

AMB GENERALI
Holding AG

Financial Results H1 2003

Investor Relations

Aachen, August 13, 2003

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

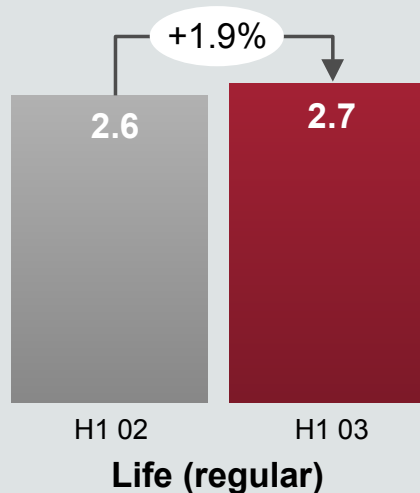
3) retroactively adjusted
 4) in relation to 31.12.2002

Stable development of total premiums despite pruning in p&c

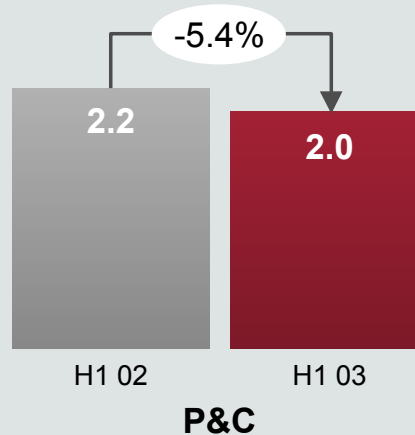
(€ bn)	2002	H1 02 ³⁾	H1 03	Δ H1 03/02
Total premiums (German GAAP) ¹⁾	11.6	6.1	6.1	0.2%
Consolidated gross premiums (IAS) ²⁾	10.8	5.6	5.6	-0.3%

Consolidated gross premiums (IAS) (€ bn)

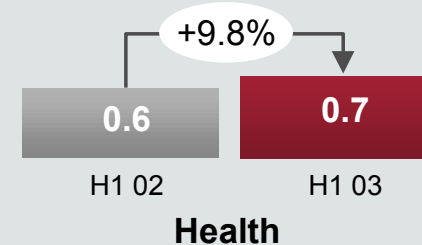
- Reduction of unit-linked due to capital markets



- Pruning of motor
- Withdrawal from industrial business



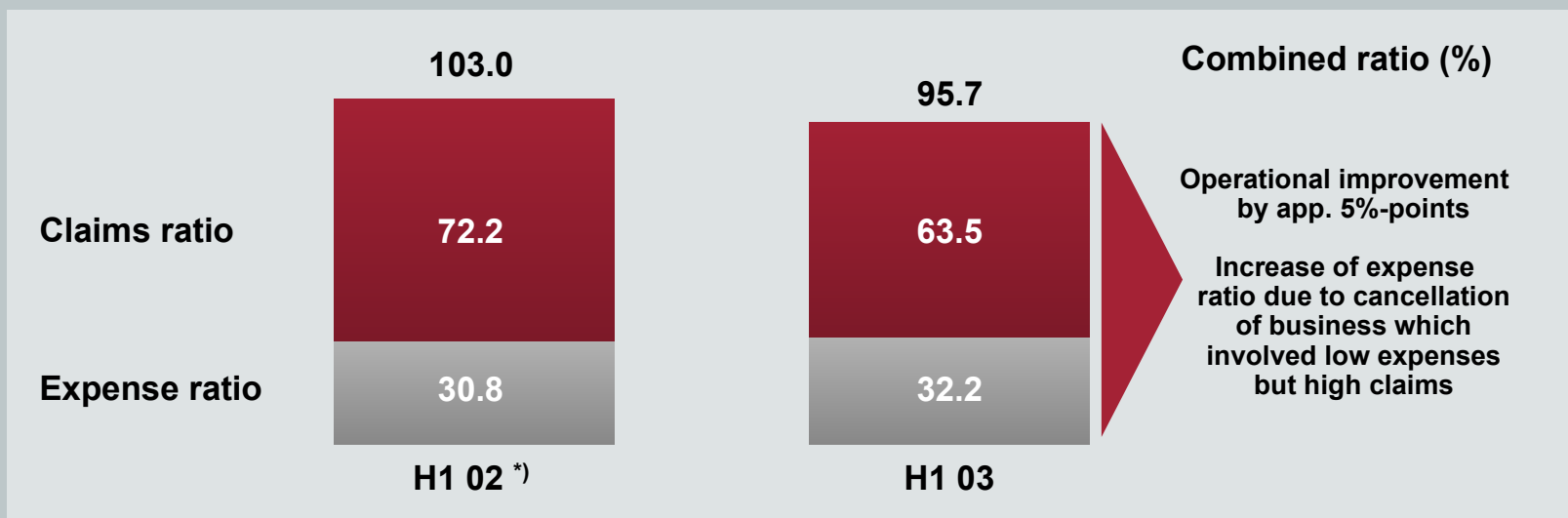
- New business growth
- Portfolio premium increases



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

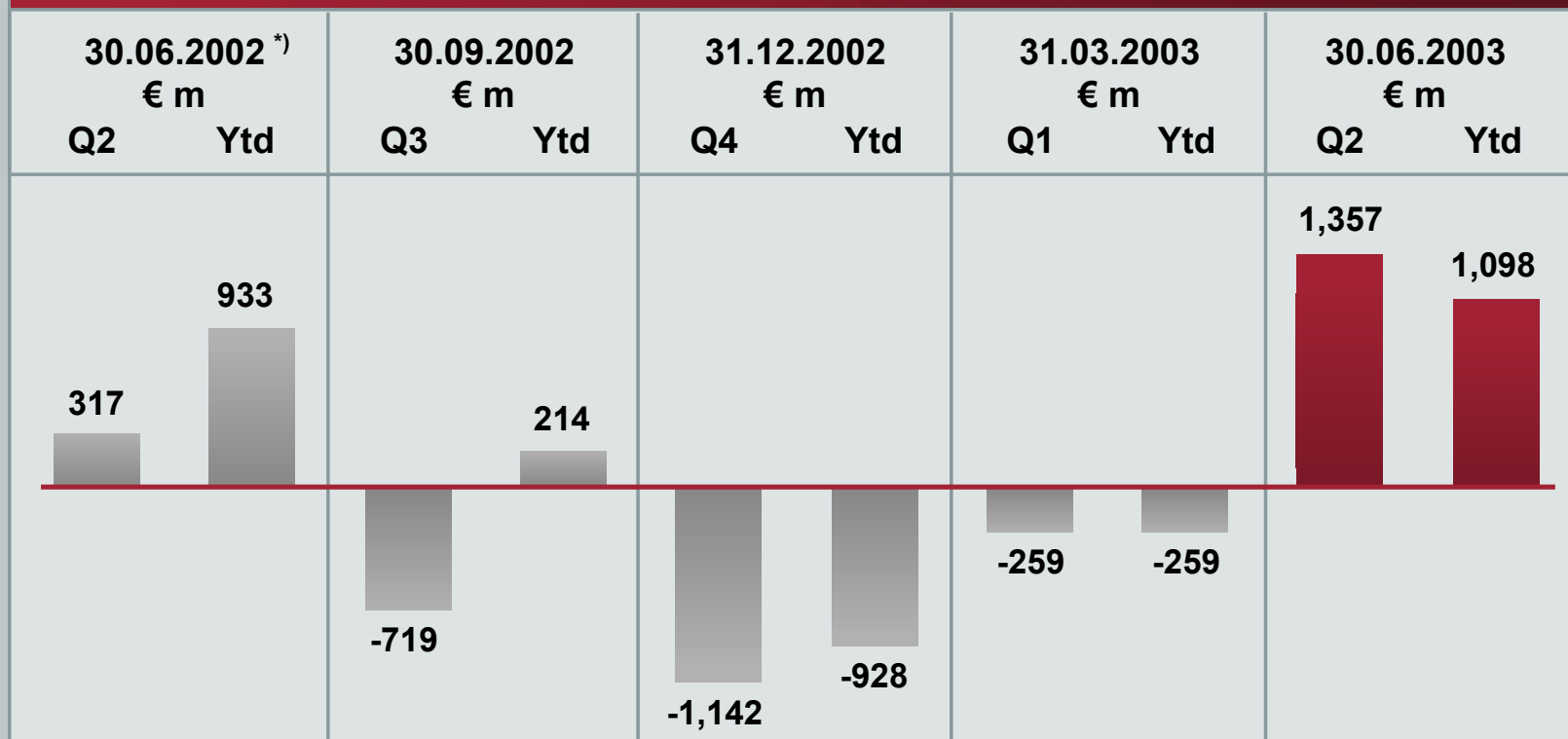
Combined ratio p&c (%)	2002	H1 02 ^{*)}	H1 03
Claims ratio	75.1	72.2	63.5
Expense ratio	32.6	30.8	32.2
Combined ratio	107.7	103.0	95.7



^{*)} retroactively adjusted

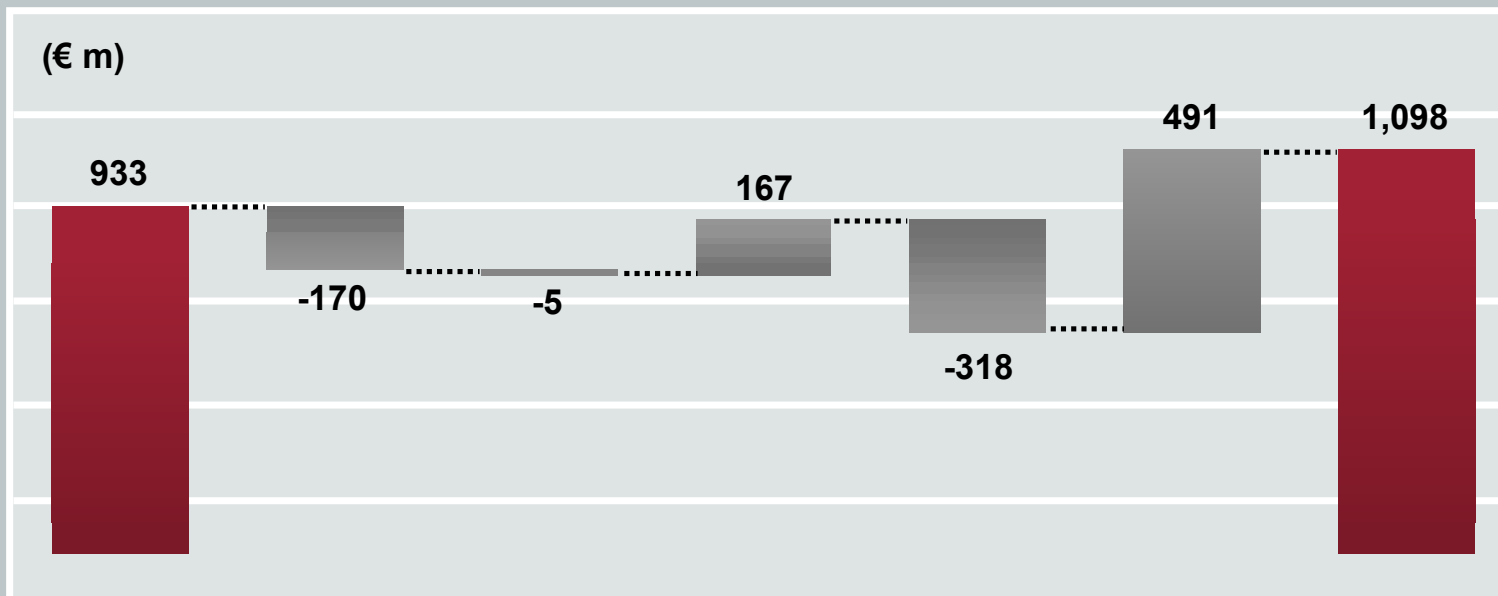
Investment income improves significantly

Net investment income



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

Investment income mainly influenced by realized and unrealized capital gains

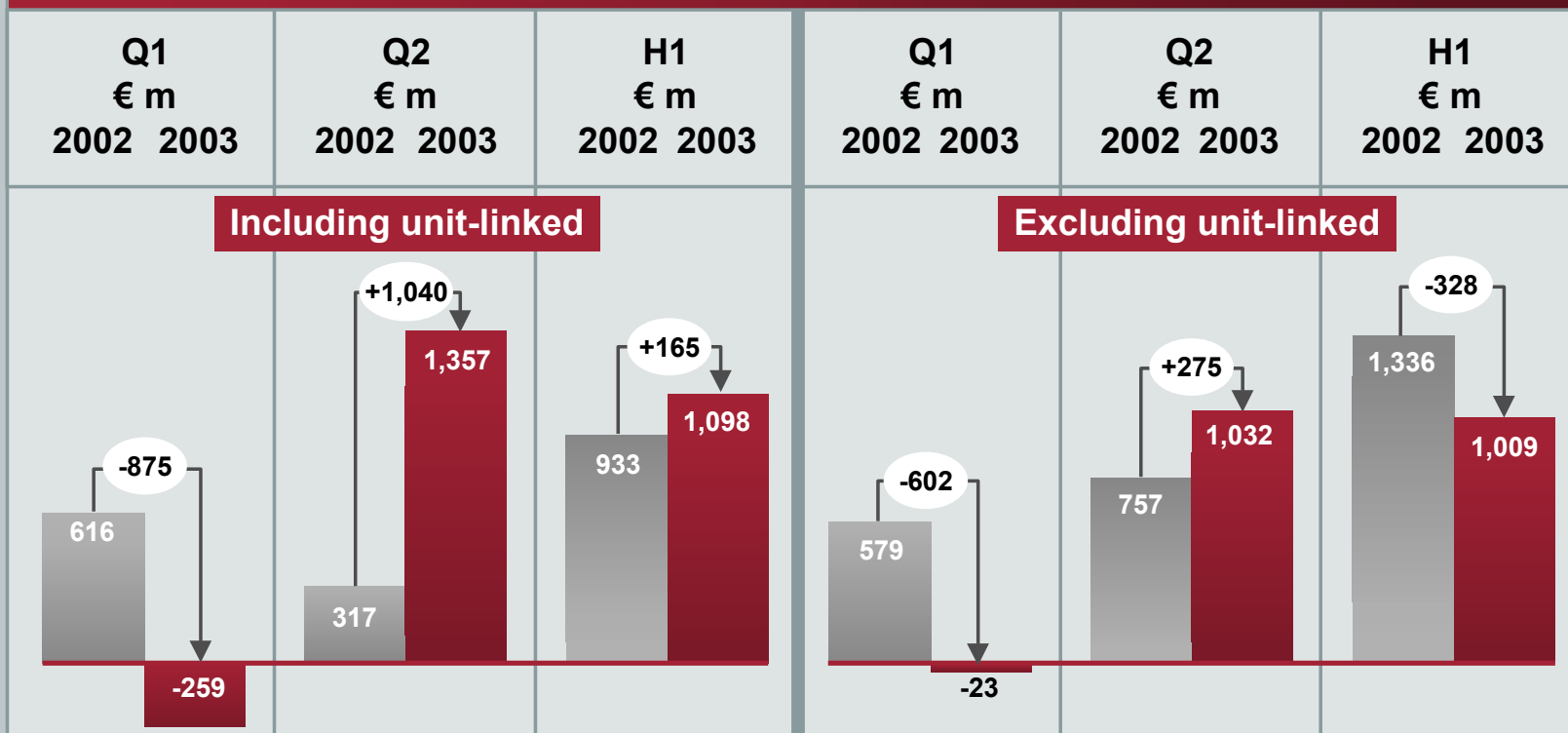


Investment income (net) in H1 02	Ordinary income	Administrative expenses	Realized capital gains and losses	Write-ups and write-downs	Unrealized capital gains and losses ²⁾	Investment income (net) in H1 03
H1 02 ¹⁾	1,875	-78	-220	-279	-365	933
H1 03	1,705	-83	-53	-597	126	1,098
Change	-170	-5	167	-318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

1) retroactively adjusted
2) from unit-linked business

Investment income decreases in H1 2003 after eliminating unit-linked business which has no effect on income

Net investment 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 € m		30.09.2002 € m		31.12.2002 € m		31.03.2003 € m		30.06.2003 € 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

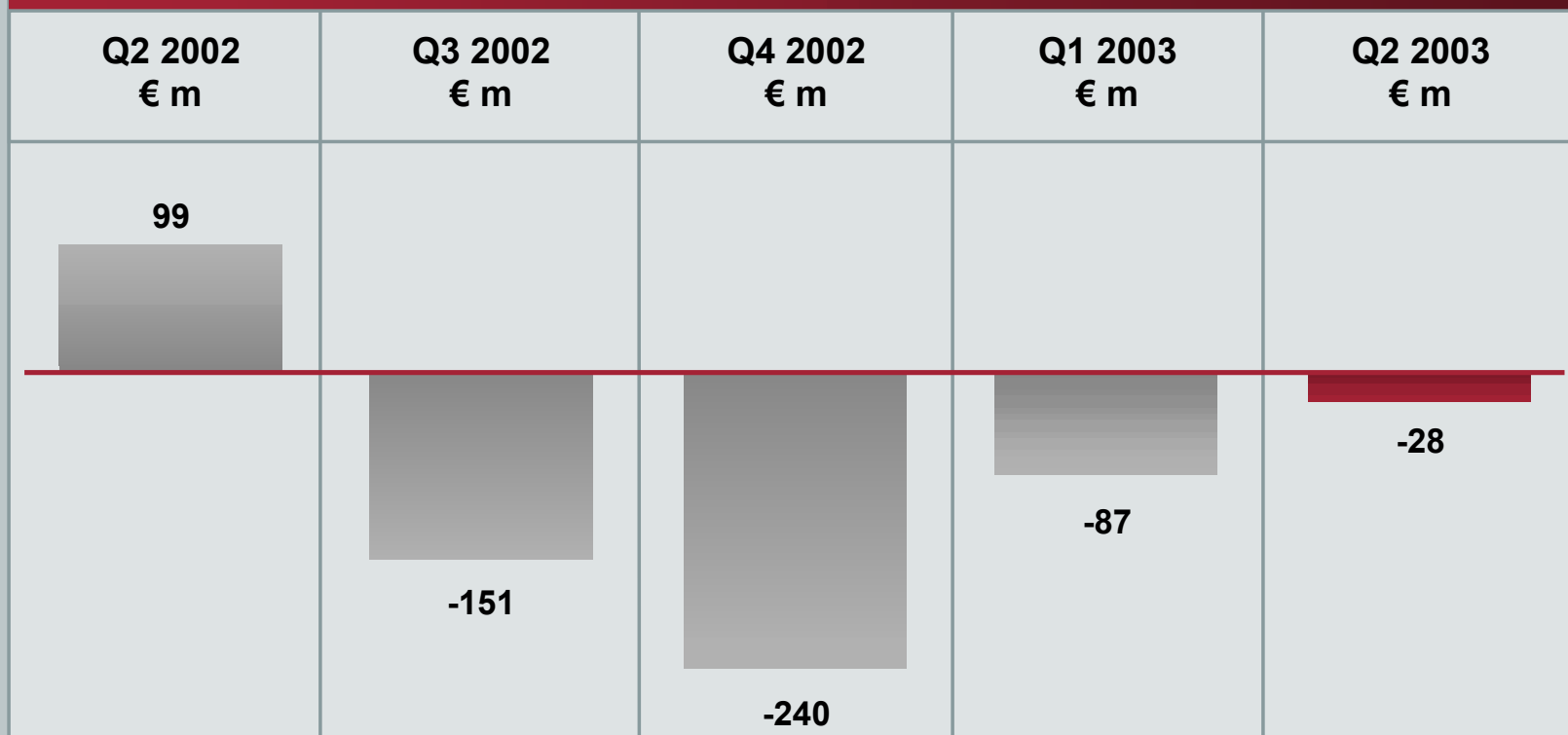
- Plans for changing tax situation are to be discussed by Government in August

➔ 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**

Back up

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

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