

Annual Results 2009

«Strong growth and high payout»

Conference Call for Financial Analysts - Basel, 18 March 2010



Making you safer.

Cautionary Statement Regarding Forward-Looking Information

This presentation is made by Baloise Group and may not be copied, altered, offered, sold or otherwise distributed to any other person by any recipient without the consent of Baloise Group. This document is selective in nature and is intended to provide an overview of the business of Baloise Group. Neither Baloise Group nor any of its directors, officers, employees or advisors nor any other person make any representation or warranty as to the accuracy or completeness of the information contained in this presentation. Neither Baloise Group nor any of its directors, officers, employees or advisors nor any other person shall have any liability whatsoever for loss howsoever arising, directly or indirectly, from any use of this presentation. This presentation may contain projections or other forward-looking statements related to Baloise Group that involve risks and uncertainties. Readers are cautioned that these statements are only projections and may differ materially from actual future results or events. All forward-looking statements are based on information available to Baloise Group on the date of its first public presentation in Switzerland and Baloise Group assumes no obligation to update such statements unless otherwise required by applicable law. This presentation does not constitute an offer or invitation to subscribe for, or purchase, any shares of Baloise Group.

01 Highlights	04
Martin Strobel, Group CEO	
02 Financials	06
German Egloff, Group CFO	
03 Operations	21
Martin Strobel, Group CEO	
04 Strategy & Outlook	27
Martin Strobel, Group CEO	
05 Appendix	33

01 Highlights

Martin Strobel
Group CEO

Highlights 2009

Strong growth and high payout

- Profit for the period up by 9% in a demanding environment
 - Strong growth of 27%¹⁾ in business volume, mainly stemming from investment-type business and Swiss group life business
 - Ongoing resilient cash flows out of nonlife business with a net combined ratio of 94.4%
 - Profitability in life business improved due to optimisation measures and better capital market developments
 - Solid investment income, asset allocation adjusted to current market environment
 - Flexible and reliable balance sheet with an excellent group solvency of 230%
 - High dividend and continued share buy-back resulting in an attractive yield for shareholders
 - First results out of strategic programme "Baloise 2012" and "Safety World"-positioning
 - Unwinding of Deutscher Ring entities in Germany started
-

¹⁾ local currency (LC)

02 Financials

German Egloff
Group CFO

Key Figures

A solid set of results

in CHF mn	2008	2009	+/-
Profit for the period	387	421	8.9%
Earnings per share (undiluted)	7.33	8.64	17.9%
Total equity	3,896	4,510	15.8%
Book value per share	75.6	90.1	19.2%
Total business volume	7,858	9,765	24.3%
Gross premiums written	6,954	6,860	-1.4%
Investment yield ¹⁾	2.5%	3.1%	0.6 pts
Combined ratio, net	90.9%	94.4%	3.5 pts
Embedded value	2,446	2,827	15.6%
Return on embedded value (RoEV)	-20.1%	13.1%	n.m.
New business margin	7.9%	10.1%	2.1 pts
Consolidated solvency I ²⁾	196%	230%	34 pts

¹⁾ including costs, excluding movements in unrealised capital gains, excluding investment-type assets

²⁾ excluding banking

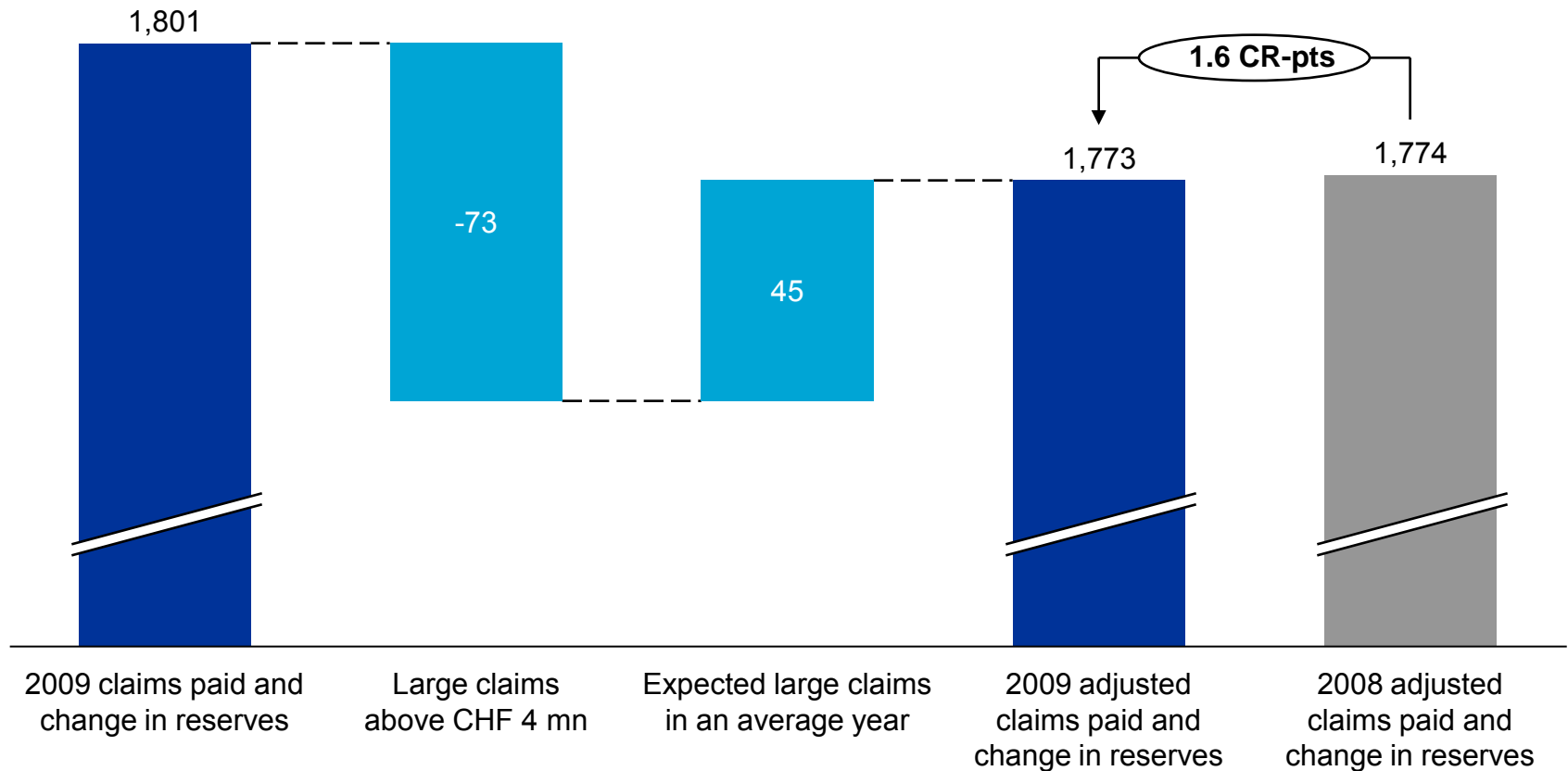
Key Figures Nonlife

Main contribution to group result...

in CHF mn	2008	2009	+/-
Gross premiums written	3,215	3,136	-2.4%
Investment income	165	289	75.4%
Claims incurred	1,780	1,801	1.2%
Technical expenses	1,011	1,004	-0.7%
EBIT	423	383	-9.6%
Combined ratio, gross	88.1%	91.2%	3.1 pts
Loss ratio, gross	56.3%	58.6%	2.3 pts
Expense ratio, gross	31.3%	32.0%	0.7 pts
Surplus sharing ratio, gross	0.5%	0.6%	0.1 pts







Adjusted Loss Ratio Net ... but higher claims load

in CHF mn



Technical Performance Nonlife

Solid performance despite large claims

gross, in %	Switzerland	Germany	Belgium	Luxembourg	Austria	Croatia (incl. Serbia)	Group
							
Loss ratio	57.7	58.6	60.3	55.1	70.9	55.8	58.6
Expense ratio	26.0	35.3	37.5	36.5	35.7	55.1	32.0
Surplus sharing ratio	1.0	0.4	0.3	0.0	0.0	-	0.6
Combined ratio 2009	84.7	94.3	98.1	91.6	106.6	110.9	91.2
Combined ratio 2008	81.4	93.4	94.5	88.4	99.8	105.2	88.1
Change vs. 2008 (in pts)	3.3	0.9	3.6	3.2	6.8	5.7	3.1

Key Figures Life

Record growth and rebound in profitability

in CHF mn	2008	2009	+/-
Business volume	4,644	6,629	42.8%
Gross premiums written	3,739	3,723	-0.4%
Investment-type premiums	904	2,906	221.3%
Investment income ¹⁾	1,021	1,199	17.5%
Benefits to policyholders ²⁾	-3,239	-4,474	38.1%
Technical expenses	-612	-493	-19.4%
EBIT	89	151	69.3%
Embedded value	2,446	2,827	15.6%
Return on embedded value (RoEV)	-20.1%	13.1%	n.m.
Value of new business	19	25	31.5%
Annual premium equivalent (APE) ³⁾	244	253	3.7%
New business margin	7.9%	10.1%	2.1 pts

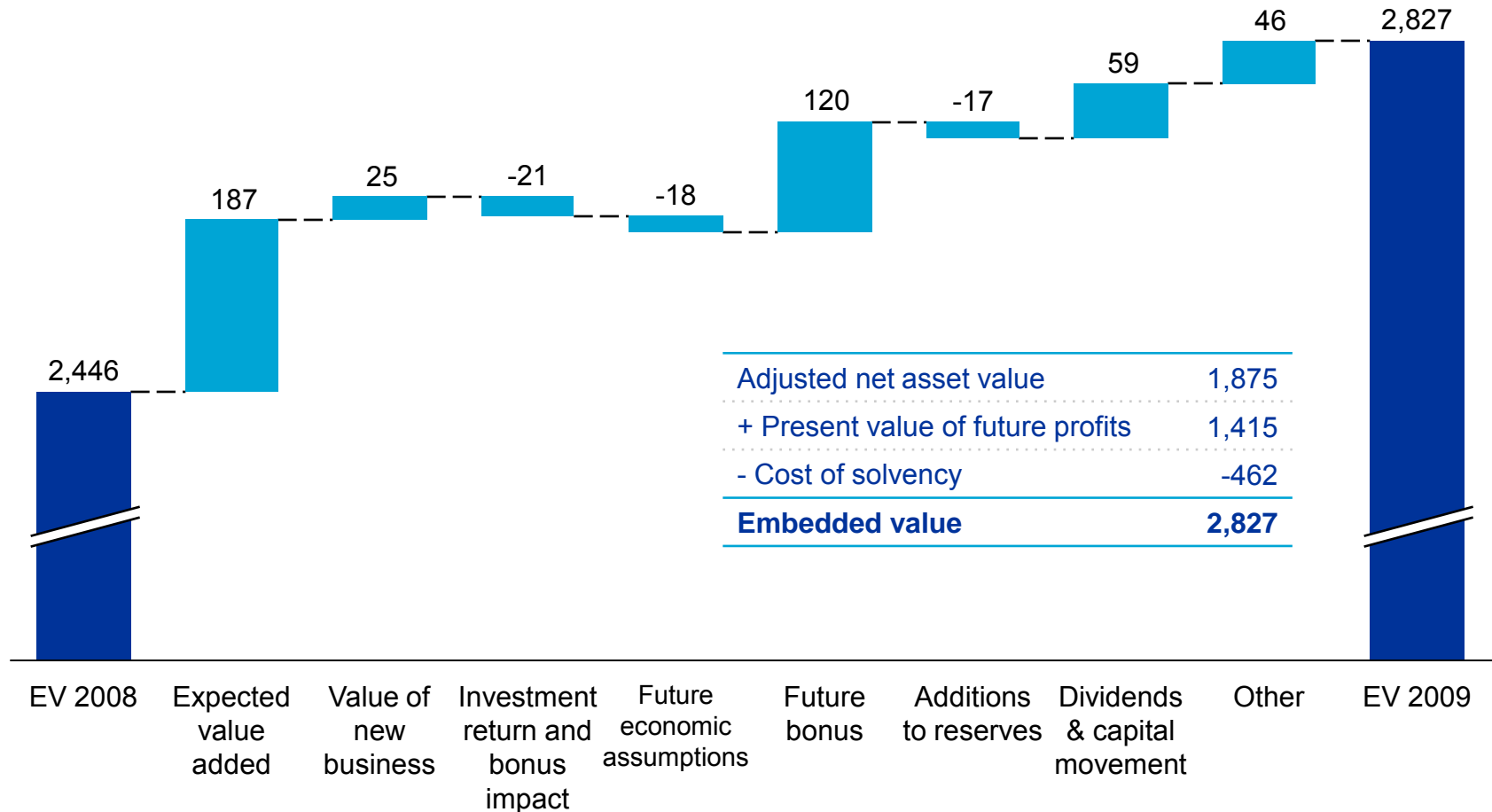
¹⁾ excl. investment-type assets

²⁾ incl. change in technical reserves and investment-type assets

³⁾ excl. APE from Austria, Luxembourg, Liechtenstein, Croatia and Serbia

Change in Embedded Value

Return on embedded value of 13.1%

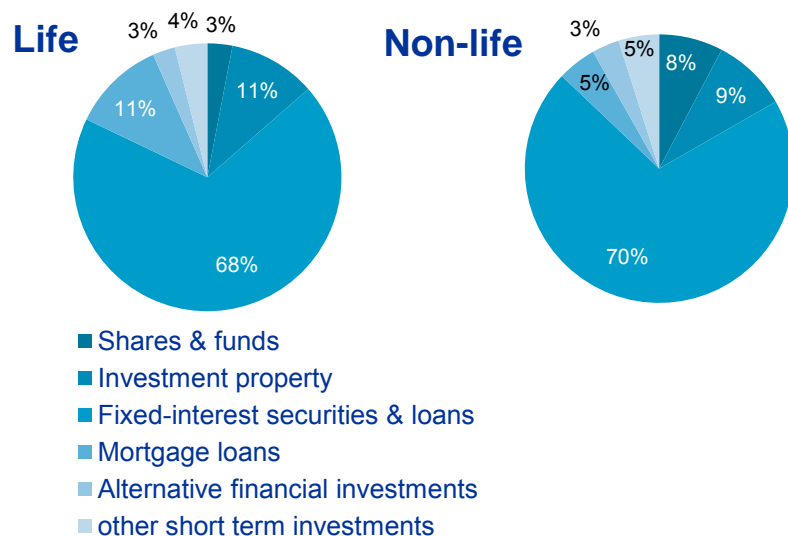


Asset Management

Risk reduced and higher flexibility

Asset Allocation Shift

- Derisking in line with adjustment of strategic bandwidth for equity investments
- Stronger differentiation between life and nonlife asset allocation



Challenging Interest Rate Environment

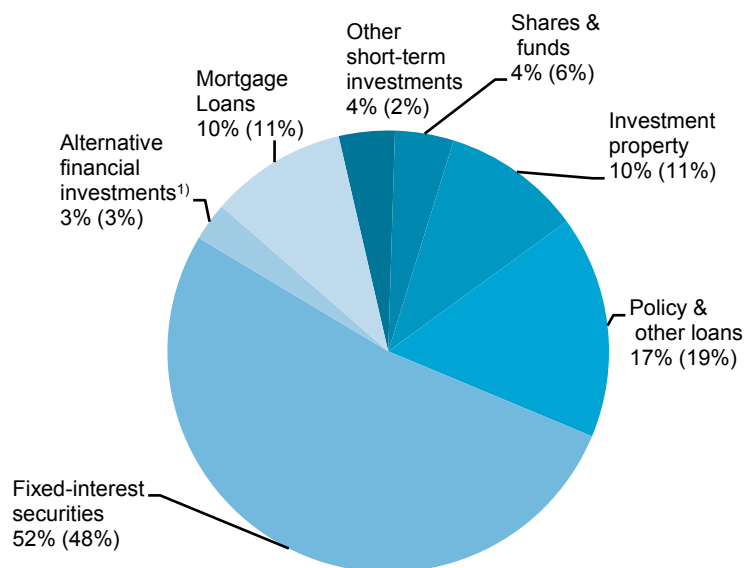
- Yield management in focus:
 - Active management of duration gap
 - Low risk approach to corporate bonds
 - No structured products
- Real estate as a stable source of income
- High cash quota ensures flexibility

Asset Allocation Insurance

Higher net exposure due to market developments

excluding banking assets and assets from investment-type premiums

2009 (2008)



¹⁾ private equity & hedge funds

Equity & equity related investments In % total insurance assets	2009
Equities	2.9%
Hedging instruments for equities	-0.0%
Equities after hedging	2.9%
Private Equity	1.0%
Hedge Funds (equity related)	0.7%
Other ²⁾	1.3%
Equity & equity related investments	5.9%

²⁾ e.g. bond & property funds treated as equity under IFRS

In CHF mn, %	2008	2009
Equity & equity-related investments (net)	5.1%	5.9%
Total insurance assets	46,885	48,572

Investment Yield

Enhanced due to market recovery

	Nonlife			Life		
in CHF mn, excluding income on investment-type insurance contracts	2008	2009	+/-	2008	2009	+/-
Recurring gross income	345	315	-8.8%	1,496	1,423	-4.9%
Investment expenses	-18	-22	20.1%	-63	-85	34.4%
Net realised gains/losses incl. Impairments	-162	-4	-97.8%	-412	-139	-66.3%
Fixed-interest securities	-83	6	n.m.	-416	22	n.m.
shares	-184	22	n.m.	-469	81	n.m.
other	105	-32	n.m.	473	-241	n.m.
Total net income from investments	165	289	75.4%	1,021	1,199	17.5%
Average investments	9,184	8,894	-3.2%	40,192	38,835	-3.4%
Investment yield ¹⁾	1.8%	3.2%	1.4 pts	2.5%	3.1%	0.6 pts

¹⁾ including costs, excluding movements in unrealised capital gains, excluding investment-type assets

Impairments in 2009

Impacts of financial crisis still visible

Financial assets of an equity nature		Financial assets of a debt nature	
Impairments (in CHF mn), gross	-235	Impairments (in CHF mn), gross	-11
Impairments in % of \emptyset asset of an equity nature	6.1%	Impairments in % of \emptyset assets of a debt nature	0.1%

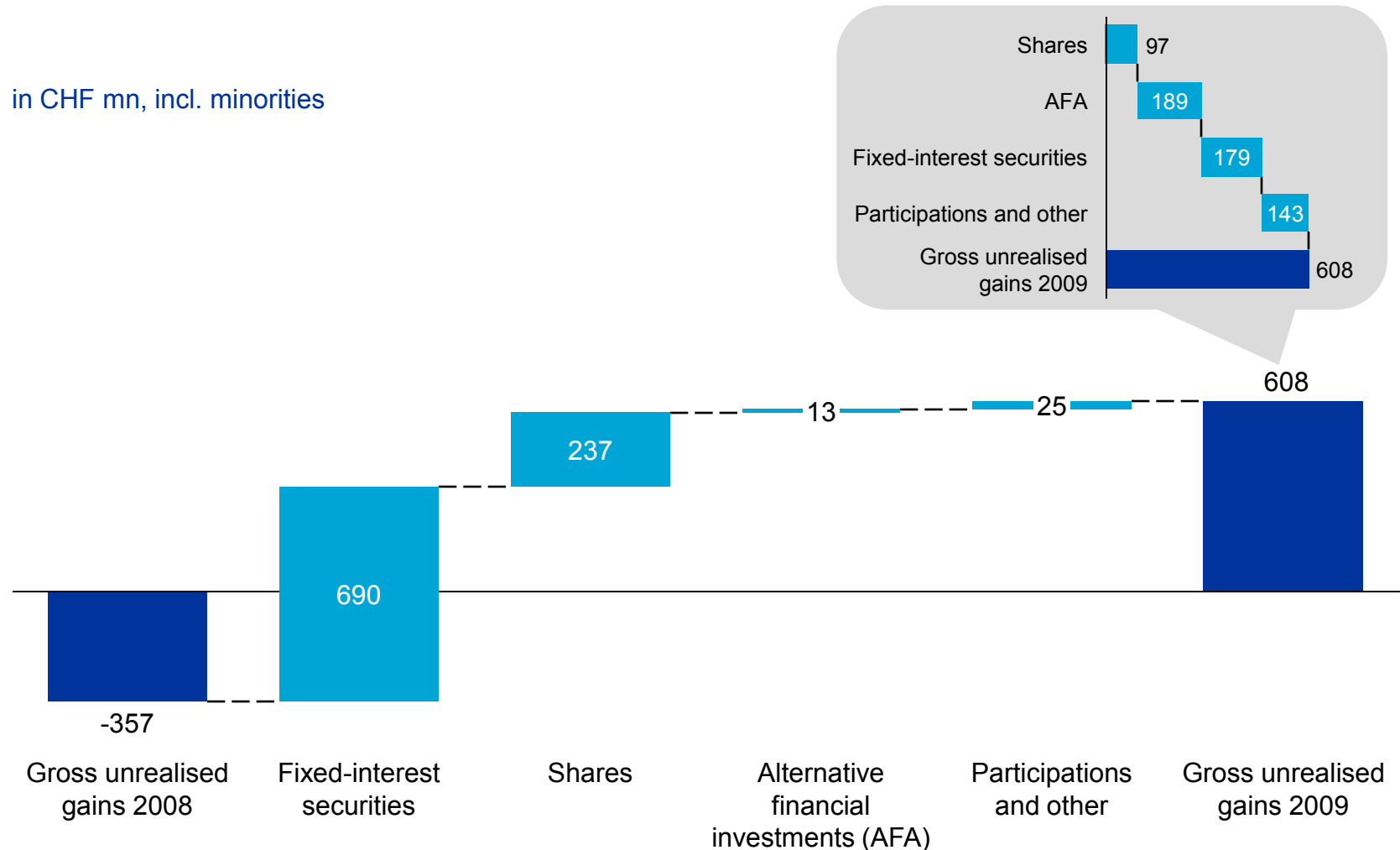
- Impairments mainly due to financial crisis aftermath
- In second half-year additional impairments of CHF 70 mn
- Impairments of CHF 110 mn on equities (excl. alternative investments and property funds)

- Strong quality in bond portfolio, more than 95% rated A- or better
- Impairments mainly due to haircuts on German "Landesbanken"

Gross Unrealised Capital Gains

Market recovery leads to higher unrealised gains

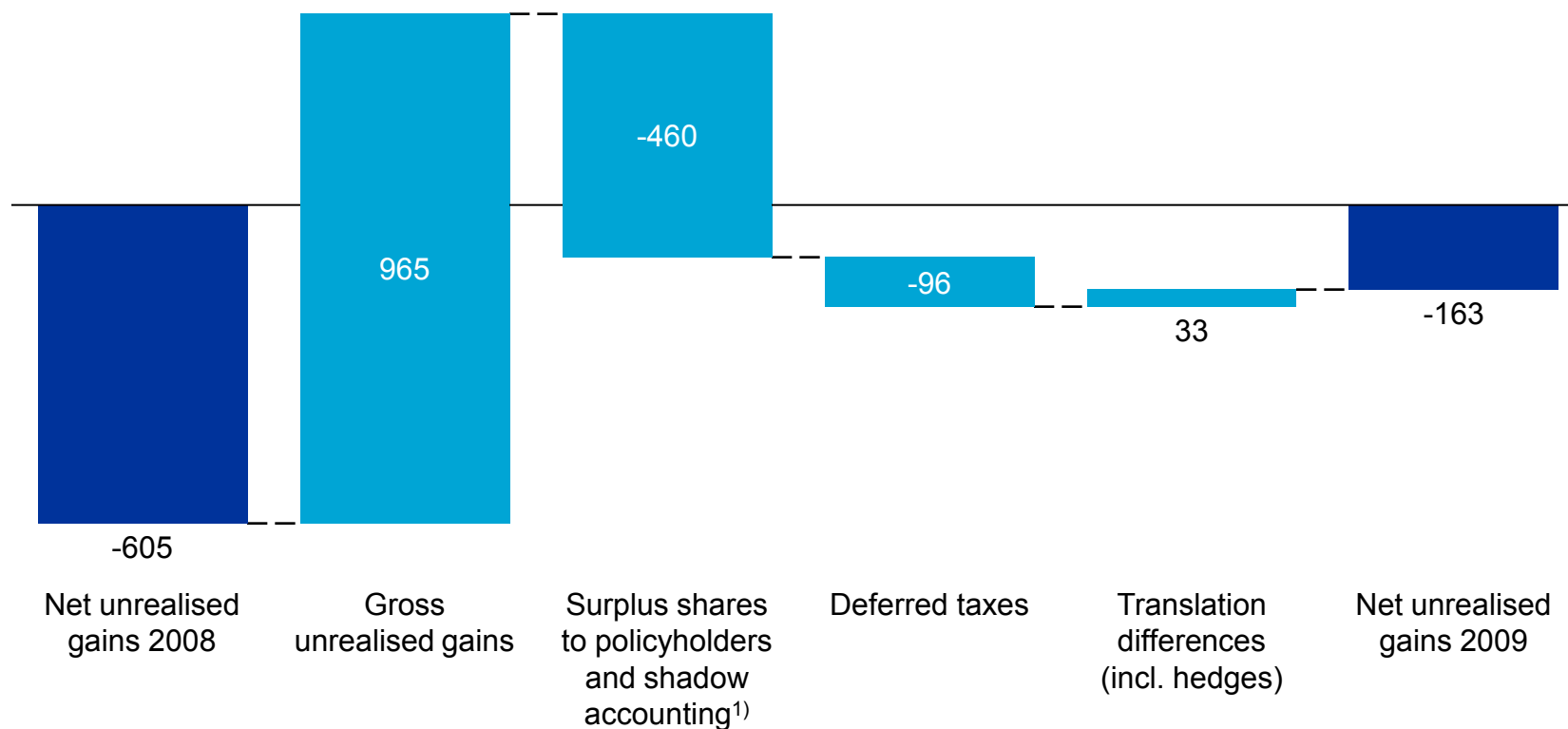
in CHF mn, incl. minorities



Net Unrealised Capital Gains

Uplift partly offset by surplus shares to policyholders

in CHF mn, incl. minorities



¹⁾ incl. DAC, URR, terminal policyholders' dividends

Change in Equity

Return on equity of 10.3%

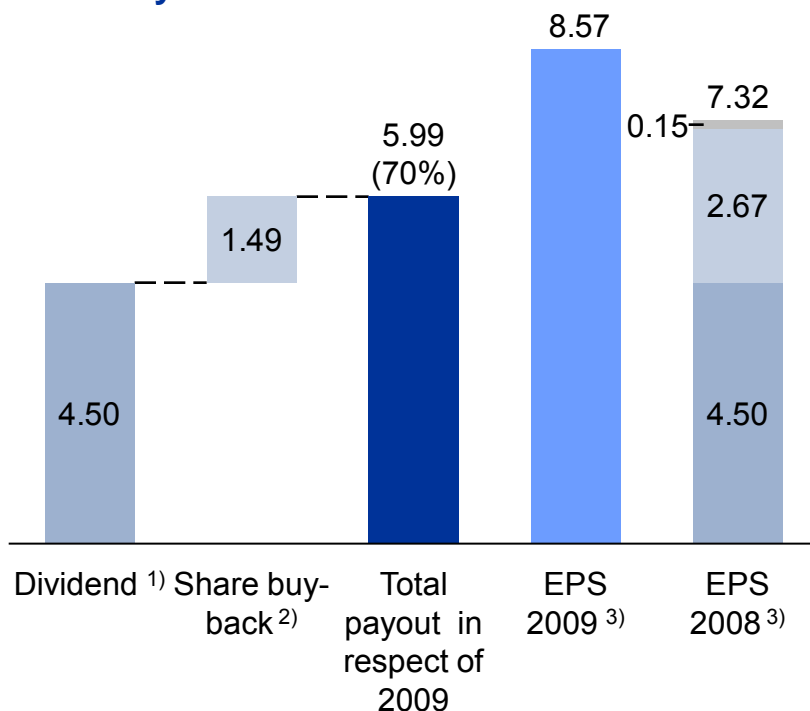
in CHF mn	2009		Per share ¹⁾
Total equity at January 1 (incl. minorities)	3,896		75.6
Change in net unrealised gains and losses	442		
Dividends	-237		
Profit for the period	421	$\Delta = 15.8\%$	$\Delta = 19.2\%$
Purchase / sale of treasury shares	-15		
Change in minority interests	3		
Total equity at December 31 (incl. minorities)	4,510		90.1
Return on equity	10.3%		

¹⁾ based on consolidated total equity (excluding minorities) and on average shares outstanding

Distribution to Shareholders

70% total payout ratio

Total Payout 2009



- ¹⁾ proposal to Annual General Meeting
²⁾ calculation based average shares outstanding (47,905,512 shares)
³⁾ EPS on diluted basis

Share buy-back programme 2008-2010 (up to 4% of outstanding shares ⁴⁾)

	Buy-back (share)	Ø Price (CHF)	Amount ⁶⁾ (CHF mn)	Execution (in %)
2008 ⁷⁾	274,217	64.42	17.7	0.6%
2009	907,678	78.75	71.5	1.8%
2010	73,522 ⁵⁾	85.19 ⁵⁾	6.3 ⁵⁾	0.1% ⁵⁾
Total	1,255,417 ⁵⁾	75.87 ⁵⁾	95.2 ⁵⁾	2.5% ⁵⁾

⁴⁾ outstanding shares at begin of share buy-back programme:
50'000'000 shares

⁵⁾ as per 12.03.2010

⁶⁾ incl. transaction costs

⁷⁾ comprises only the share buy-back programme started September 2008. In 2008 1,173,715 shares from former programmes have been bought back with an average price of CHF 95.99

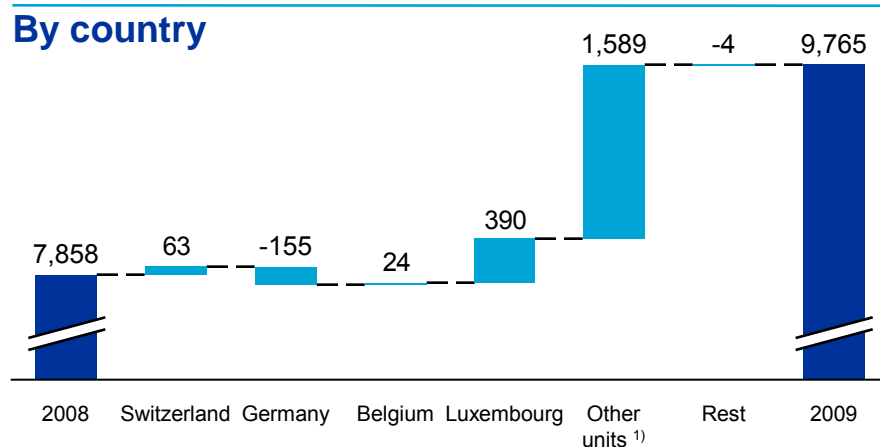
03 Operations

Martin Strobel
Group CEO

Business Volume

Accelerated growth...

By country

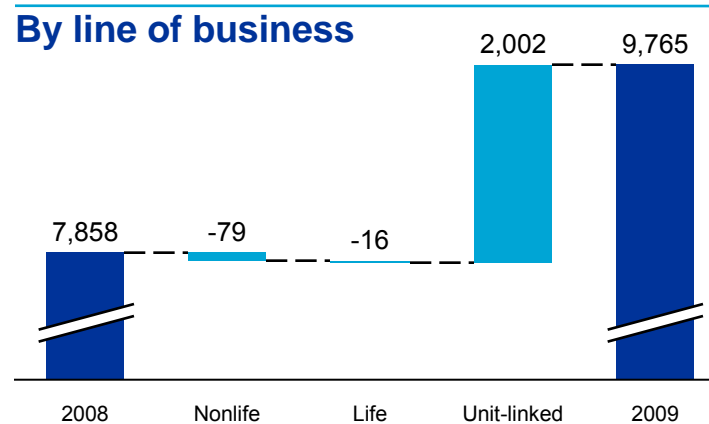


in CHF mn	2008	2009	+/-	+/- LC ²⁾
Switzerland	3,867	3,930	1.6%	1.6%
Germany	2,325	2,170	-6.7%	-1.9%
Belgium	796	820	3.1%	8.3%
Luxembourg	572	962	68.1%	76.7%
Other units ¹⁾	266	1,855	516.7%	602.2%
Rest	32	28	-12.0%	-12.0%
Total	7,858	9,765	24.3%	27.0%

¹⁾ Austria, Baloise Life (Liechtenstein), Croatia and Serbia

²⁾ local currency (LC)

By line of business

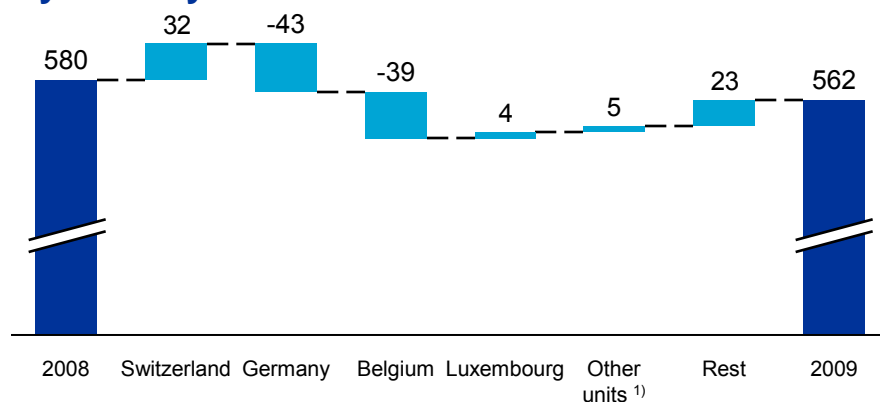


in CHF mn	2008	2009	+/-	+/- LC ²⁾
Nonlife	3,215	3,136	-2.4%	0.5%
Life	3,739	3,723	-0.4%	1.1%
Unit-linked	904	2,906	221.3%	228.5%
Total	7,858	9,765	24.3%	27.0%

EBIT

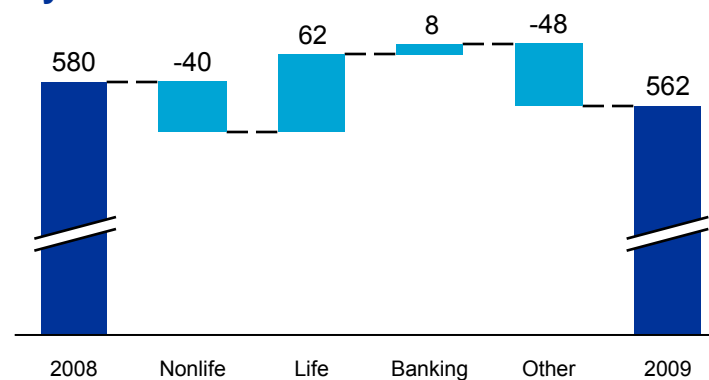
...and solid profitability

By country



in CHF mn	2008	2009	+/-
Switzerland	276	308	11.5%
Germany	134	91	-31.4%
Belgium	93	54	-41.8%
Luxembourg	2	6	275.0%
Other units ¹⁾	-25	-20	-17.8%
Rest	100	123	23.3%
Total	580	562	-3.1%

By line of business



in CHF mn	2008	2009	+/-
Nonlife	423	383	-9.6%
Life	89	151	69.2%
Banking	53	61	15.3%
Other	15	-33	-317.8%
Total	580	562	-3.1%

¹⁾ Austria, Baloise Life (Liechtenstein), Croatia and Serbia

Highlights Swiss Operations

Strong growth in group life business and Baloise Bank SoBa

Nonlife:		→ Premium growth affected by economic environment
Gross premiums written:	CHF 1,280 mn (-1.5%)	
Combined Ratio, gross:	84.7% (3.3 pts)	→ Excellent combined ratio despite hail storm in summer 2009
EBIT:	CHF 156 mn (15.1%)	
<hr/>		
Life:		
Gross premiums written:	CHF 2,618 mn (3.6%)	→ Strong growth in group life, +8.7%
Investment-type premiums ¹⁾ :	CHF 59 mn (44.4%)	→ Launch of new variable annuities product
EBIT:	CHF 143 mn (49.6%)	→ Solid new business margin
New business margin:	14.4% (+3.3 pts)	
<hr/>		
Banking (Baloise Bank SoBa):		→ Above market growth
(local GAAP)		
Profit for the period ²⁾ :	CHF 24 mn (-4.5%)	→ Significant expansion of focused financial services provider model
RoE ²⁾ :	8.6% / 12.2% ³⁾	
NBDV ⁴⁾ :	CHF 668 mn (+6.6%)	→ Successful implementation of new IT-platform
Cost income ratio:	68.4% (+1.8 pts)	

¹⁾ investment-type premiums incl. CHF 27 mn variable annuities stemming from Baloise Life (Liechtenstein)

²⁾ excluding additions to reserves for general banking risks of CHF 3 mn

³⁾ including contribution from focused financial services provider

⁴⁾ new business distribution volume (focused financial services provider)

Highlights International Operations

Excellent growth in international business volume

Germany: → Stable operational result with significant cost reductions

Belgium: → Premium growth above market average, business volume up by 3.5%¹⁾ in nonlife and 21.9%¹⁾ in life

Luxembourg: → Successful acquisition of Fortis IARD strengthens our market position

Liechtenstein: → Baloise Life (Liechtenstein) with outstanding growth in freedom of services business

Austria: → Ongoing success with enlargement of the own sales organisation results in business volume growth of 7.5%¹⁾ in nonlife and 8.6%¹⁾ in life

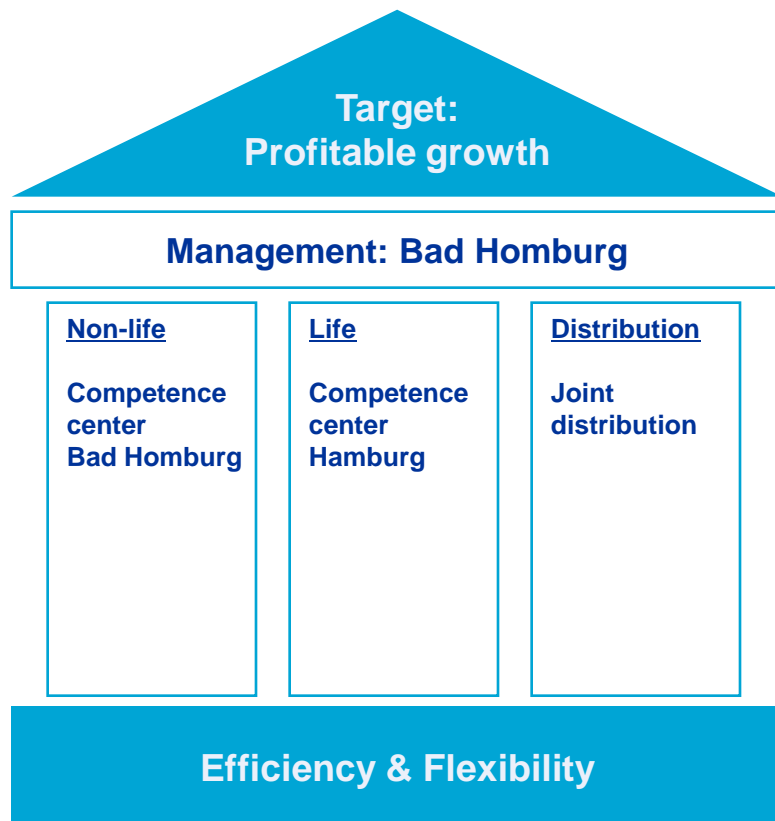
Croatia: → Rebranding in October 2009 and legal merger of the three entities in February 2010

→ Growth in total international business volume of 52.1%¹⁾ achieved, mainly driven by freedom of services business out of Luxembourg and Liechtenstein

¹⁾ local currency (LC)

Baloise in Germany

Unwinding has started



Legal: → BaFin intervention
→ Organisational agreement amicably dissolved with Deutscher Ring Kranken

Sales: → Setup of own sales force
→ Deutscher Ring Kranken partner for health insurance products; good alternative solution available

Operations: → Masterplan established
→ Negotiations with Signal Iduna in progress

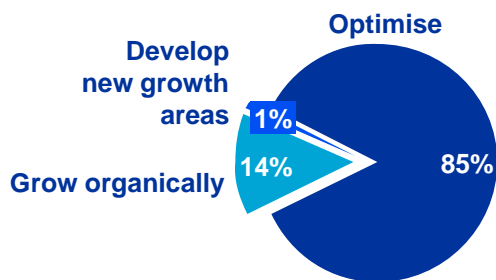
04 Strategy & Outlook

Martin Strobel
Group CEO

Baloise 2012 Overview



**Additional sustainable profit
of CHF 200 mn until 2012**



Status of implementation of major initiatives:

- Optimise:**
- → Business optimisation in Switzerland (e.g. GEPARD and ORION)
 - ◐ → Bundling of strength in Germany
 - ◑ → Cost reduction programme in Belgium

- Grow:**
- ◐ → Growth and Retention in Belgium
 - ◑ → Expansion of sales organisation in Austria
 - ◒ → Retention and Winback in Switzerland

- Develop:**
- ◐ → Implementation of Baloise Safety World
 - ◑ → Development of investment type life insurance business in freedom of services
 - ◒ → Development of variable annuities business

Baloise 2012

Sample initiatives

Optimise:



Case Management in Switzerland

- Early identification of potentially high cost claims with reintegration possibility for the injured person
- Coaching and support for an early return to work and therefore preventing longterm daily allowances or disability annuities

Grow:



The Spartans fight for growth in Croatia

- The best sales people (called "the Spartans") are endowed with safety world
- Spartans increase average premium in household insurance significantly
- Number of Spartans doubled within a year

Develop:



Safety World increases customer loyalty in Germany

- Increased cross-selling ratio
- Higher average premium per customer
- Increasing net promoter score

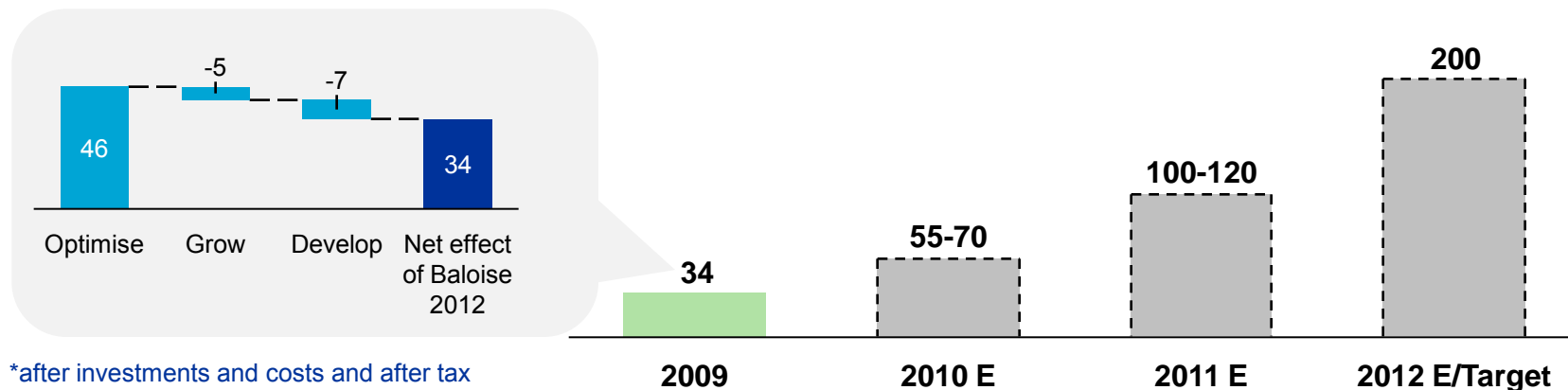
Baloise 2012

Major achievements 2009 & Outlook

- Accelerated growth in Liechtenstein stemming from product and customer initiatives
- Reduced leakage through enhanced claims management and efficiency improvements in non-core processes in Switzerland
- First results out of cost reduction programme in Belgium
- Improved life profitability due to optimisation of asset management fee structure
- Cost reduction programme at Group Headquarters

Net effect* of Baloise 2012 in 2009:

in CHF mn



*after investments and costs and after tax

Financial Ambition Remains unchanged

Financial ambition over the cycle

→ 15% Return on Equity

→ Continuous increase of EPS

→ Combined ratio well below 100%

Q&A

05 Appendix

	Page
I Financials	
New Segment Reporting	35
Nonlife	36
Life	37
Asset Allocation	43
Solvency	53
II Operations	
Switzerland	55
International	61
III Reporting Agenda & Contact Details	

I Financials

New Segment Reporting IFRS 8

Technical remarks

Main effects of implementation of IFRS 8:

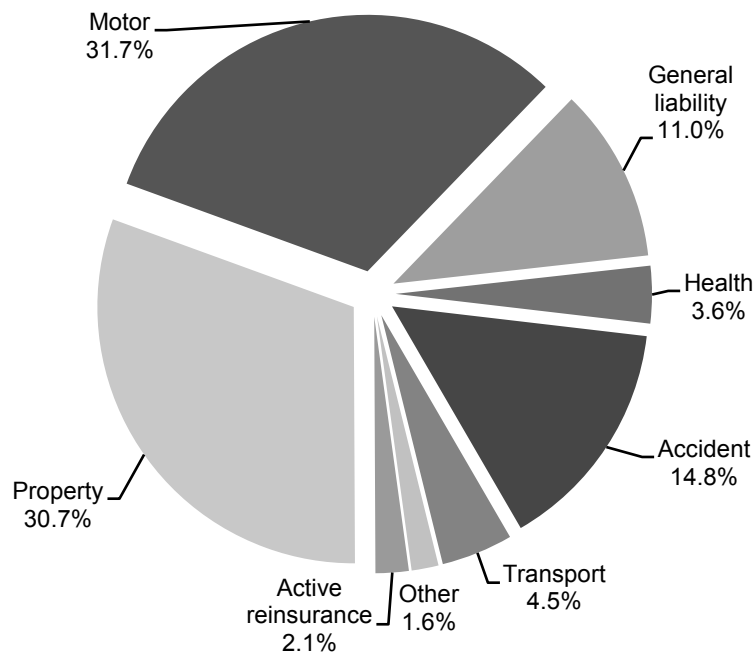
- Business activities are managed according to strategic business units which are as a rule grouped together regionally under common management
 - The group units are presented in the reportable main business segments Switzerland, Germany, Belgium and Luxembourg
 - Included in the main segment "other units" are the strategic business units Austria, Croatia/Serbia and Baloise Life (Liechtenstein)
 - "Group business" comprises the units for internal reinsurance and financing and the holdings
 - Investment entities for alternative investments now included in Switzerland
-

→ For more details see page 10 in the financial report FY 2009

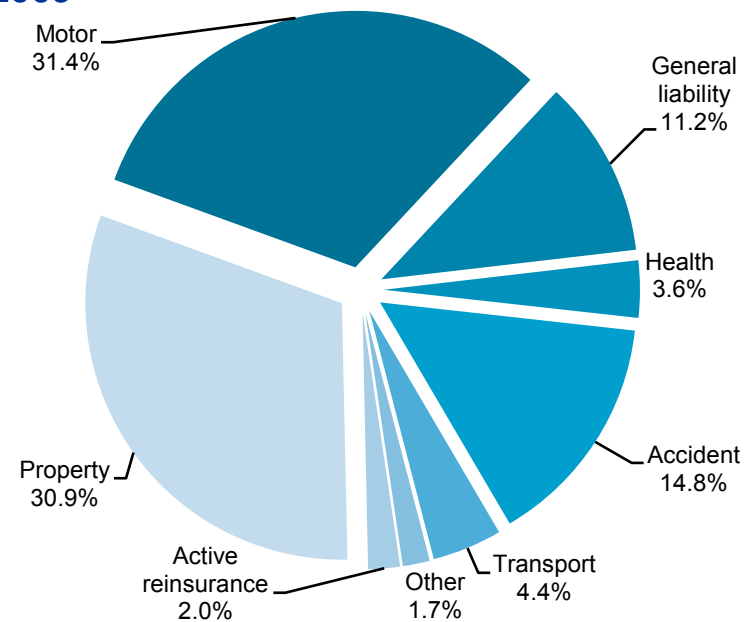
Business Mix Nonlife

in % of gross premiums written

2008



2009



in CHF mn

2008

2009

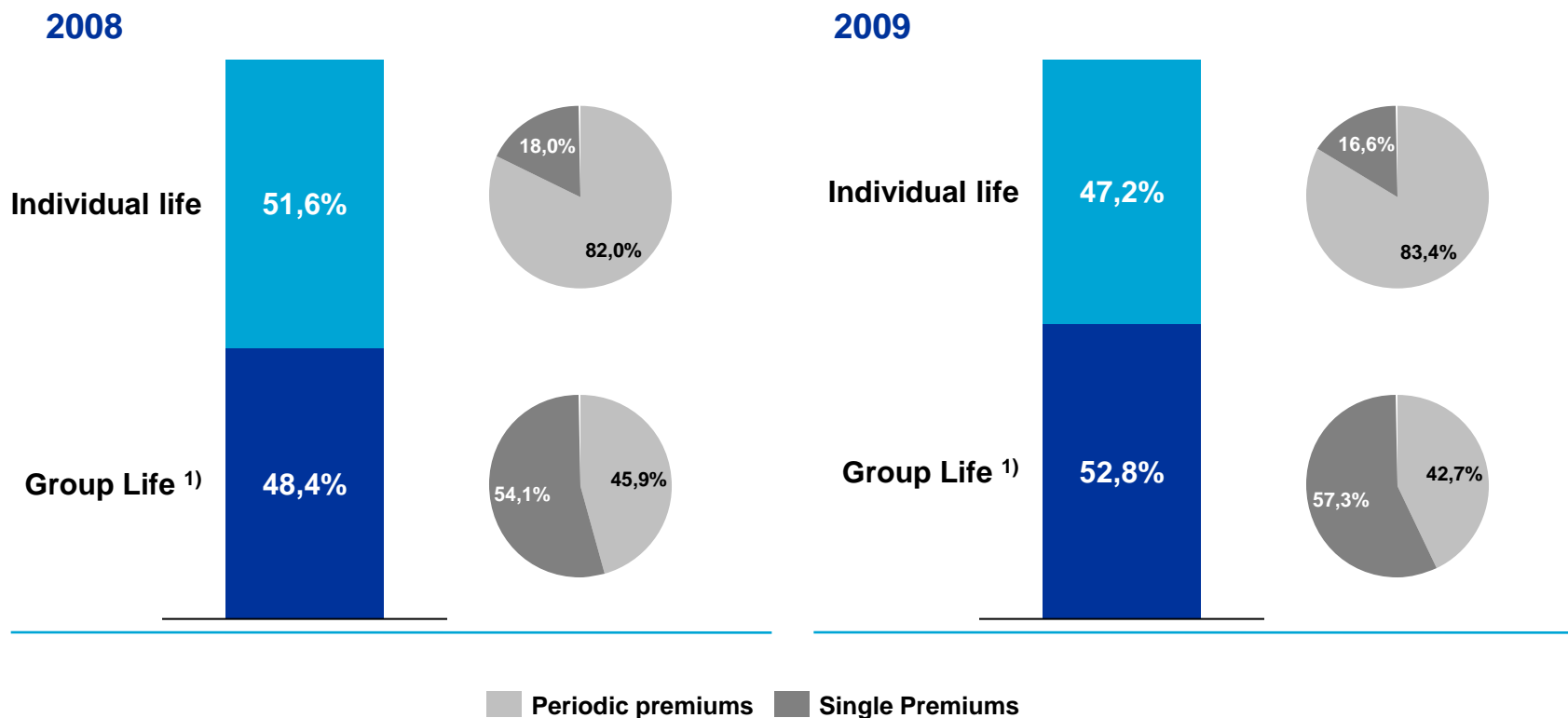
Gross premiums written nonlife

3,215

3,136

Business Mix Life

in % of gross premiums written, excl. investment-type premiums



¹⁾ Swiss Group life business only

Embedded Value Split

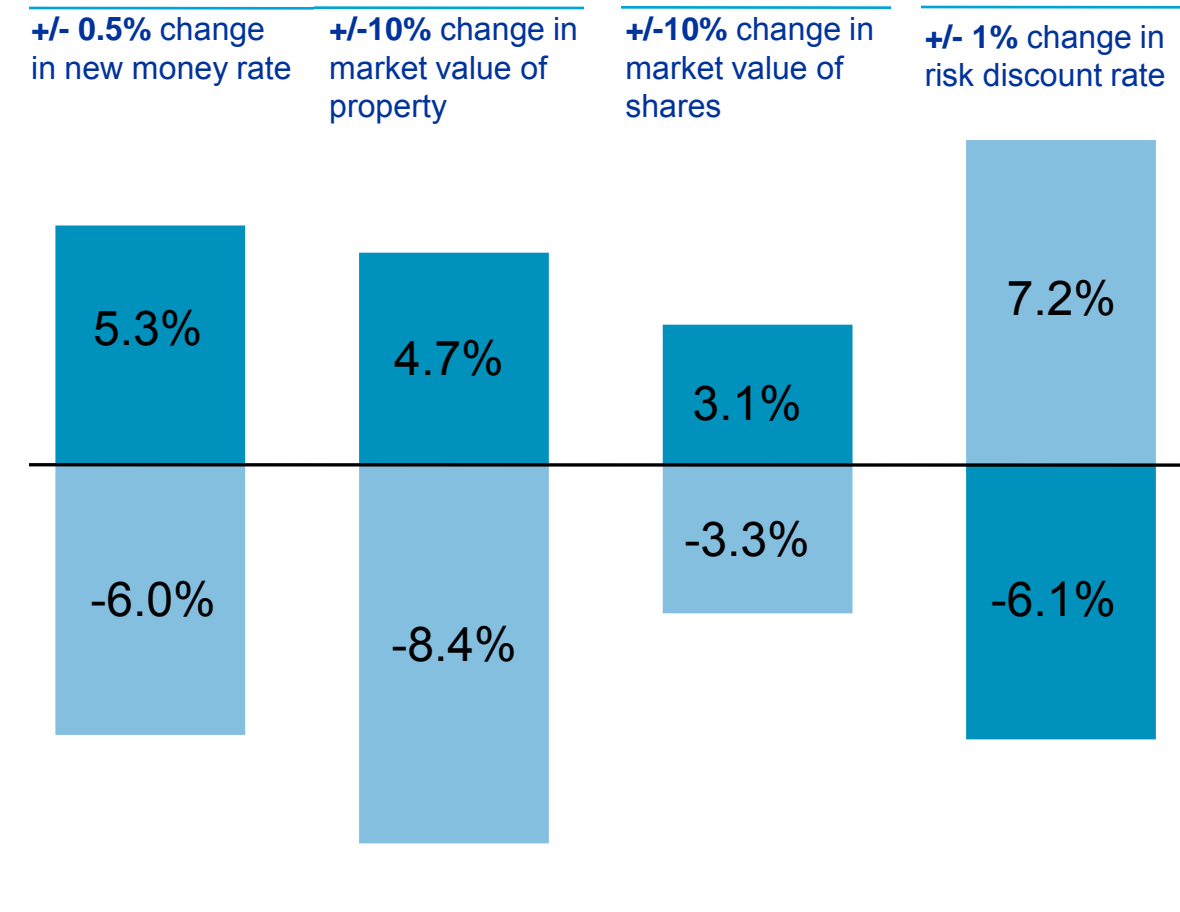
in CHF mn, in accordance with statutory financial statements	2008		2009	
	CH	EU	CH	EU
Adjusted net asset value	1,393	368	1,493	465
+ Present value of future profits	981	239	1,117	298
- Cost of solvency	-356	-102	-356	-106
Embedded value	2,018	504	2,253	657

Key assumptions	2008		2009	
	CH	EU	CH	EU
Risk discount rate	7.5%	8.3%	7.5%	8.3%
Bond yields	3.0-3.2%	4.0-4.0%	3.1-3.6%	3.7-4.4%
Return on shares	7.0%	8.0%	7.0%	8.0%
Return on investment properties	4.9%	5.2%	4.9%	5.2%

New Business Margin

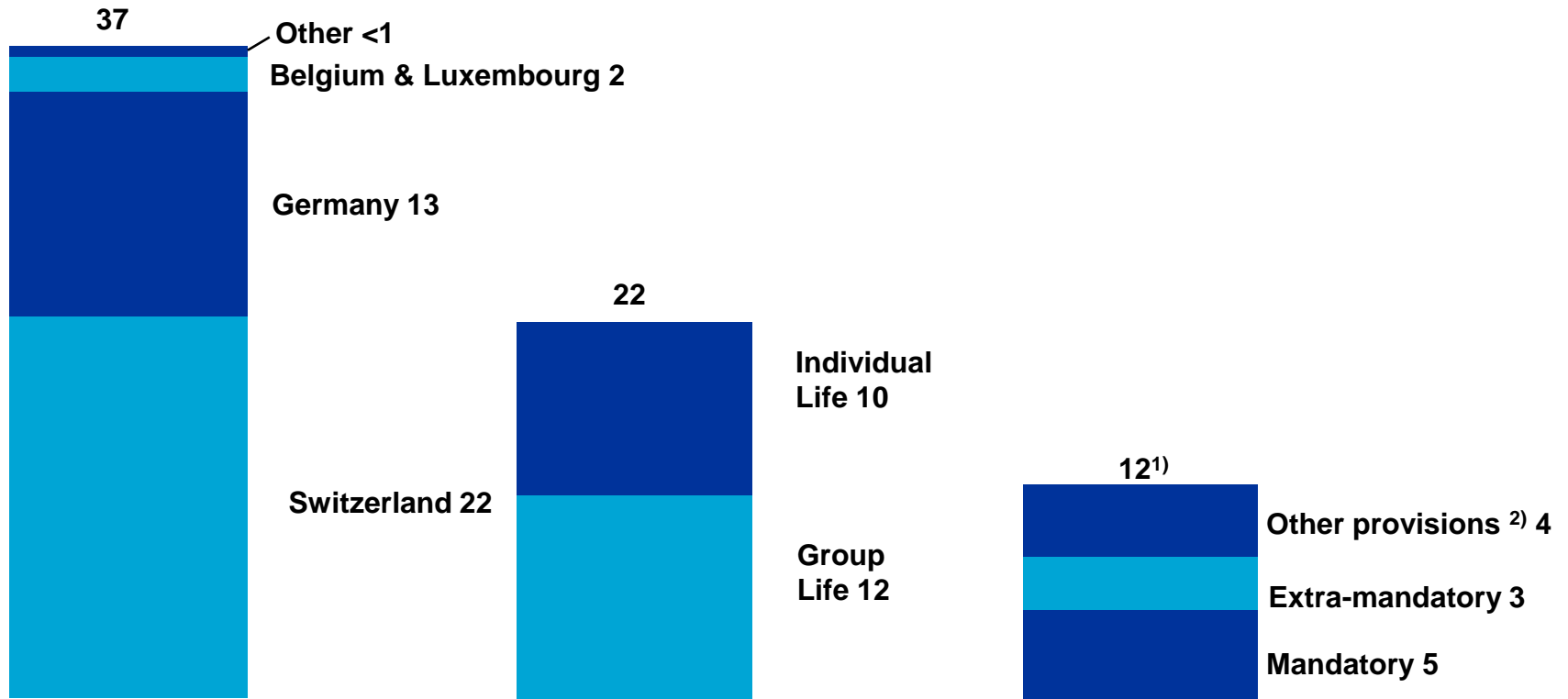
in CHF mn, in accordance with statutory financial statements	2008		2009	
	CH	EU	CH	EU
Embedded value	2,018	504	2,253	657
Value of new business	15	4	22	4
Annual premium equivalent (APE)	136	108	152	101
New Business Margin	11.1%	4.0%	14.4%	3.5%

Sensitivity Analysis of Embedded Value



Technical Reserves Life

gross, in CHF bn



1) local GAAP

2) provisions for annuities, mortality, disability, inflation

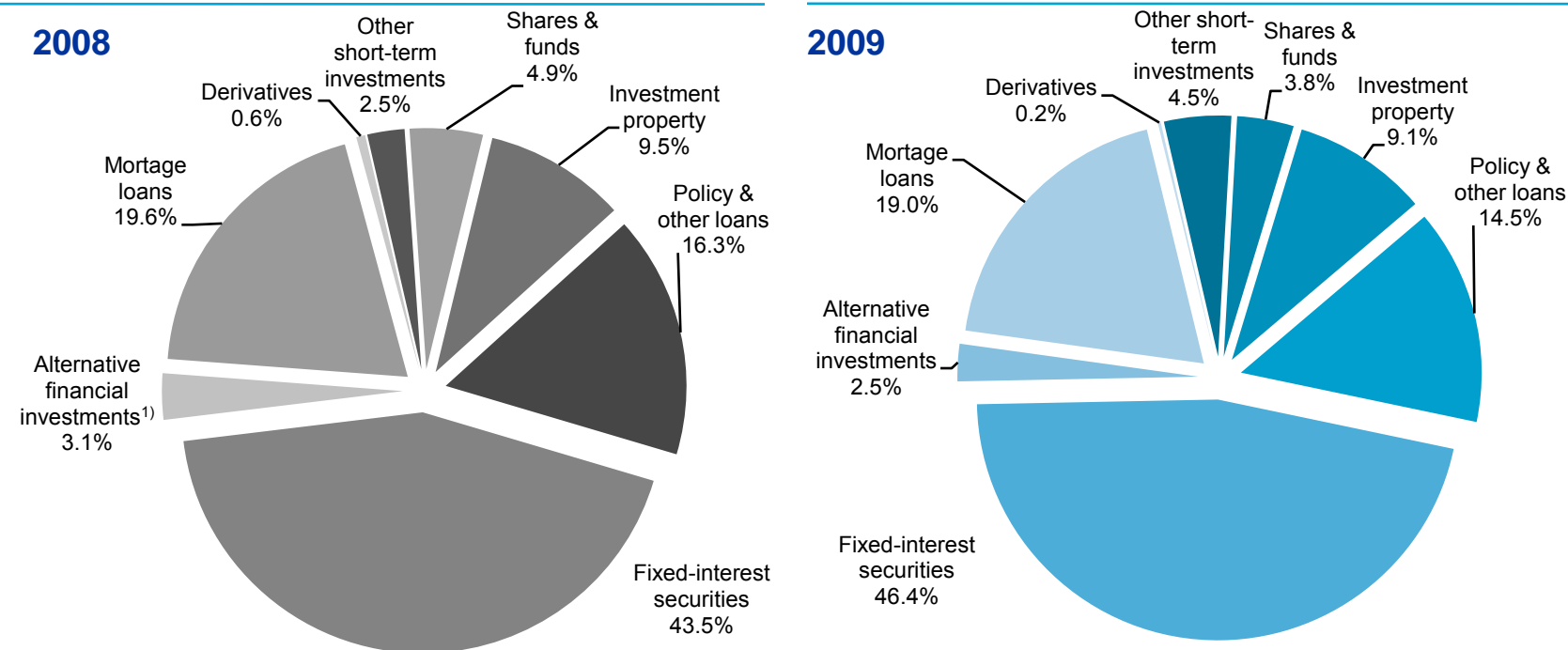
Direct Yield and Guarantees Life

2009	CH	EU	Total
Direct yield ¹⁾	3.0%	4.1%	3.5%
Average guaranteed rate of return	2.3%	3.1%	2.7%
Margin	0.7%	1.0%	0.8%

2008	CH	EU	Total
Direct yield ¹⁾	2.9%	4.4%	3.5%
Average guaranteed rate of return	2.3%	3.1%	2.6%
Margin	0.6%	1.3%	0.9%

¹⁾ relative to average technical reserves, excl. realisations

Group Asset Allocation



in CHF mn

2009

Total group assets ²⁾

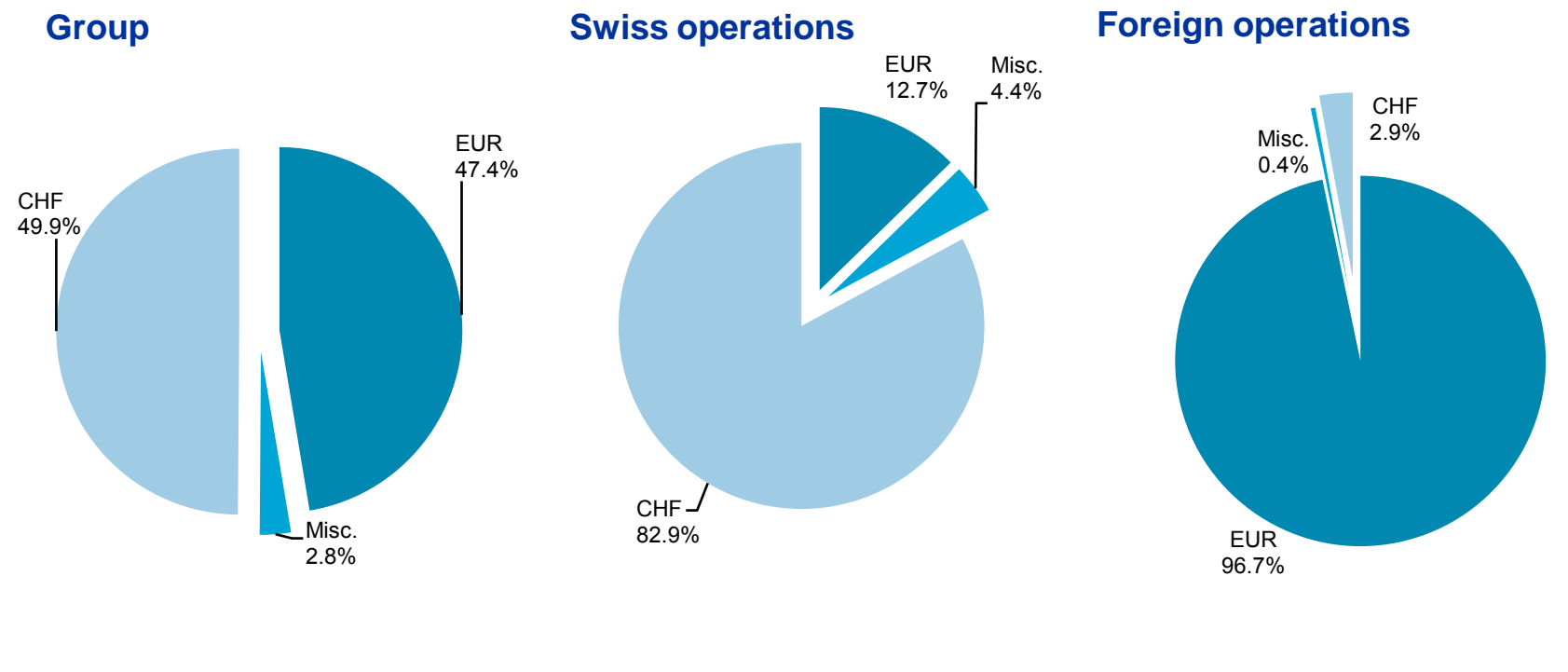
55,586

¹⁾ private equity and hedge funds

²⁾ incl. banking assets, excl. assets from investment-type premiums

Total Insurance Assets: Currency Exposure, Gross

excluding banking assets and assets from investment-type premiums



in CHF mn

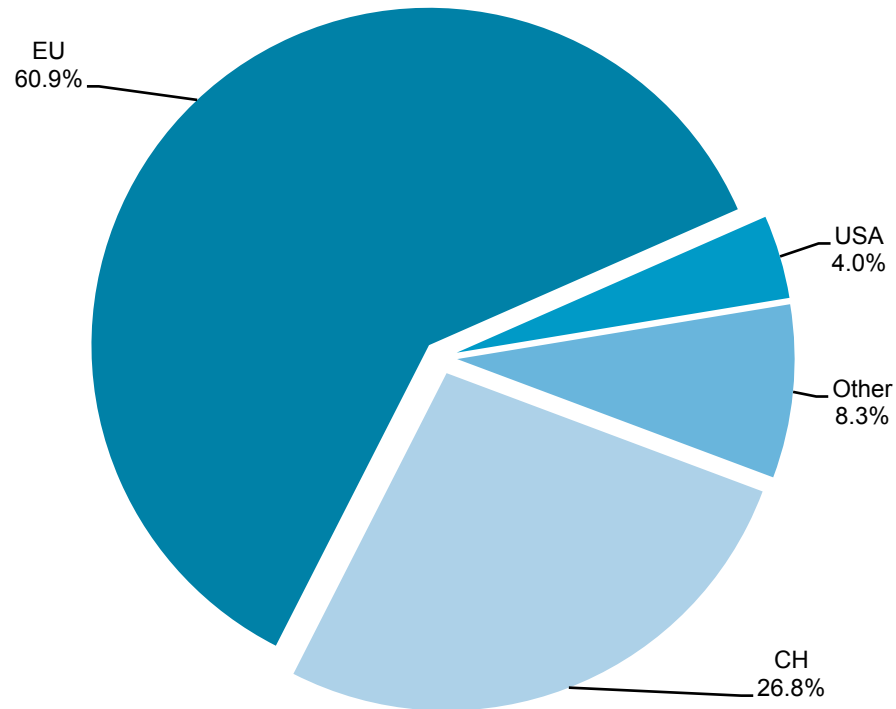
2009

Total insurance assets

48,572

Equity Portfolio: Regional Exposure

excluding banking assets and assets from investment-type premiums



in CHF mn	2009
Total equity investments	2,065

Hedge Fund Portfolio

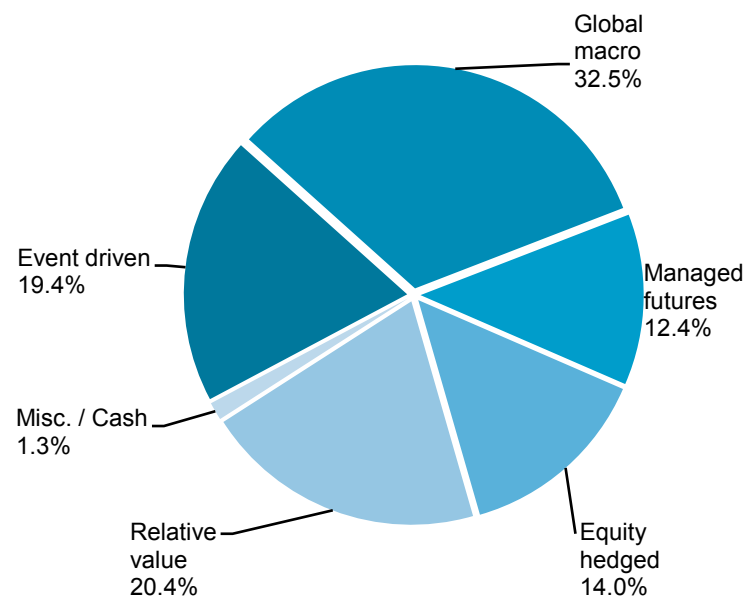
excluding banking assets and assets from investment-type premiums

	2009
Total hedge fund investments (in CHF mn)	866
Performance (in USD)	7.6%
Impairments ¹⁾ (in CHF mn), gross	-29
Impairments in % of ø Hedge Funds	3.0%

- Rebound of performance
- Broadly diversified portfolio, i.e. 74 funds and 10 funds of funds
- Mainly follow-up impairments
- Shift to rather trading oriented strategies
- FX-risk mainly hedged

¹⁾ part of the impairments on financial assets with an equity nature

By style



Private Equity Portfolio

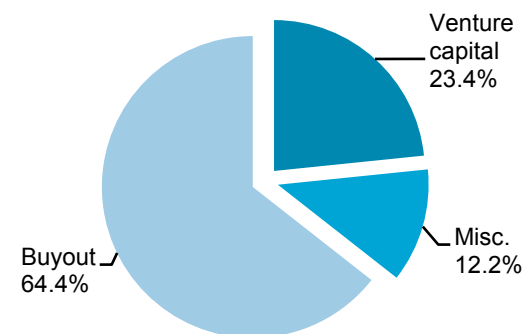
excluding banking assets and assets from investment-type premiums

	2009
Total private equity investments (in CHF mn)	424
Performance (in USD, Sep 08-Sep 09)	-15.3%
Impairments ¹⁾ (in CHF mn), gross	-52
Impairments in % of ø Private Equity	10.6%

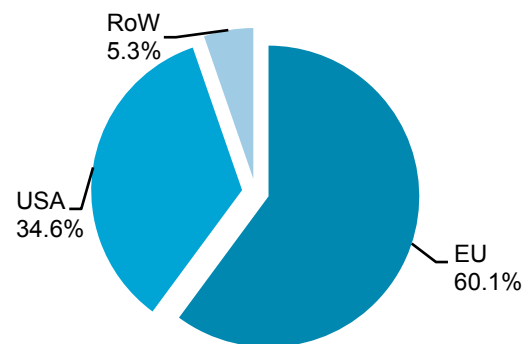
- Valuation adjustments with a time lag compared to public equity
- Impairments are spillover effects from 2008
- Improved situation in 2009
- Still focused on liquidity management, no new commitments
- FX-risk mainly hedged

¹⁾ part of the impairments on financial assets with an equity nature

By type



By region

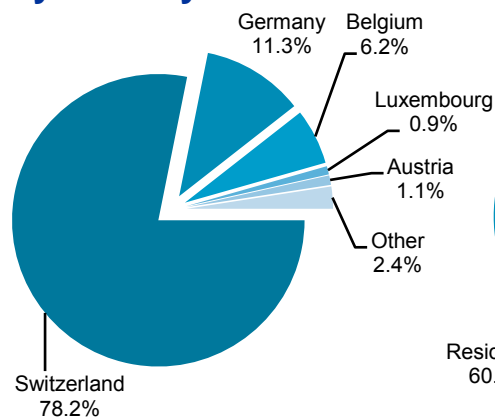


Investment Property and Mortgages

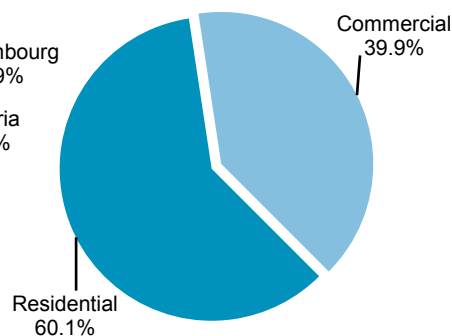
excluding banking assets and assets from investment-type premiums

in CHF mn	2009
Total investment property	4,951

By country



By type



- Stable valuation of investment property
- Investment yield: 4.5%

in CHF mn	2009
Total mortgages	4,862
Gross yield ¹⁾	3.2%
administration costs	-7 bps
risk costs	+1 bps
Net yield ¹⁾	3.1%

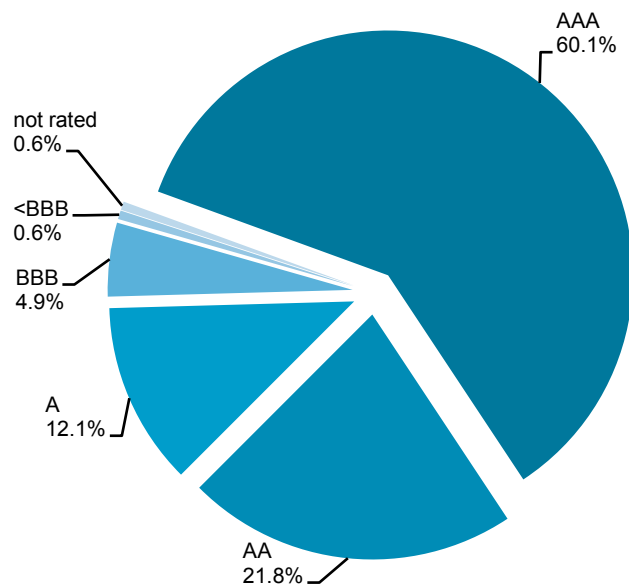
¹⁾ in % of mortgage investments

- Lower yield due to lower interest rates
- Positive risk costs due to reversals of impairments

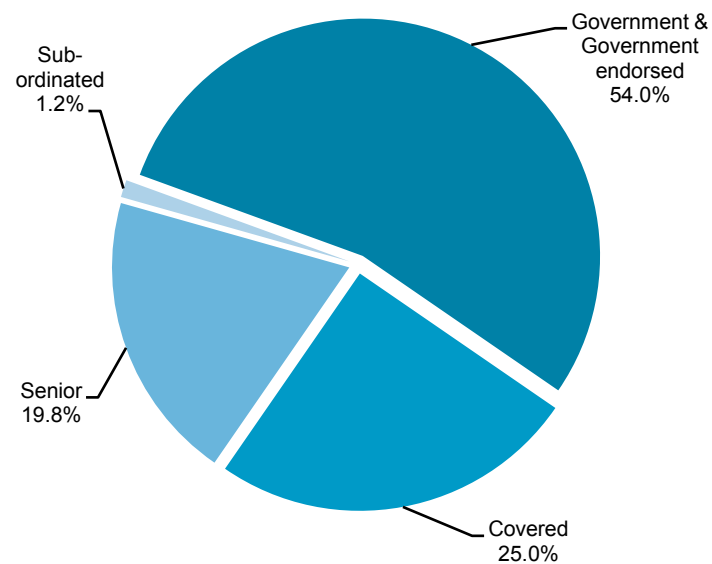
Bond Portfolio

excluding banking assets and assets from investment-type premiums

By quality



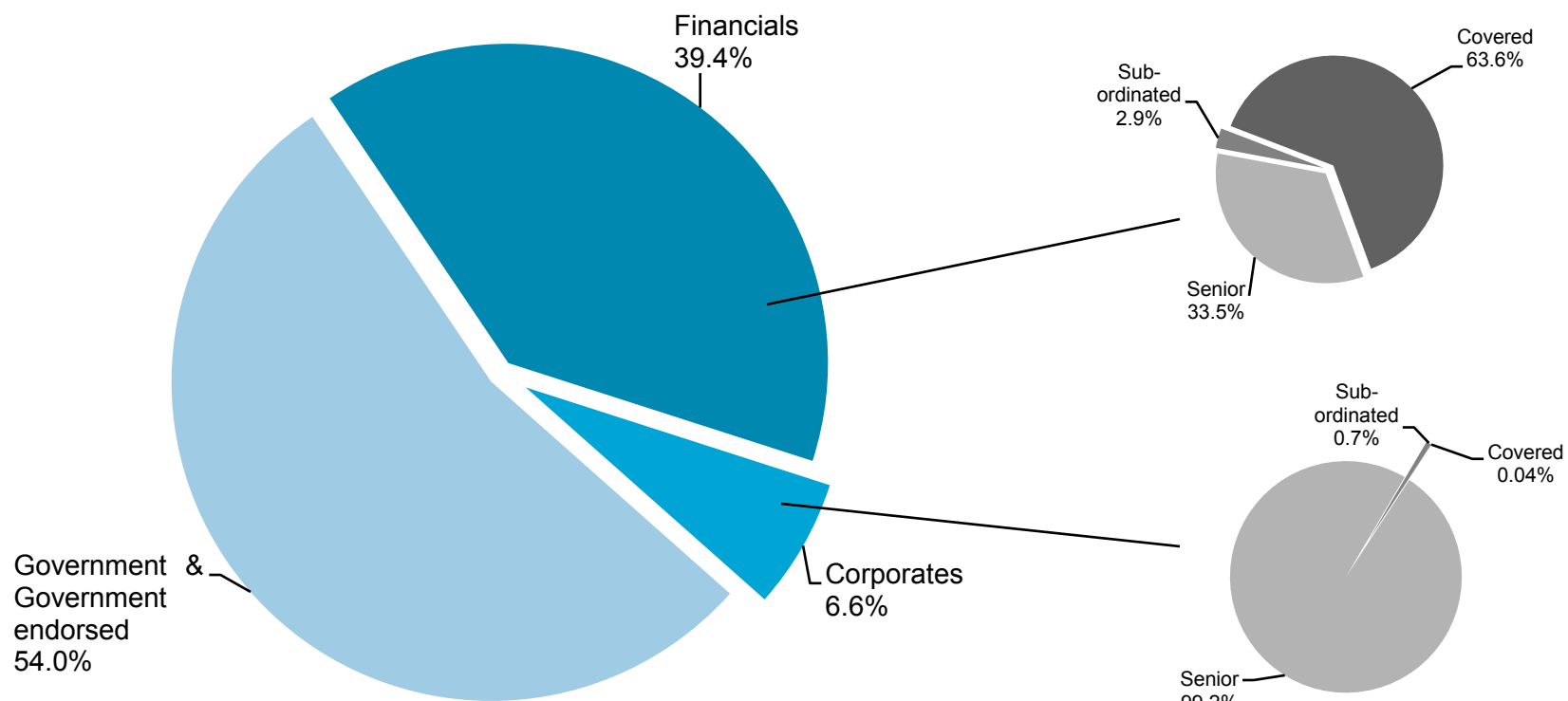
By ordination



in CHF mn	2009
Total bond investments	25,393

Bond Portfolio: Issuers

excluding banking assets and assets from investment-type premiums



in CHF mn

2009

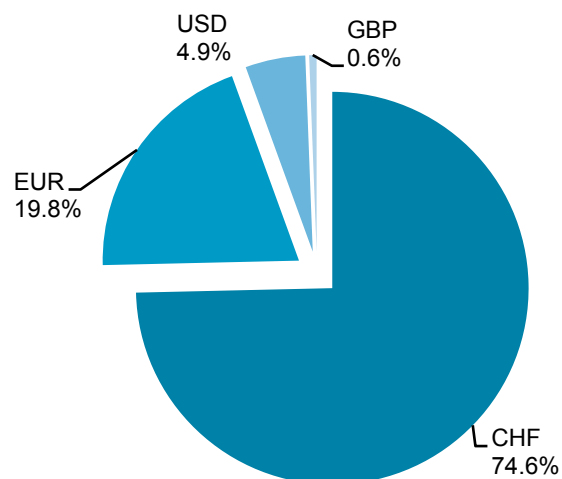
Total bond investments

25,393

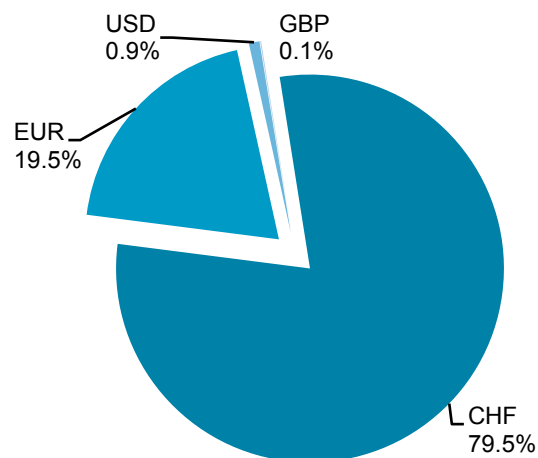
Bond Portfolio: Currency Exposure of Swiss Operations

excluding banking assets and assets from investment-type premiums

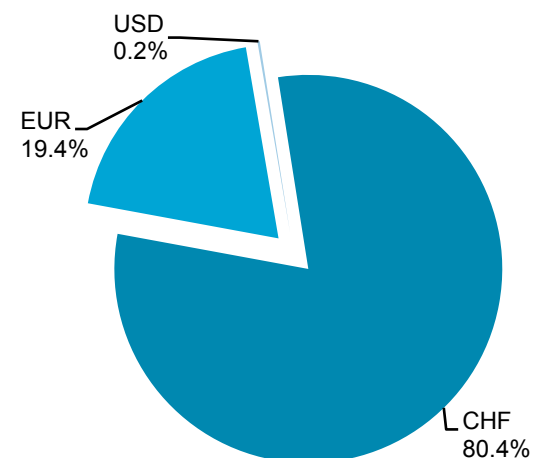
Nonlife



Total bonds



Life



→ Total net currency exposure after hedges & liabilities: 3.8% EUR, 0.2% USD

in CHF mn	2009
Total bonds investments ¹⁾	15,612

¹⁾ held by Swiss operations

Bonds and Promissory Notes: Macaulay Duration

excluding banking assets and assets from investment-type premiums

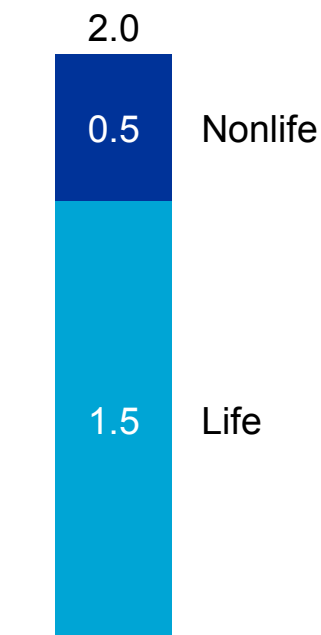
Duration by classification	2008		2009	
	Years	% of total	Years	% of total
Duration bonds available-for-sale (AFS)	5.9	57.5%	6.0	58.8 %
Duration bonds held-to-maturity (HTM)	5.7	20.8%	6.5	21.0 %
Duration promissory notes	5.8	21.7%	6.0	20.2 %
Duration portfolio	5.9	100%	6.1	100 %

Duration by line of business	2008		2009	
	Years	% of total	Years	% of total
Duration life bonds (incl. promissory notes)	6.2	80.2%	6.4	80.5 %
Duration nonlife bonds (incl. promissory notes)	4.7	19.8%	4.8	19.5 %
Duration portfolio	5.9	100%	6.1	100 %

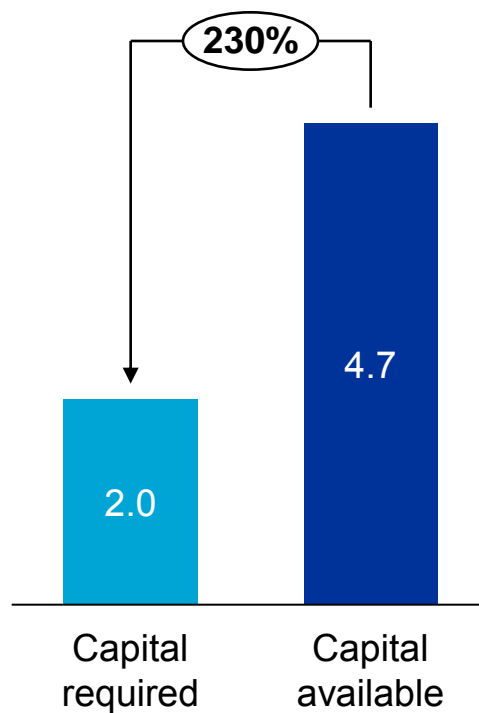
Consolidated Solvency I

in CHF bn, excluding banking assets

Capital required



Required vs. available capital



Available funds

	2009
Total equity	4.5
Goodwill / intangibles	-0.3
DAC nonlife	-0.2
Unallocated surplus	1.3
Other	-0.2
Banking assets	-0.4
Total	4.7

II Operations

Switzerland

in CHF mn	Nonlife	Life
Gross premiums written	1,280 (-1.5%)	2,618 (3.6%)
Investment-type premiums	-	59 ¹⁾ (44.4%)
EBIT	156 (15.1%)	143 (49.6%)

Nonlife

Life

→ Excellent combined ratio

→ Strong growth in group life

→ Focus on operational earning power

→ Modest development in traditional individual life, but increased demand in investment-type business

→ Improved result despite hailstorms in summer 2009

→ Solid profitability overall

¹⁾ investment type premiums incl. CHF 27 mn variable annuities stemming from Baloise Life (Liechtenstein)

Switzerland: Direct Yield and Guarantees

2009	Individual life	Group life	Total life CH
Direct yield ¹⁾	3.0%	3.0%	3.0%
Average guaranteed rate of return	2.5%	2.1%	2.3%
Margin	0.5%	0.9%	0.7%

2008	Individual life	Group life	Total life CH
Direct yield ¹⁾	2.9%	2.9%	2.9%
Average guaranteed rate of return	2.5%	2.1%	2.3%
Margin	0.4%	0.8%	0.6%

¹⁾ relative to average technical reserves, excl. realisations

Switzerland: Group Life (1/2)

in CHF mn, in accordance with statutory financial statements

Group life CH	2008	2009
Result of savings process	-44	41
Result of risk process	63	65
Result of cost process	-14	-19
Gross result for business subject to legal quote	5	87
Strengthening of reserve	0	-52
Approbation to provisions for future policyholder dividends	0	-10
Operating result for business subject to legal quote	5	25

Derivation of legal quote group life CH	2009	%
Gross income from business subject to legal quote	478	100%
Policyholder benefits in business subject to legal quote	453	95%
Operating result for business subject to legal quote	25	
Operating result for business not subject to legal quote	14	
Operating result for group life business	39	

Switzerland: Group Life (2/2)

in CHF mn, in accordance with statutory financial statements

Investment performance	2009	
Net investment income		328
	Book Value	Market value
Investment portfolio at beginning of financial year	11,833	12,184
Investment portfolio at end of financial year	12,302	12,882
Return on book value		2,7%
Return on market value		4,4%
Operating result	2008	2009
Premium income (earned)	1,810	1,967
Policyholder benefits	-2,354	-1,508
Change in insurance reserves incl. strengthening of reserves	406	-599
Acquisition and administrative costs	-100	-99
Net investment income	255	328
Reinsurance result	-2	-5
Surplus allocated to bonus reserves	-11	-45
Operating result for group life business	4	39

Baloise Bank SoBa

in CHF mn, local GAAP	2008	2009	+/-
Interest income	84	85	0.4%
Fee and commission income	21	19	-7.4%
Trading income	4	3	-1.2%
Gross profit	37	34	-7.0%
Profit for the period	25	24 ¹⁾	-4.5%
Cost / income ratio	66.6%	68.4%	1.8 pts
TIER 2 ratio	10.6%	10.2%	-0.4 pts
Return on Equity (RoE)	9.2% / 11.6% ²⁾	8.6% ¹⁾ / 12.2% ²⁾	-0.6 / +0.6 pts
Risk weighted positions	2,791	3,042	9.0%

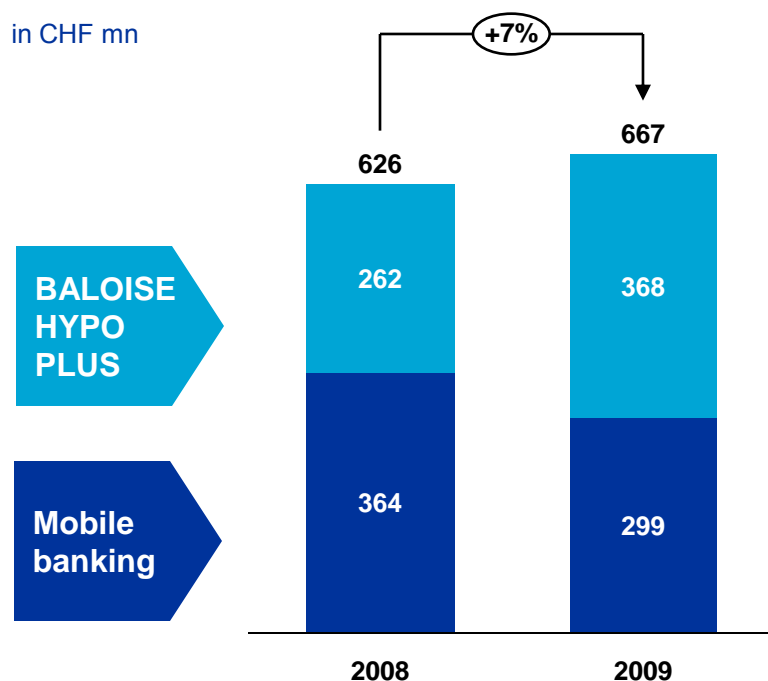
¹⁾ excluding additions to reserves for general banking risks of CHF 3 mn

²⁾ including contribution from focused financial services provider

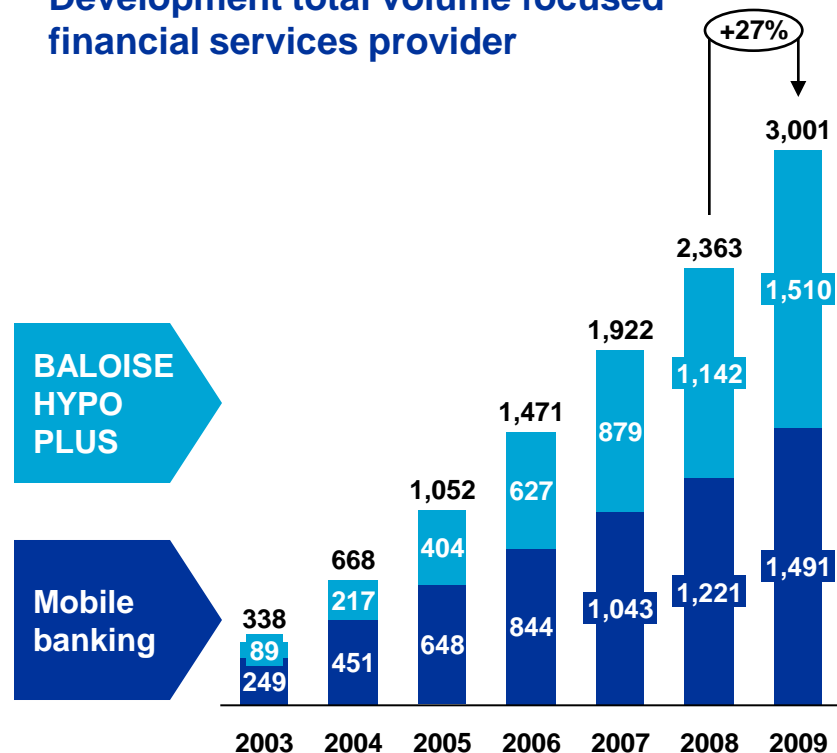
Focused Financial Services

New business distribution volume ¹⁾ focused financial services provider

in CHF mn



Development total volume focused financial services provider



¹⁾ new business distribution volume = Mobile Banking (custody accounts, client assets, loans, Finaclear) + BALOISEHYPO PLUS

Customers: 4,900 8,300 11,700 15,500 21,000 26,600 32,100 (+20%)

Germany

in CHF mn	Nonlife	Life
Gross premiums written	1,029 (0.7% ¹⁾)	854 (-5.9% ¹⁾)
Investment-type premiums	-	287 (1.3% ¹⁾)
EBIT	59 (-18.7%)	13 (177%)

→ Significant cost reductions achieved

→ New business in life with periodic premiums above market average

→ Stable operational result despite difficult market environment and initiated reorganisation

¹⁾ local currency (LC)

Belgium

in CHF mn	Nonlife	Life
Gross premiums written	579 (3.5% ¹⁾)	122 (2.2% ¹⁾)
Investment-type premiums	-	120 (51.7% ¹⁾)
EBIT	33 (-61.6%)	18 (n.m.)

→ Premium growth above market average, business volume up by 3.5% in nonlife and 21.9% in life

→ Excellent new business: new business premiums increased by 8.3% in life and 3.5% in nonlife

→ Improved cost ratio due to the initiated cost management programme

→ Successful launch of Safety World

¹⁾ local currency (LC)

Luxembourg

in CHF mn	Nonlife	Life
Gross premiums written	55 (4.0% ¹⁾)	53 (20.0% ¹⁾)
Investment-type premiums	-	854 (90.8% ¹⁾)
EBIT	4 (145.5%)	3 (309.4%)

- Strengthened market position and increased cross-selling opportunities in nonlife through acquisition of Fortis IARD, closing in January 2010
- Strong growth in domestic business
- Successful international freedom of services business leads to an increase in investment-type premiums of 90.8%

¹⁾ local currency (LC)

Austria

in CHF mn	Nonlife	Life
Gross premiums written	120 (7.5% ¹⁾)	28 (0.6% ¹⁾)
Investment-type premiums	-	14 (28.7% ¹⁾)
EBIT	0.2 (n.m.)	0.3 (-36.1%)

- Ongoing excellent growth in a stagnating market environment, business volume up by 7.5% in nonlife and 8.6% in life
- Strengthened own sales organisation to achieve further growth
- Positive cost development, overall cost ratio down by nearly 1% point
- Gross combined ratio of 106.6% impacted by summer storms

¹⁾ local currency (LC)

Croatia

in CHF mn	Nonlife	Life
Gross premiums written	45 (-1.9% ¹⁾)	47 (-12.3% ¹⁾)
Investment-type premiums	-	-
EBIT	-10 (149.4%)	3 (n.m.)

- Rebranding in October 2009 and legal merger of the three entities in February 2010
- Despite stagnating markets own sales force grew by roughly 12% in nonlife and life
- Second business year in Serbia, first achievements in travel insurance and legal protection

¹⁾ local currency (LC)

Liechtenstein

in CHF mn	2009
Business Volume	1,600 (n.a.)
<i>Whereof generated in</i>	
Liechtenstein	1,573 (n.a.)
Switzerland (only VA)	27 (n.a.)

- Excellent growth in business volume mainly stemming from freedom of services business with Italian customers in context of the tax amnesty
- Growth in premiums generated in Switzerland with Variable Annuities accelerated
- Successful launch of Variable Annuities in Germany and Austria

III Reporting Agenda & Contact Details

Reporting Agenda

→ Annual General Meeting

Friday, 23 April 2010

→ Half Year Results 2010

Thursday, 26 August 2010

→ Full Year Results 2010

Tuesday, 22 March 2011

You will find all published documentation at www.baloise.com

Contacts

Investor Relations

+41 61 285 81 81

investor.relations@baloise.com

www.baloise.com/investors

Media Relations

+41 61 285 84 67

media.relations@baloise.com

www.baloise.com/media

Making you safer.