

# Baloise – Reliable Cash Generator

German Egloff, Group CFO

Bank Vontobel – Swiss Equity Conference  
Interlaken, 16 June 2011



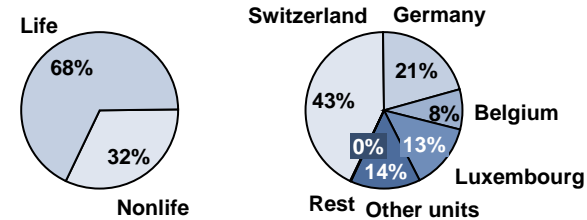
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# The Baloise Group

## Strong Diversification of Business Volume and EBIT

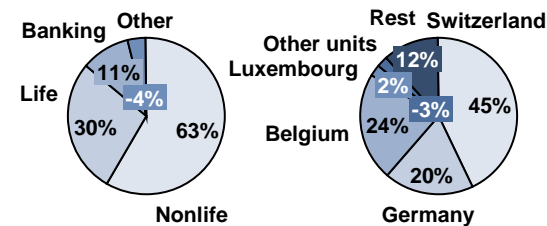


### Business Volume



**Total Business Volume 2010:**  
CHF 9,542 mn

### EBIT



**Total EBIT 2010:**  
CHF 607 mn

# Financial Ambition

## Remains unchanged

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### Financial ambition over the cycle

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→ 15% Return on Equity

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→ Continuous increase of EPS

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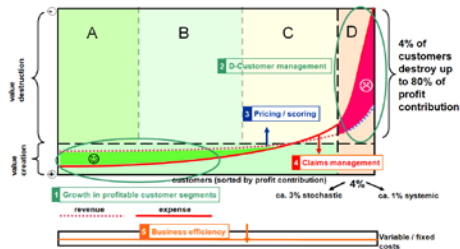
→ Combined ratio well below 100%

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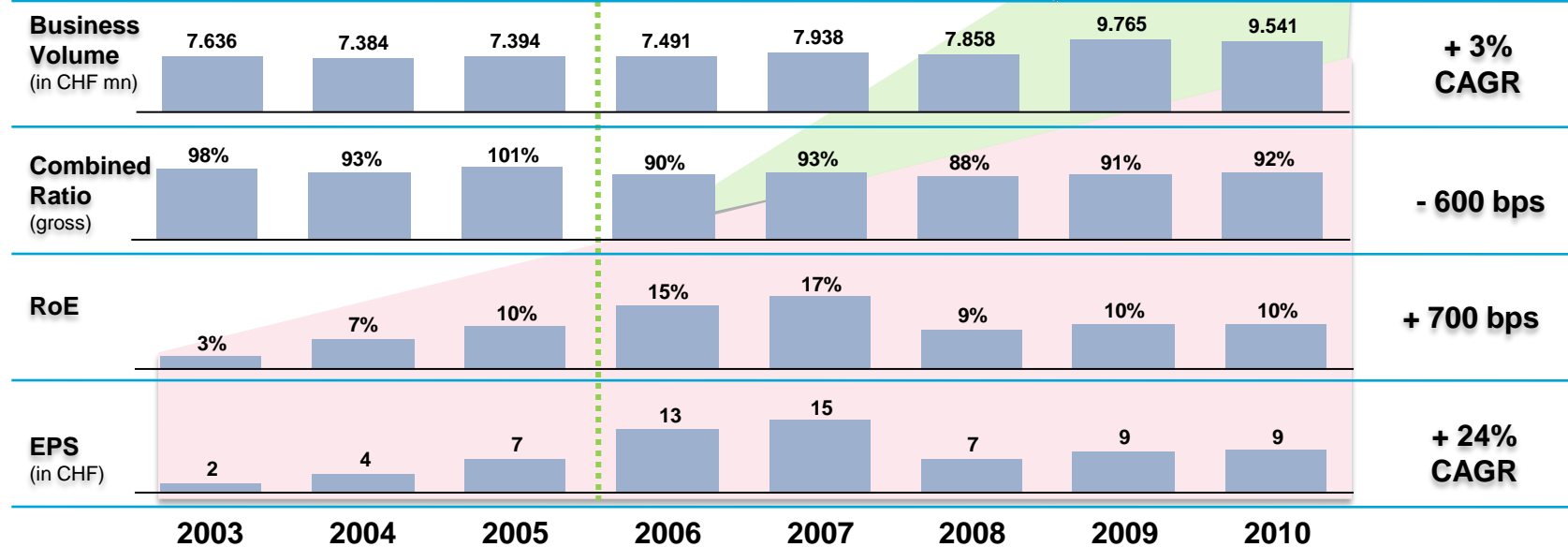
# The Journey so far

## Measurable success delivered

### Target Customer Management



### «Safety World»



# Our Strategy – Safety World

Enhance operational profitability and growth



# Safety World – The Concept

Beyond insurance - we deliver added value to the customer

## Basler Sicherheitswelt®

Insurance



Prevention



Added value service

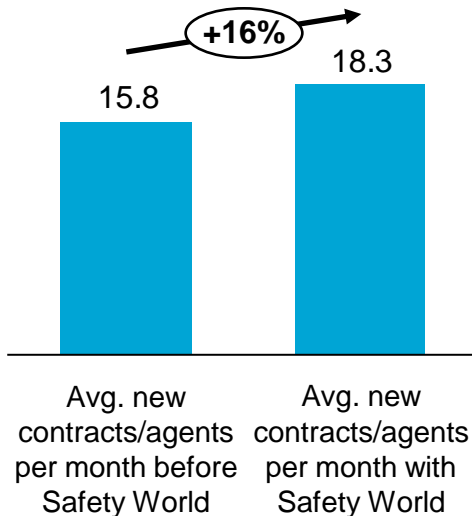


# Safety World – The Effect

## Sustainable positive business effects

### Productivity

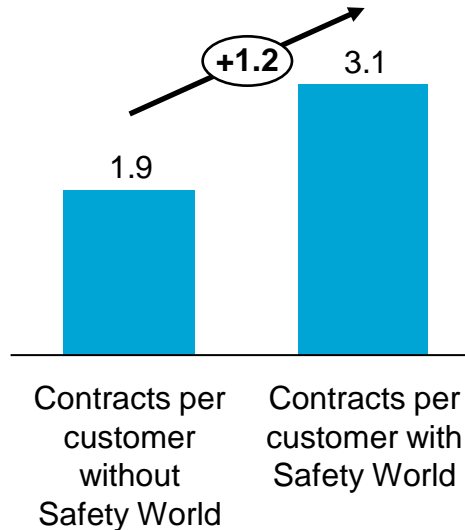
Example Basler Austria



→ Baloise Safety World increases productivity and reduces lapse rate significantly

### Cross-selling

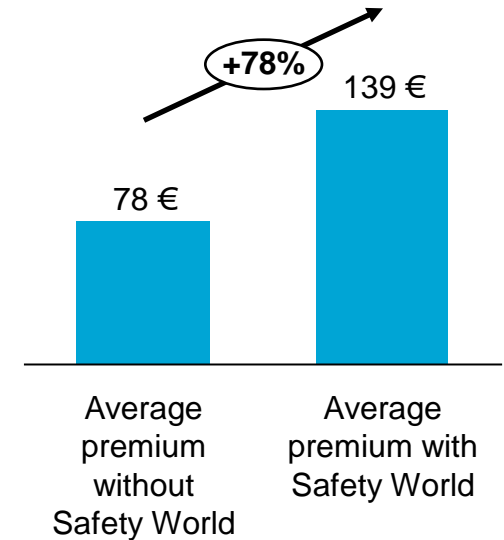
Example Basler Germany



→ Baloise Safety World produces significantly more contracts in target segments

### Pricing

Example household insurance Croatia

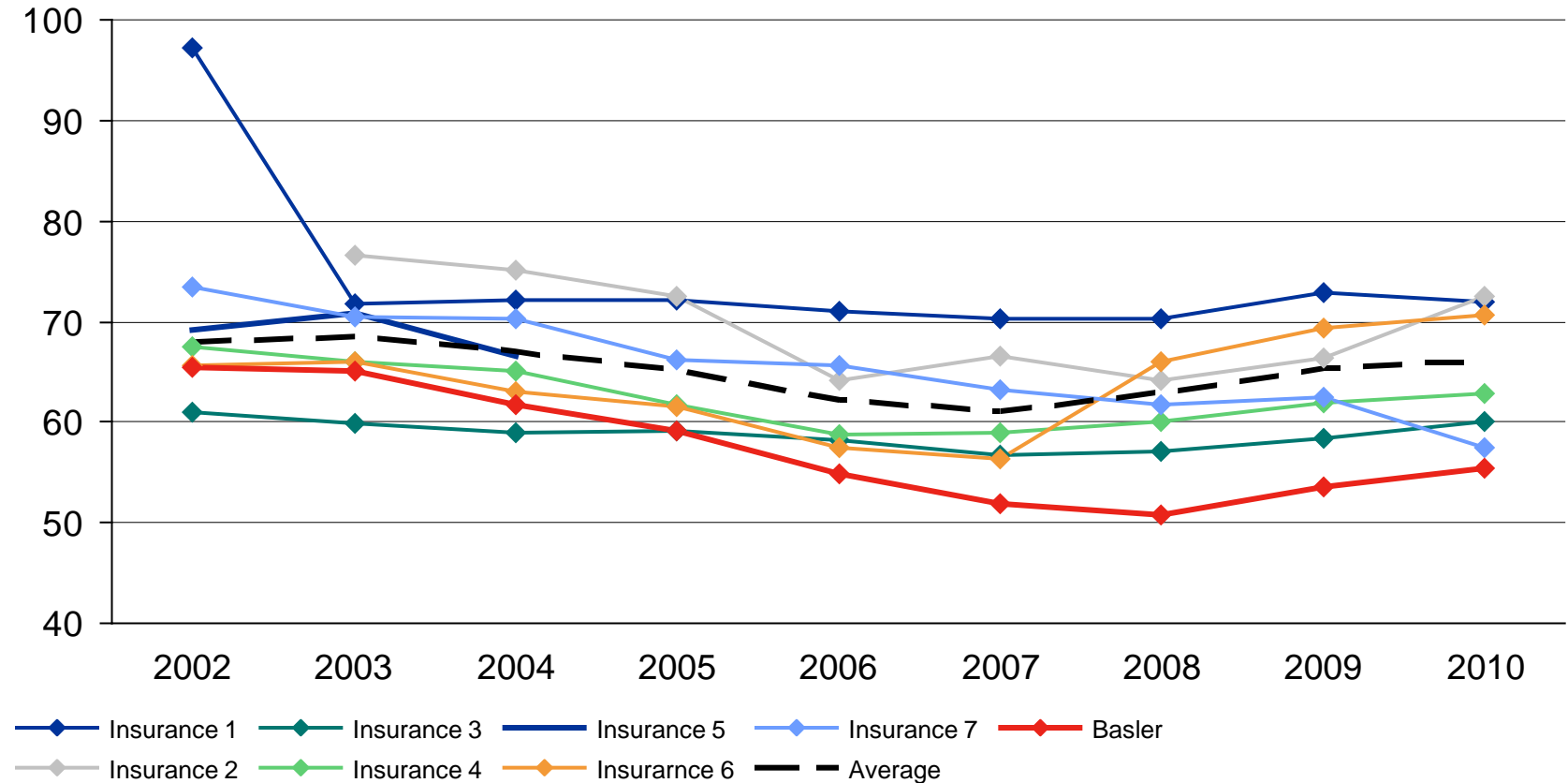


→ Baloise Safety World increases average premiums significantly

# Claims Frequency

High quality in underwriting and source of reliable cash flows

Number of claims per  
1'000 risks



Source: Swiss Insurance Association (SIA)

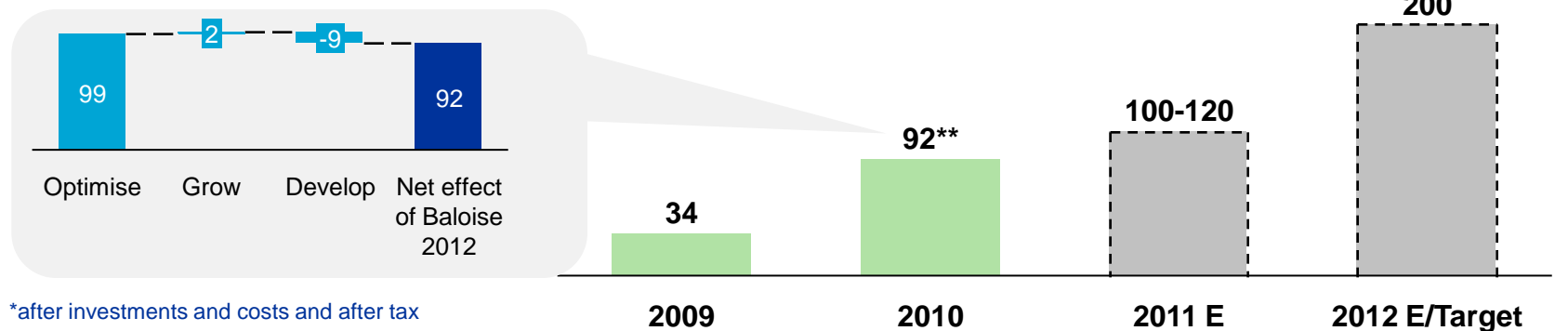


# Baloise 2012

## Major achievements 2010 & Outlook

- Reduced leakage through enhanced claims management and successful conclusion of process optimisation project "GEPARD"
- Cost optimisation initiatives in Belgium
- Sales force development in Austria and Croatia
- Retention and growth in Belgian nonlife business
- Continuous success of investment type life insurance business

### Net effect\* of Baloise 2012 in 2010:

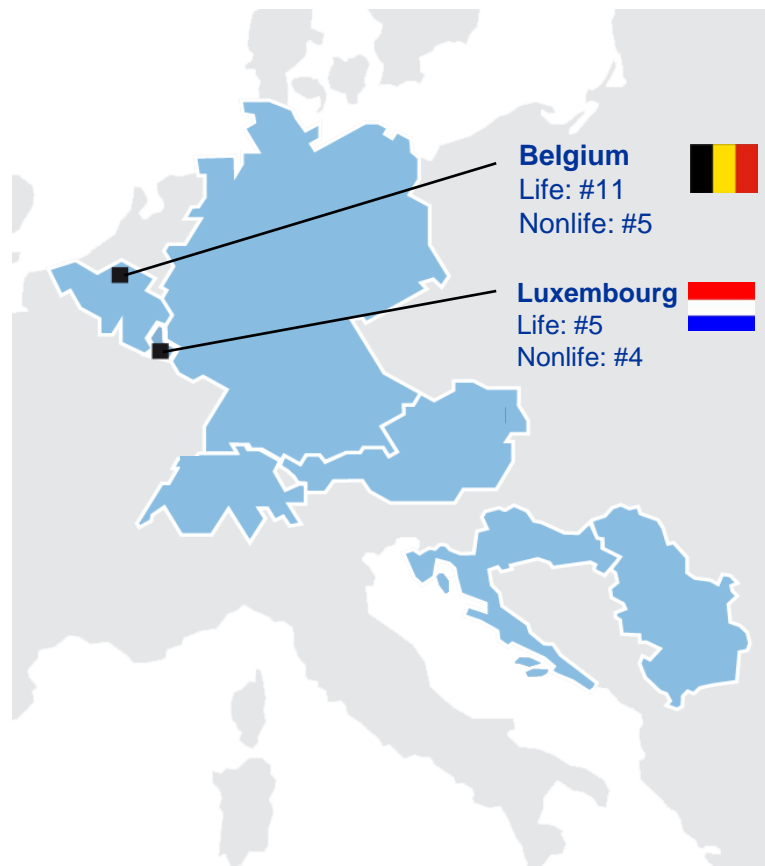


\*after investments and costs and after tax

\*\* includes one-off payment out of unwinding in Germany

# Belgium and Luxembourg

## Improved strategic market positioning in attractive markets

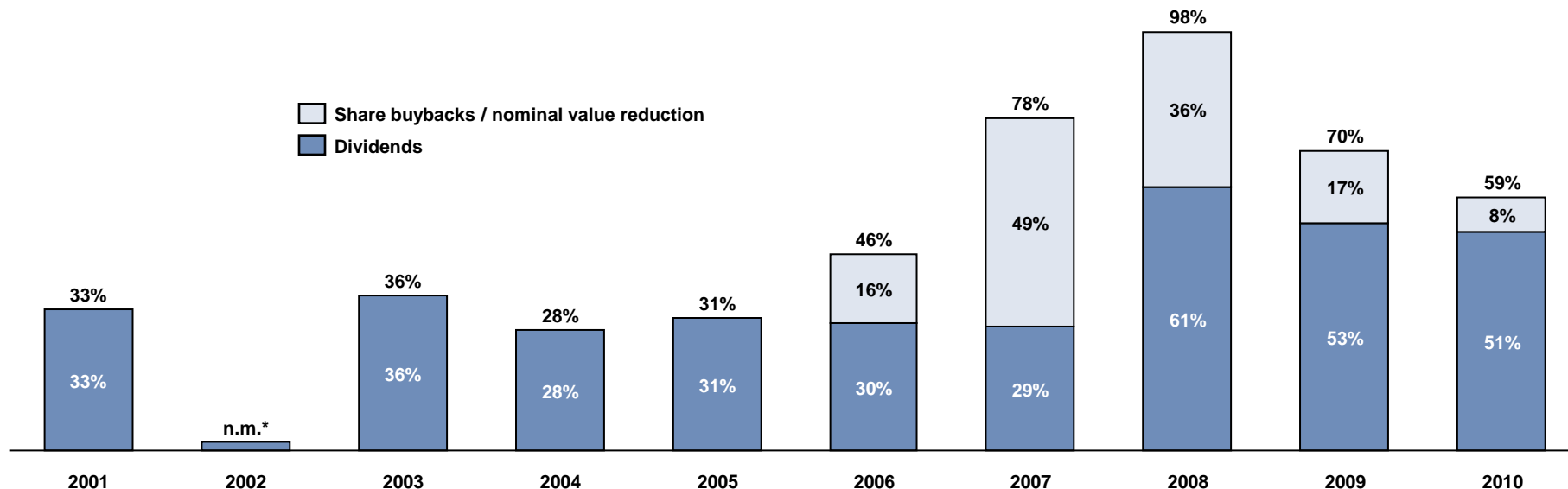


- The strong economies of Belgium and Luxembourg offer attractive growth and profitability opportunities
- Both Mercator and Baloise Luxembourg deliver consistently above average growth and profitability
- Strengthening of strong value proposition and excellent reputation in both markets
- Market position within the five top players in nonlife allows for excellent growth perspectives and high profitability
- Doubling of life business in Belgium at the bottom of the cycle

# Payout

## Strong track record

In % of net profit



Due to our shareholder-friendly dividend policy, CHF 1,766.1 mn have been passed onto shareholders in the form of cash dividends and share buy-backs during the last five years.

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Net profit (in CHF mn)</b>	404.4	-634.5	91.4	223.3	403.5	707.1	820	387	421	436.7
<b>EPS</b>	7.3	-11.6	1.7	3.9	7.3	12.93	15.15	7.32	8.57	8.89
<b>DPS</b>	2.4	0.4	0.6	1.1	2.2	3.8	4.5	4.5	4.5	4.5

\* Baloise had a loss of CHF 635 mn in 2002

# Key Take-aways

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→ Baloise continues its well approved strategy

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→ Baloise generates high operating cash flows resulting in an attractive and reliable dividend

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→ Baloise has a conservative asset allocation with high recurring investment income

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→ Baloise has a strong and flexible balance sheet

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→ The strategic programme «Baloise 2012» is well on track and will increase earnings power by CHF 200 mn until 2012

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# Reporting Agenda

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→ Half Year Results 2011

Tuesday, 30 August 2011

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→ Full Year Results 2011

Thursday, 22 March 2012

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You will find all published documentation at [www.baloise.com](http://www.baloise.com)

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# Q&A

# Contacts

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## Investor Relations

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