

AMB GENERALI
Holding AG

Financial Results
First Nine Months 2003

Investor Relations

Aachen, November 13, 2003

Positive net result in Q3 2003 confirms rising tendency

- **Significant operative improvements** evident in
 - decrease of p&c combined ratio by 7.5%-points
 - reduction of 570 administration-staff jobs (as at 09/2003)
- **Increase of investment income** by improved realized capital gains and significantly higher unrealized capital gains from unit linked business
- **IAS write-downs** from stock market crisis coped with
- **High tax burden** still depresses Group result

**Consolidated net result after tax:
Q3 2003: € +30 m; 9M 2003: € -85 m**

Business development in the first nine months

(€)	2002	9M 02 ³⁾	9M 03	Δ 9M 03/02
Total premiums (German GAAP) ¹⁾	11.6 bn	8.8 bn	8.8 bn	-0.1%
Consolidated gross premiums (IAS) ²⁾	10.7 bn	8.1 bn	8.1 bn	-0.5%
● Life	6.0 bn	4.3 bn	4.3 bn	1.8%
● Health	1.2 bn	0.9 bn	1.0 bn	9.8%
● Property & casualty	3.5 bn	2.9 bn	2.7 bn	-7.2%
Claims & benefits	6.7 bn	5.5 bn	6.9 bn	1.4 bn
Investment income (net)	-0.9 bn	0.2 bn	2.0 bn	1.8 bn
Result of ordinary operations	-166 m	77 m	553 m	476 m
Tax	-65 m	-69 m	-636 m	-567 m
Consolidated net income	-235 m	5 m	-85 m	-90 m
Shareholders' equity	2.8 bn	2.8 bn	2.8 bn	0.8% 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

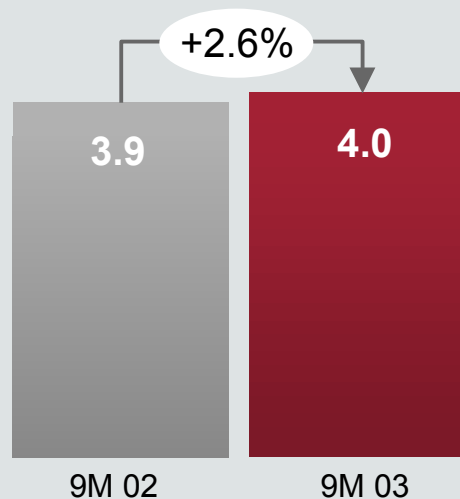
Stable premiums despite pruning in p&c

(€ bn)	2002	9M 02 ³⁾	9M 03	Δ 9M 03/02
Total premiums (German GAAP) ¹⁾	11.6	8.8	8.8	-0.1%
Consolidated gross premiums (IAS) ²⁾	10.7	8.1	8.1	-0.5%

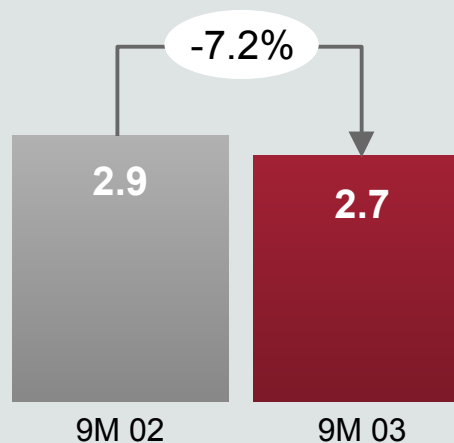
Consolidated gross premiums (IAS) (€ bn)

- Reduction of unit-linked due to capital markets

- Pruning of motor
- Withdrawal from industrial business

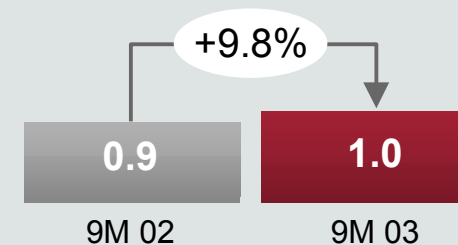


Life (regular)



P&C

- New business growth
- Portfolio premium increases



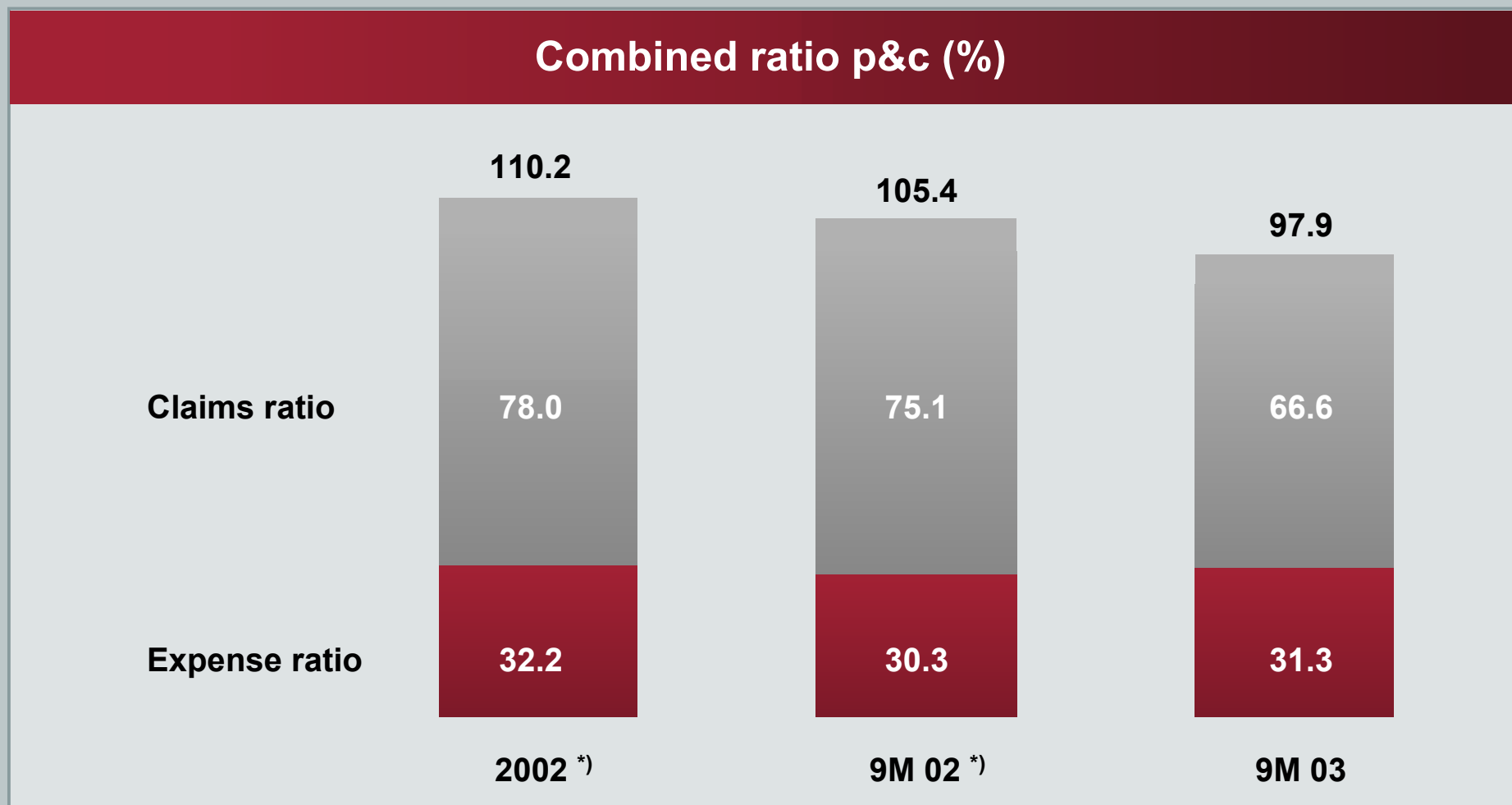
Health

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

Improvement of combined ratio by 7.5%-points



*) adjusted due to new segmentation of AMB Generali Holding AG

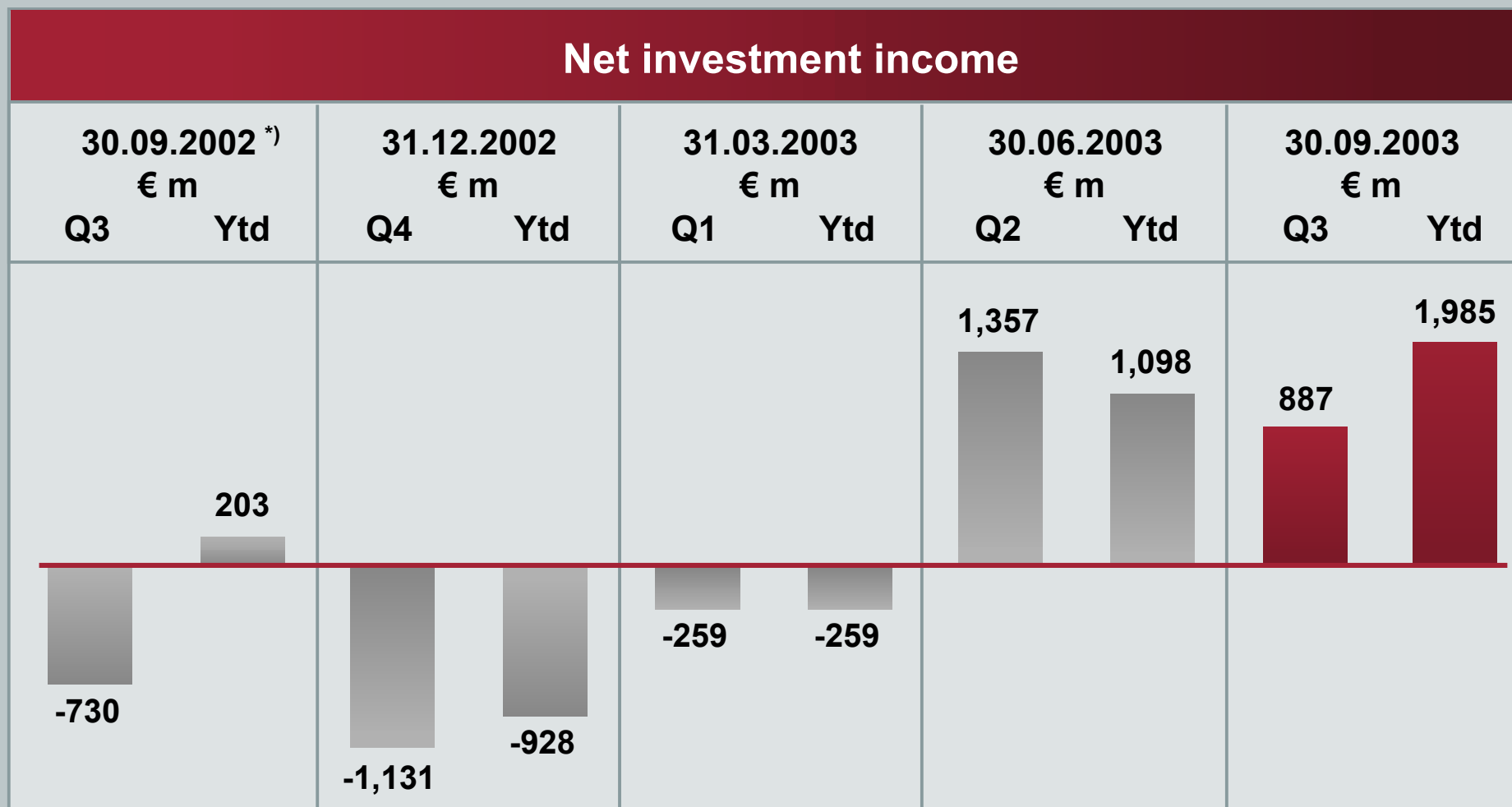
Influence on ratios due to first time segmentation of AMB Generali Holding AG

- Previously AMB Generali Holding AG was fully allocated to p&c segment
- By restructuring of reinsurance relationship AMB Generali Holding AG gains importance as Group's reinsurer with noticeable increase of reinsurance volume
 - ➔ AMB Generali Holding AG is being allocated to the respective segments for the 1st time as at September 30th, 2003

➔ More transparency in the segmental disclosure

(%)	2002		9M 02		9M 03	
	old	new	old	new	old	new
Claims ratio	75.1	78.0	72.4	75.1	64.1	66.6
Expense ratio	32.6	32.2	30.8	30.3	32.7	31.3
Combined ratio	107.7	110.2	103.2	105.4	96.8	97.9

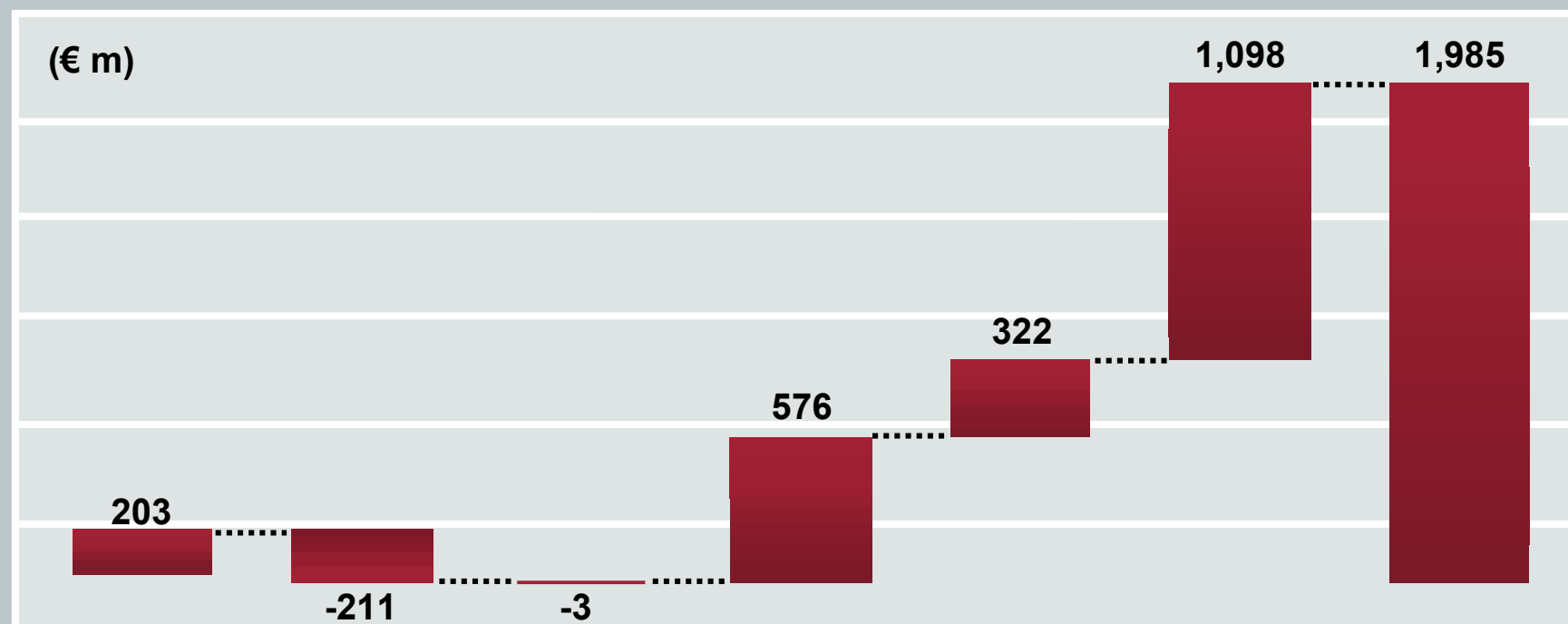
Investment income improves significantly



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

*) retroactively adjusted

Investment income pushed by unrealized capital gains with no effect on income



	Investment income (net) in 9M 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 9M 03
9M 02 ¹⁾	2,709	-127	-552	-936	-891	203	
9M 03	2,498	-130	24	-614	207	1,985	
Change	-211	-3	576	322	1,098	1,782	

1) retroactively adjusted
2) from unit-linked

No more stock market burdens in the balance sheet

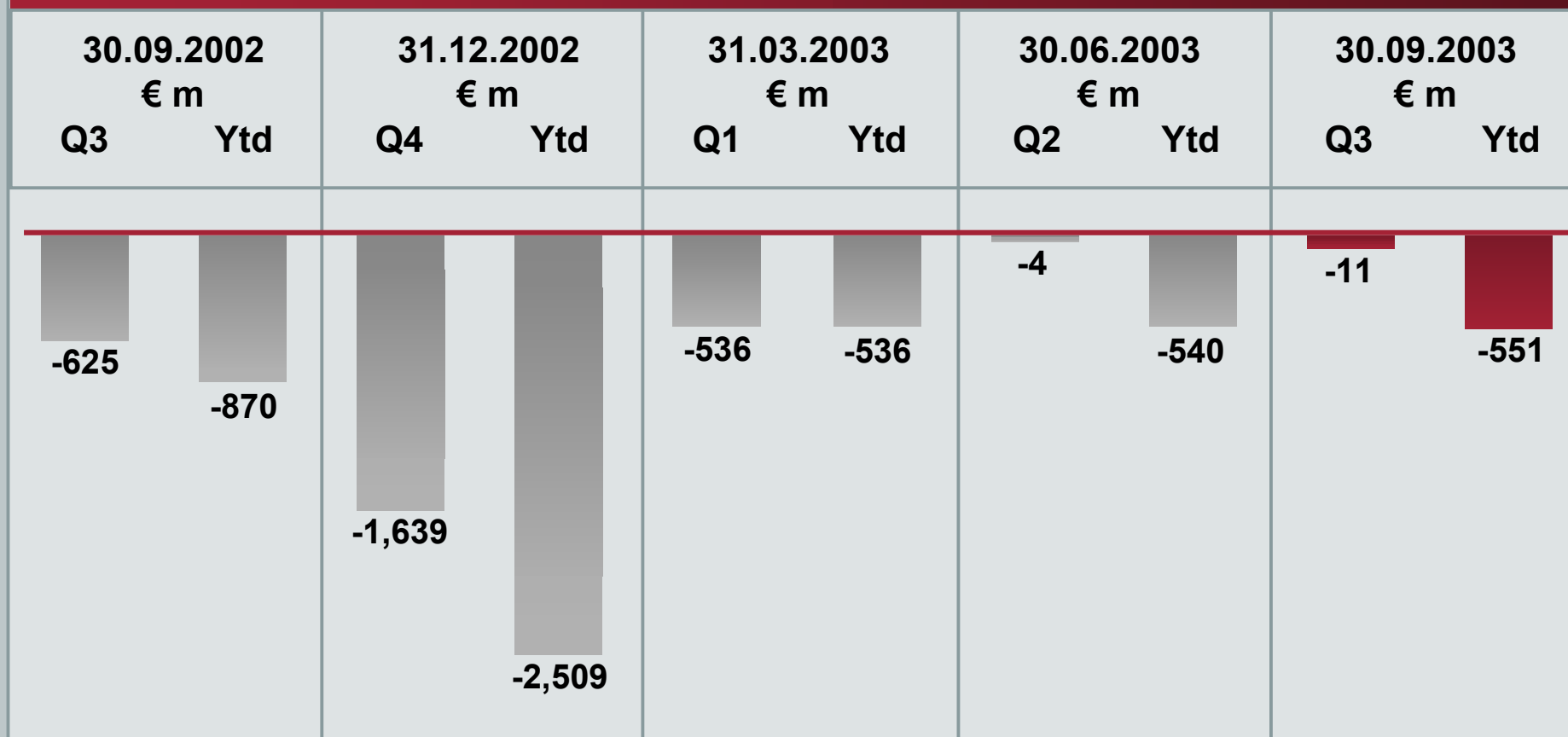
Unrealized gains/losses on shares, participating interests and fund units

30.09.2002 € m	31.12.2002 € m	31.03.2003 € m	30.06.2003 € m	30.09.2003 € m
-2,902	-1,125	-918	10	41

Additional un-realized gains in fixed income: € 2.0 bn

IAS write-downs from stock market crisis coped with

Write-downs on shares, participating interests and fund units



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

High tax expenditure still affects net income

(€ m)	2002	9M 02	9M 03	Δ 9M 03/02
Result of ordinary operations	-166	77	553	476
● Tax	-65	-69	-636	-567
● Minority interests	-4	-3	-2	1
Consolidated net income ^{*)}	-235	5	-85	-90

Tax treatment

- Financial statements based on current tax law; no application of possible new regulation still under way and not passed yet for life and health insurers
- Write-downs and realized capital losses from shares, participating interests and fund units increase the taxable income
- Retroactive taxation of funds investing in equity for the years 2001-2003 included in Q3

 **High tax expenditure for first nine month**

^{*)} no extraordinary influences

Paradox of corporation tax act for life insurers under discussion

Tax regime for life and health insurers

Old: since 2001

- Write-downs and realized capital losses from shares not tax deductible
- Dividends and capital gains from shares tax free
- Clarified in 2003: this tax situation is also applicable to funds investing in equity

New: 2003 optional & 2004 onwards

- Dividends and capital gains from shares (and funds investing in equity) no longer exempted from tax for life and health insurers
- Correspondingly losses and write-downs will be tax deductible
- Option for application of new regulation already in 2003, under discussion for 2001 + 2002

➔ **Retroactive increase of tax for 2001 + 2002 on write-downs on equity funds**

➔ **Reduction of tax on write-downs and losses on shares**

➔ **Setting up provisions for deferred taxes**

Tax exemption for capital gains will possibly be abolished

Scenario 1: Positive result from equities, dividends and realized capital gains

German GAAP Balance Sheet

	Old	New
Other income	200	200
Equity income	100	100
Allocations to RfB	-270	-254
Result before tax	30	46
Tax	0	18
Result after tax	30	28

Tax calculation

	Old	New
Result before tax	30	46
Deductible local trade tax	0	-9
Equity income	-100	0
Taxable result	-70	37
Tax	0	18

Old:
Zero tax expenditure due to
tax-free capital gains from equities

New:
Positive income from equity
leads to higher taxes

Tax expenditure for write-downs and capital losses possibly cancelled

Scenario 2: Negative result from equities, write-downs and realized capital losses

German GAAP Balance Sheet

	Old	New
Other income	200	200
Equity income	-100	-100
Allocations to RfB	-27	-85
Result before tax	73	15
Tax	70	6
Result after tax	3	9

Tax calculation

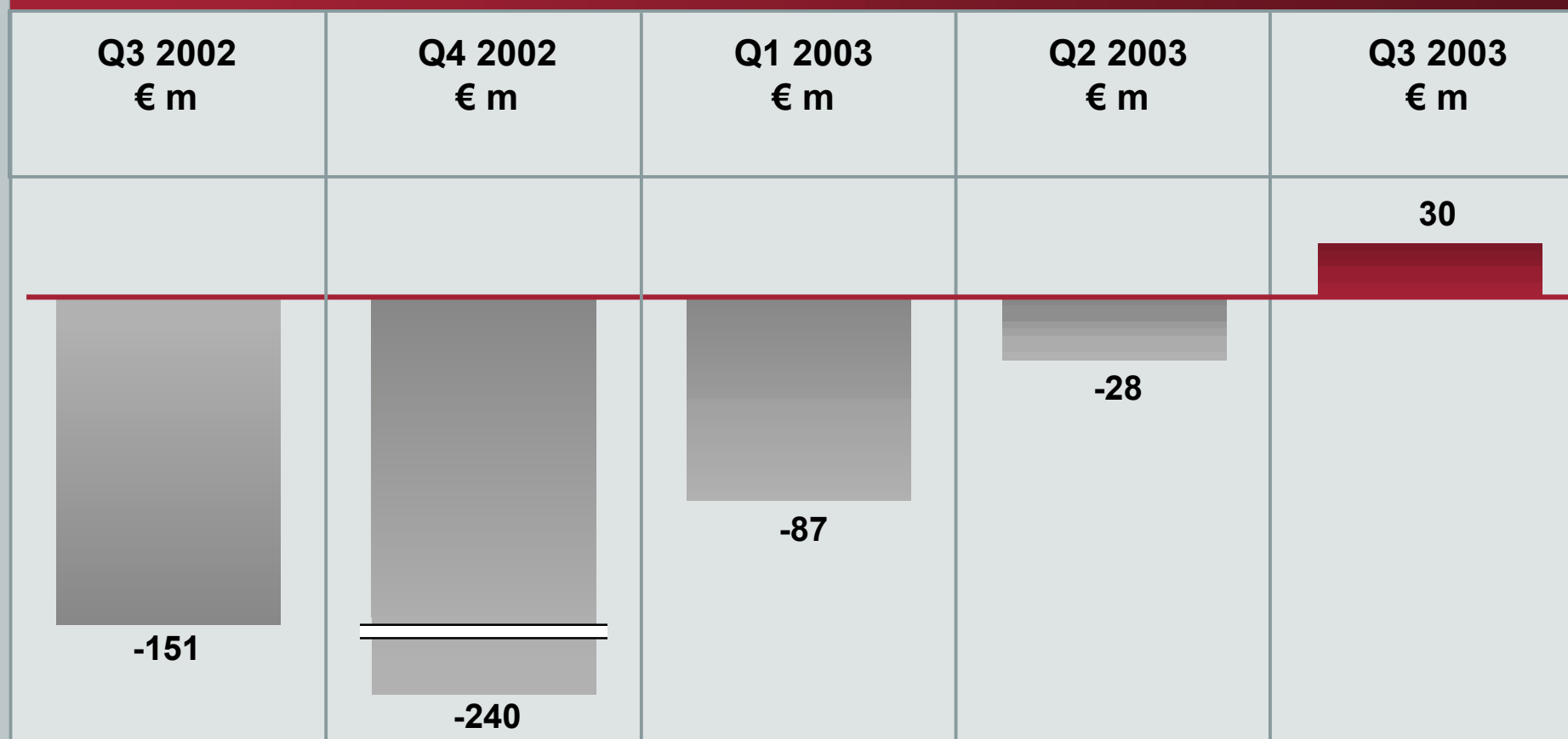
	Old	New
Result before tax	73	15
Deductible local trade tax	-33	-3
Equity income	+100	0
Taxable result	140	12
Tax	70	6

Old:
High taxes due to write-downs and capital losses from equities

New:
Negative income from equity leads to lower taxes

Positive quarterly result confirms upward tendency

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 ⁴⁾	9M 02 ⁴⁾	9M 03	△ 9M 03/02
Total premiums (German GAAP) ²⁾	8,139	5,856	6,063	3.5%
Gross premiums written (IAS) ³⁾	7,227	5,193	5,363	3.3%
Investment income (net)	-1,237	-221	1,693	1,914
Claims & benefits (net)	4,532	3,842	5,470	1,628
Expense ratio	14.2%	17.2%	14.4%	-2.8%p
Net income	-57	-100	40	140

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 ⁴⁾	9M 02 ⁴⁾	9M 03	△ 9M 03/02
Total premiums (German GAAP) ²⁾	6,892	4,924	5,040	2.3%
Gross premiums written (IAS) ³⁾	5,981	4,262	4,340	1.8%
Investment income (net)	-1,296	-234	1,576	1,810
Claims & benefits (net)	3,432	3,025	4,482	1,457
Expense ratio	14.2%	18.2%	15.2%	-3.0%p
Net income	-70	-97	26	123

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 ²⁾	9M 02 ²⁾	9M 03	Δ 9M 03/02
Gross premiums written (IAS)	1,246	932	1,023	9.8%
Investment income (net)	59	13	117	104
Claims & benefits (net)	1,100	817	987	170
Claims ratio	61.1%	61.0%	58.8%	-2.2%p
Expense ratio	13.9%	13.1%	11.1%	-2.0%p
Combined ratio	75.0%	74.1%	69.9%	-4.2%p
Net income	+13	-4	14	18

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

Property & casualty development

(€ m) ¹⁾	2002 ²⁾	9M 02 ²⁾	9M 03	△ 9M 03/02
Gross premiums written (IAS)	3,517	2,913	2,704	-7.2%
Investment income (net)	276	310	157	-153
Claims ratio	78.0%	75.1%	66.6%	-8.5%p
Expense ratio	32.2%	30.3%	31.3%	1.0%p
Combined ratio	110.2%	105.4%	97.9%	-7.5%p
Net income	-103	142	-60	-202

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

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