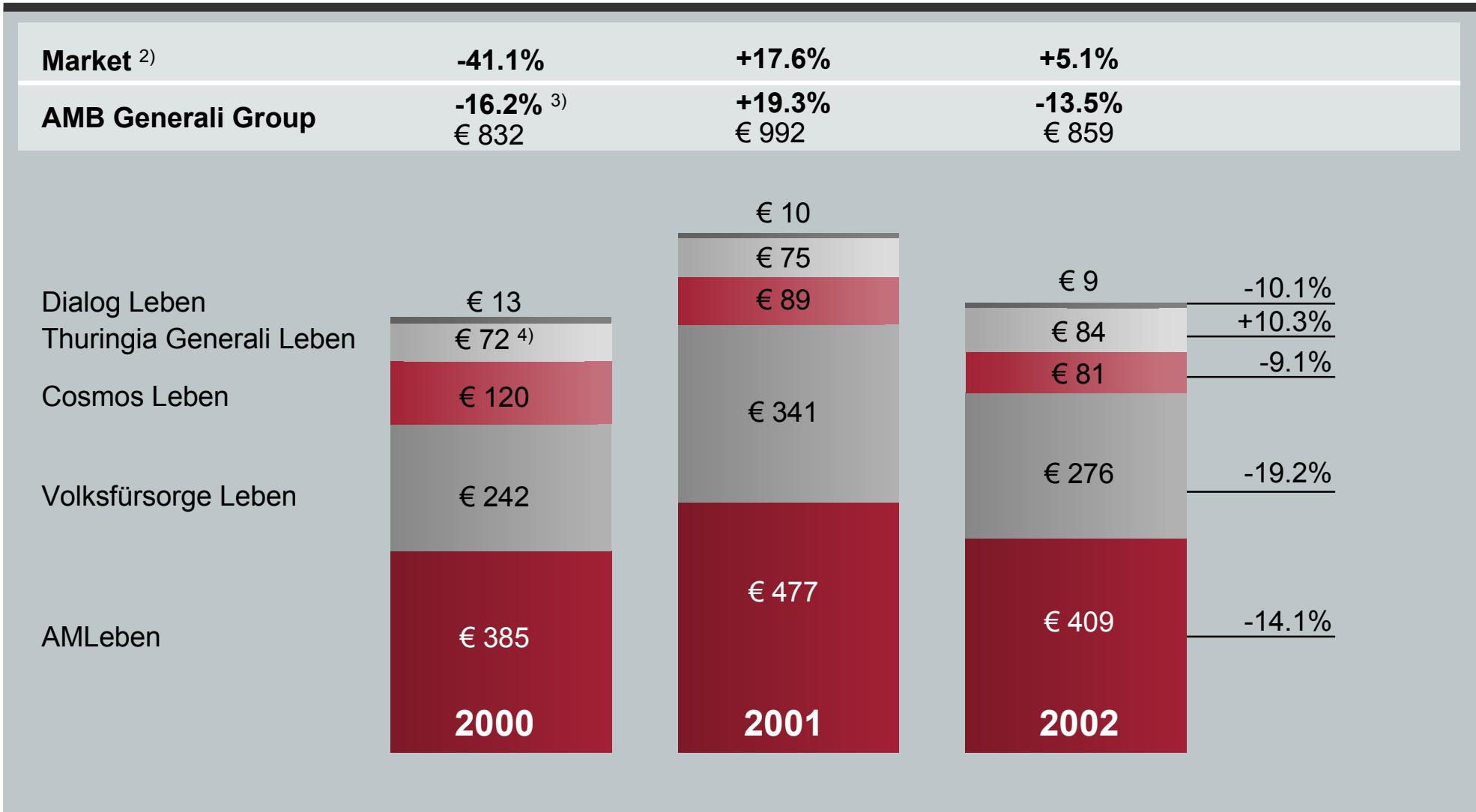
New business 2002 ¹⁾



1) adjusted new business, regular premiums
2) SEB AG (formerly BfG Bank AG) and Commerzbank AG

3) Commerzbank AG
4) exclusive and part-time agents of other Group companies

Underproportional nb growth after extraordinary increase in preceding years ¹⁾



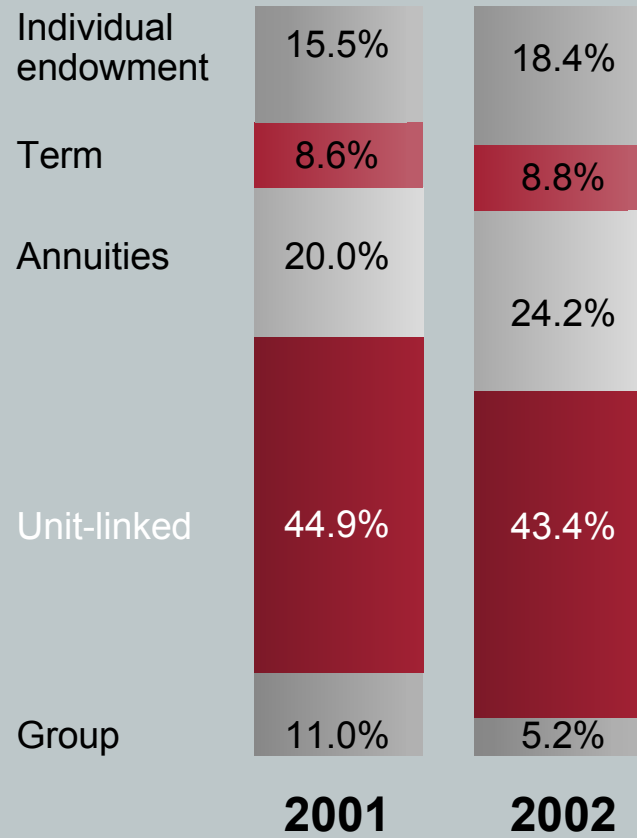
1) adjusted new business in terms of total regular premiums in € m / compared to previous year
2) source: GDV

3) without Generali Lloyd Leben and Dialog Leben: -14.1%
4) retroactively adjusted

Unit-linked as strongest element in life new business

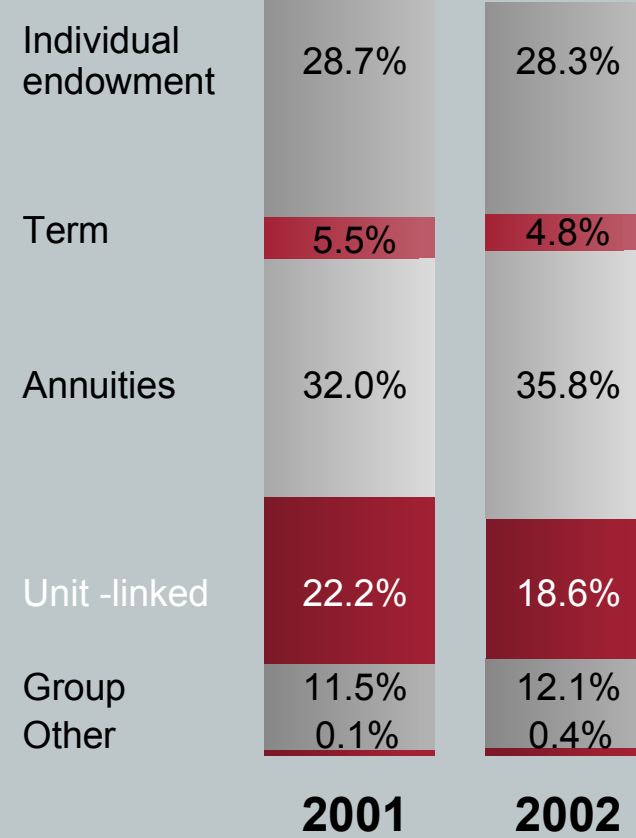
AMB Generali 1) 2)

€ 992 m € 859m



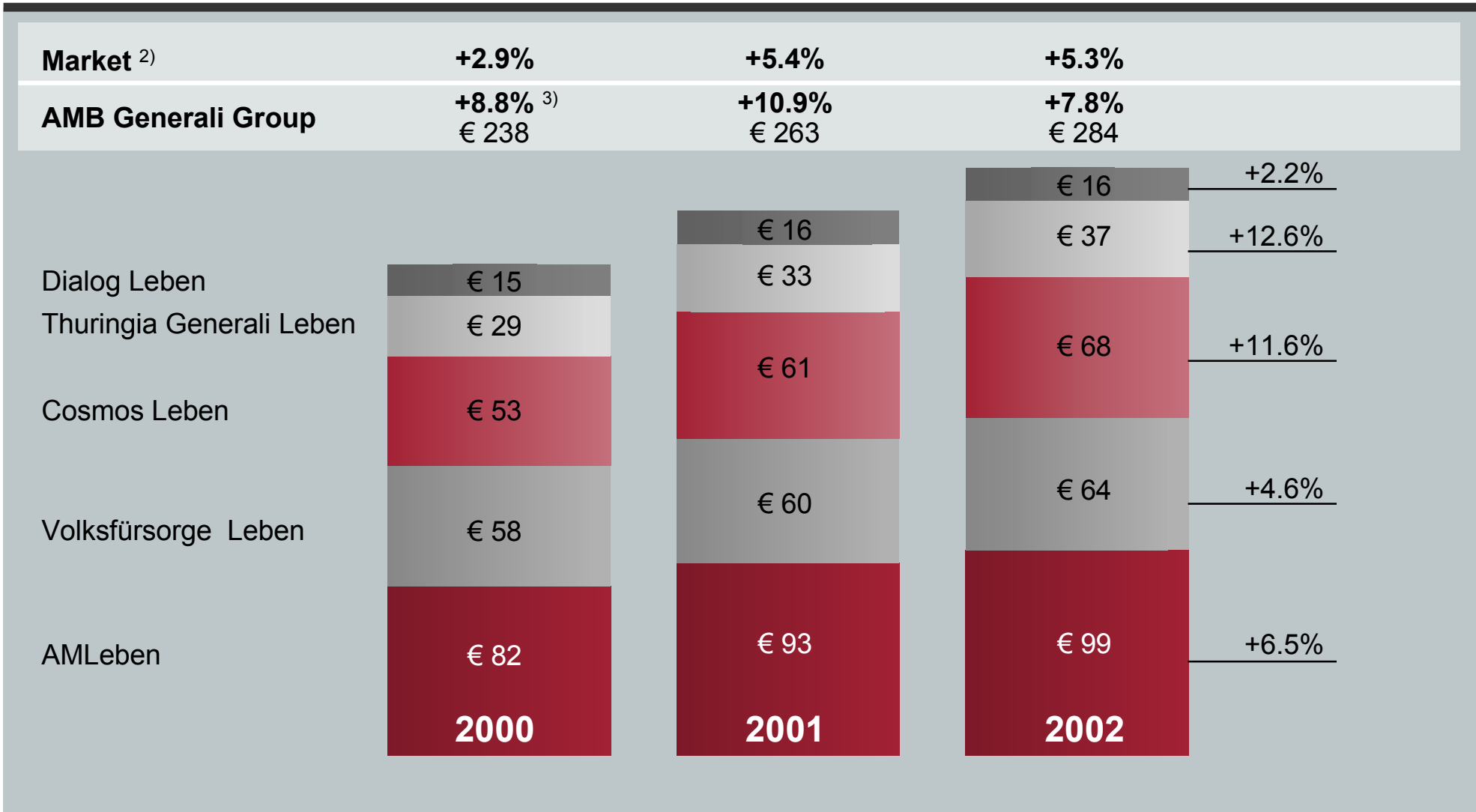
Market 1) 3)

€ 6,727 m € 7,070 m



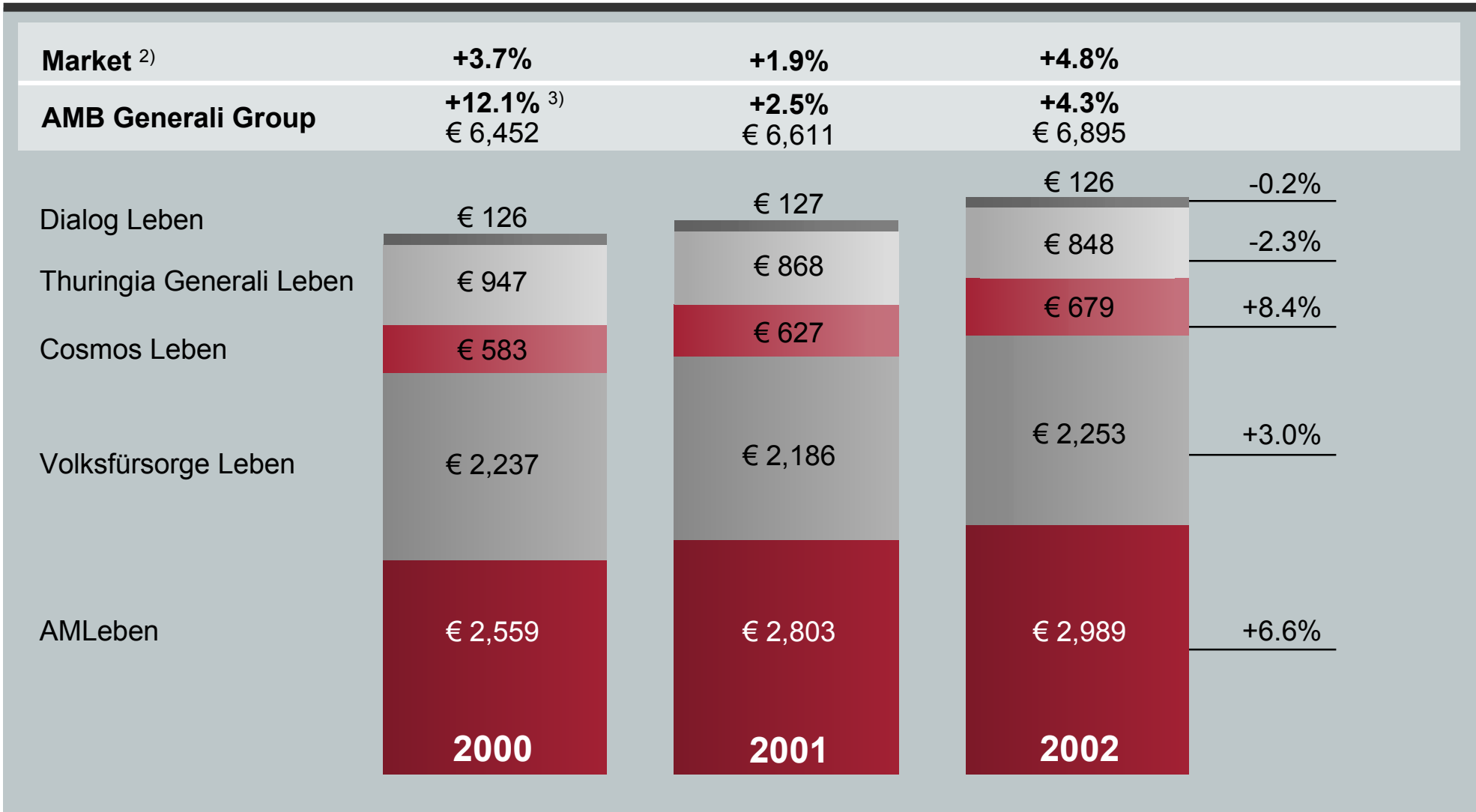
1) composition of adjusted new business, total regular premiums
 2) primary insurance business, Germany
 3) source: GDV; primary insurance business

Above-average portfolio growth in life ¹⁾



1) total sums insured in € bn / compared to previous year
 2) source: GDV
 3) without Generali Lloyd Leben and Dialog Leben: +8.3%

Good premium growth in life despite reduction of single premiums ¹⁾

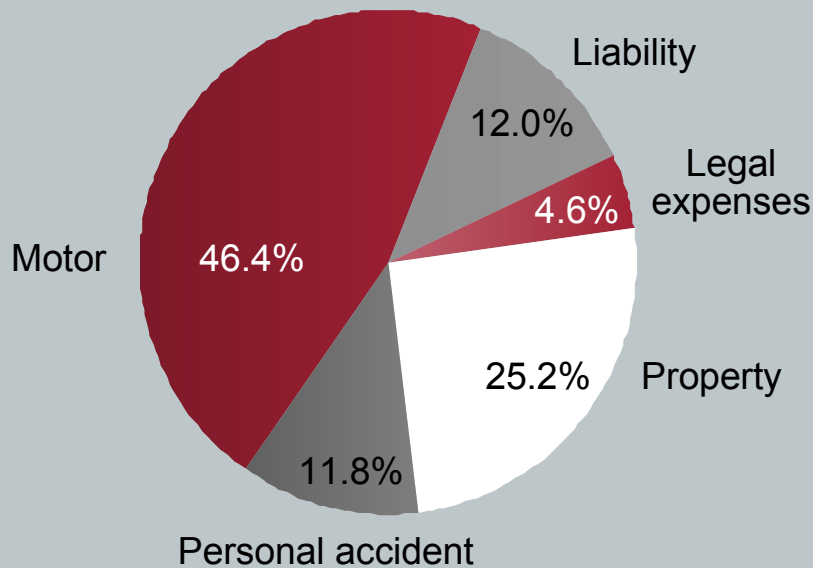


1) total premium in € m / compared to previous year
 2) source: GDV
 3) without Generali Lloyd Leben and Dialog Leben: +14.9%

P&C portfolio mix follows market structure

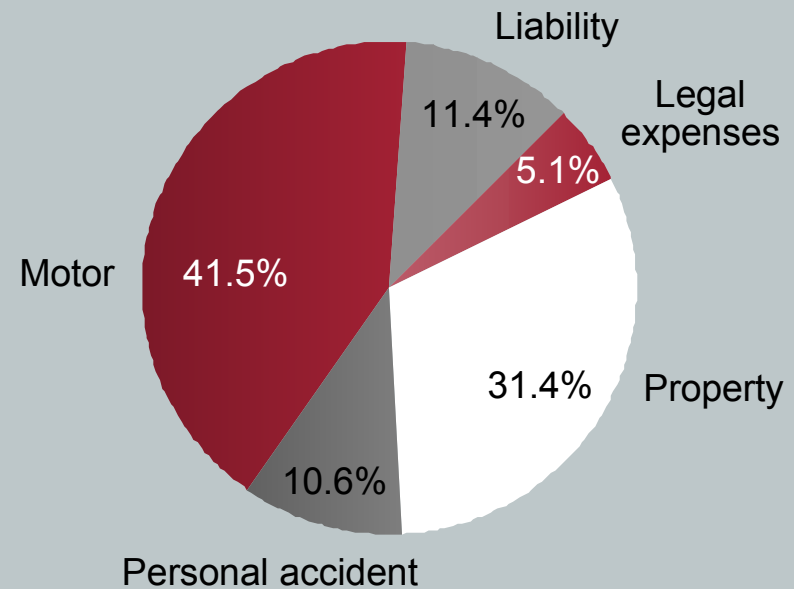
Business mix 2002 ¹⁾

AMB Generali



Total € 3,336 m

German insurance market ²⁾

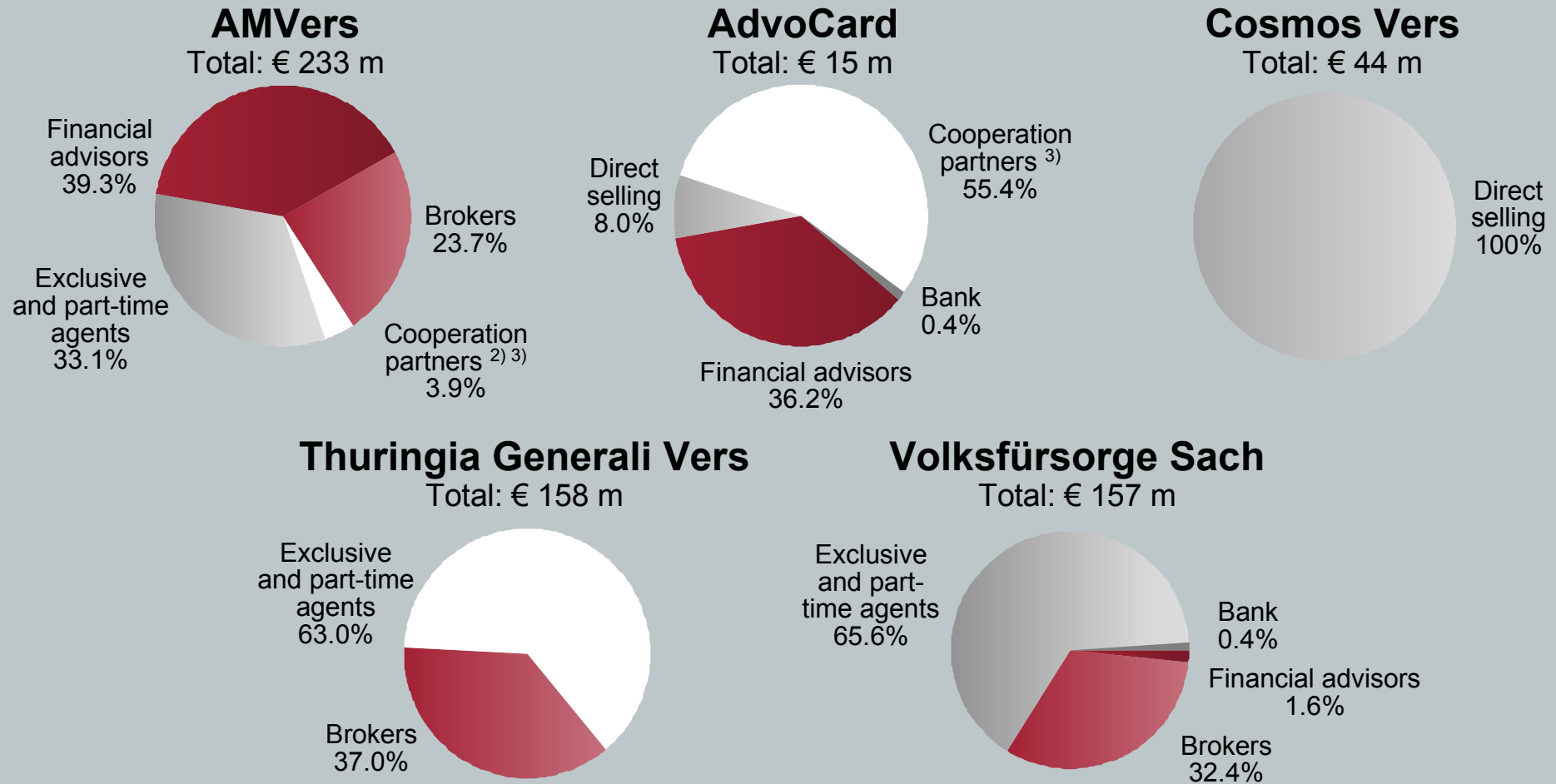


Total € 52,800 m

1) gross premiums in € m; primary insurance business
2) source: GDV

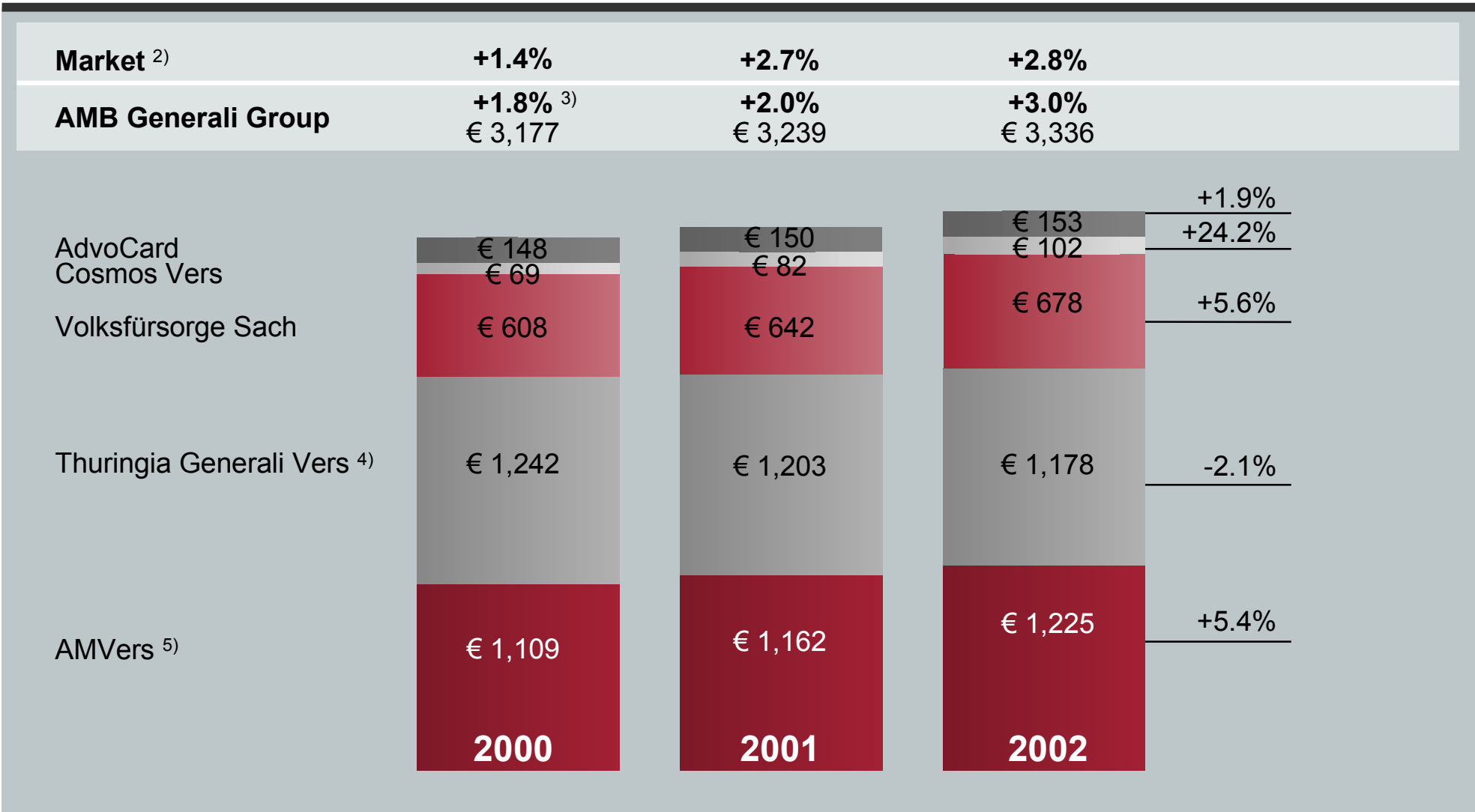
P&C business benefits from variety of distribution channels

New business 2002 ¹⁾



1) new business in terms of annual premiums
 2) incl. bank: 0.01%
 3) exclusive and part-time agents of other Group companies

Premium development in p&c in line with market ¹⁾

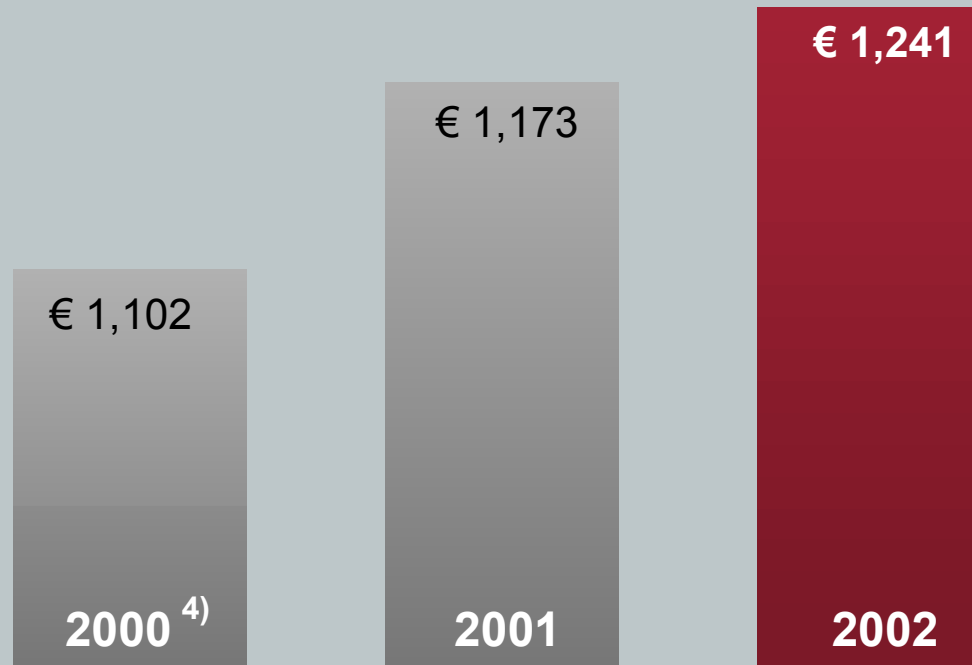


1) primary insurance business in € m / compared to previous year
 2) source: GDV
 3) without Generali Lloyd Vers: + 5.5%

4) as-if figures 2000 and 2001
 5) only German business

Satisfying premium growth in health insurance ¹⁾

Market ²⁾	+4.0%	+4.8%	+5.7%
Central	+6.7% ³⁾	+6.4%	+5.8%

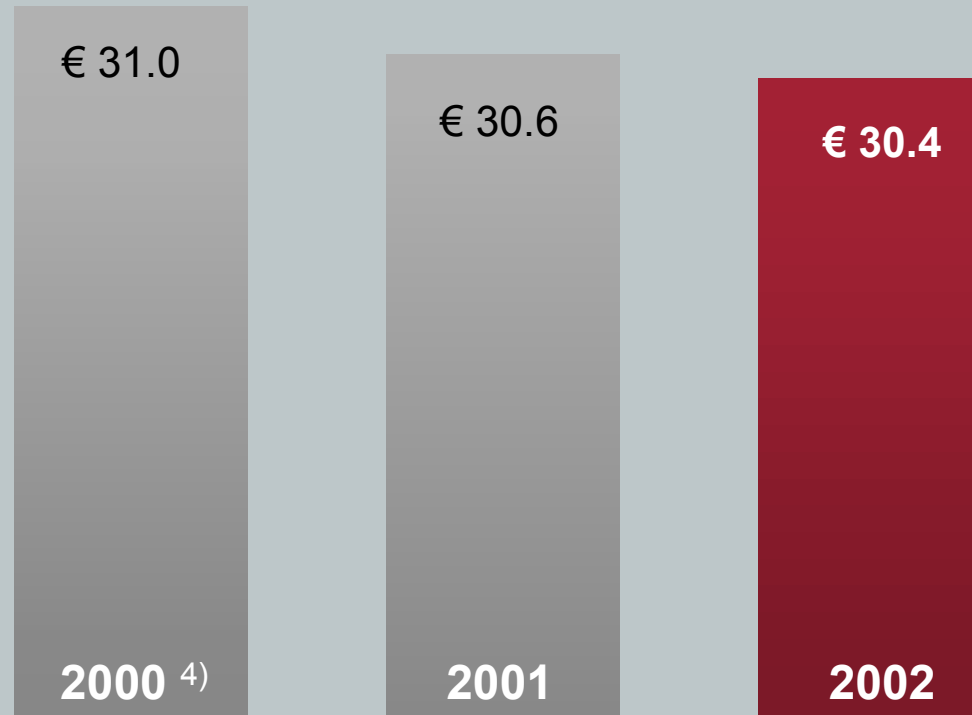


1) gross premiums not incl. premiums from provision for premium refunds in € m / compared to previous year
 2) source: GDV

3) without premiums from Generali Kranken (app. € 18 m) premium growth of 4.9%
 4) incl. Generali Kranken (merged with Central as at 01.01.2000)

Nearly stable portfolio in building-society sector ¹⁾

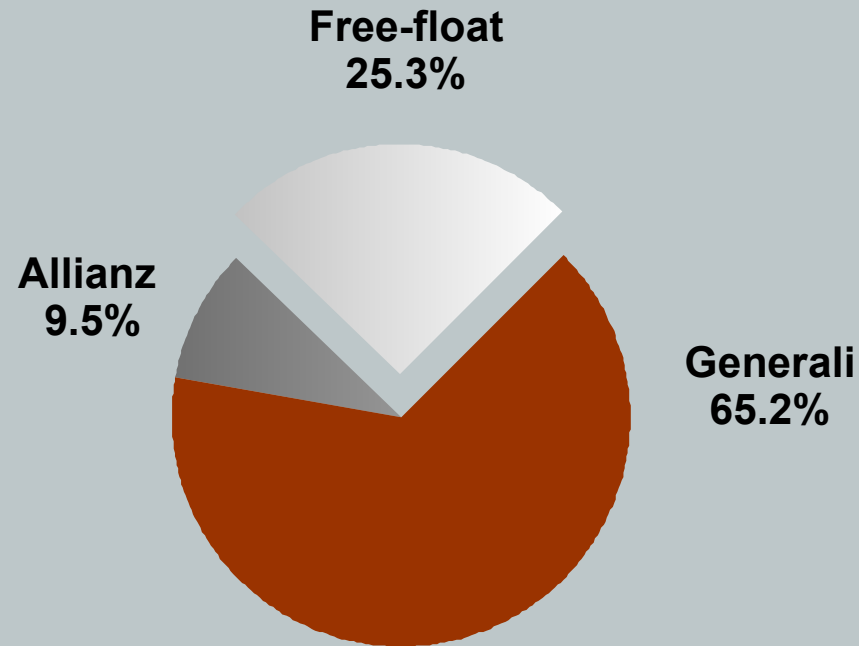
Market ²⁾	-0.1%	+0.8%	+1.4%
Badenia	+12.5% ³⁾	-1.3%	-0.7%



1) target contract sum in € bn / compared to previous year
2) private building society market

3) adjusted rate of change (incl. DBS in 1999 and 2000) was -0.7%
4) incl. DBS (merged with Badenia as at 01.01.2000)

Shareholder structure



- Generali shareholding at 65.2%
- Allianz holds 9.5%
- remaining 25.3% now held by institutional and private investors with no individual stake exceeding 5%

Share development — Key figures

		2002	2001
Earnings per share ¹⁾	€	-4.38	5.89
Dividend distribution	€ m	72.5	72.5
Dividend per share	€	1.35 ³⁾	1.35
Price as at Dec. 31	€	52	118
● Highest price	€	127	136
● Lowest price	€	40	88
Market capitalization ²⁾	€ m	2,792.4	6,328.3

1) excl. extraordinary influences
 2) as at December 31; as at June 30: € m 3,065.1
 3) dividend proposal

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