

Baloise Group

German Egloff, Group CFO

Berenberg Bank – European Conference, London, 29 November 2011



Making you safer.

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Information on business performance 2011

Considerably lower profit – despite good operating performance

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- Good operating performance of the insurance business despite natural catastrophes and large claims; est. CR 94.5 – 96.5%
 - Current economic situation will have a considerable negative impact on the 2011 net profit:
 - Write down of Greek government bonds of approx. CHF 60 mn
 - Lower goodwill valuation of Croatian subsidiary
 - Negative interest effects and impairments on shares
 - Excellent Solvency of >200%
 - Unchanged dividend principles
-

¹⁾ Local currency (LC)

Overview

Resilient operations

Key Figures HY 2011

Nonlife

Gross premium written	+7.5% ¹⁾
Combined Ratio (net):	93.0%
EBIT	CHF 176 mn

Life

Gross premium written	-0.4%
Unit-linked volume	-53.7% ²⁾
New business margin	19.2%
EBIT:	CHF 101 mn

Asset Management & Solvency

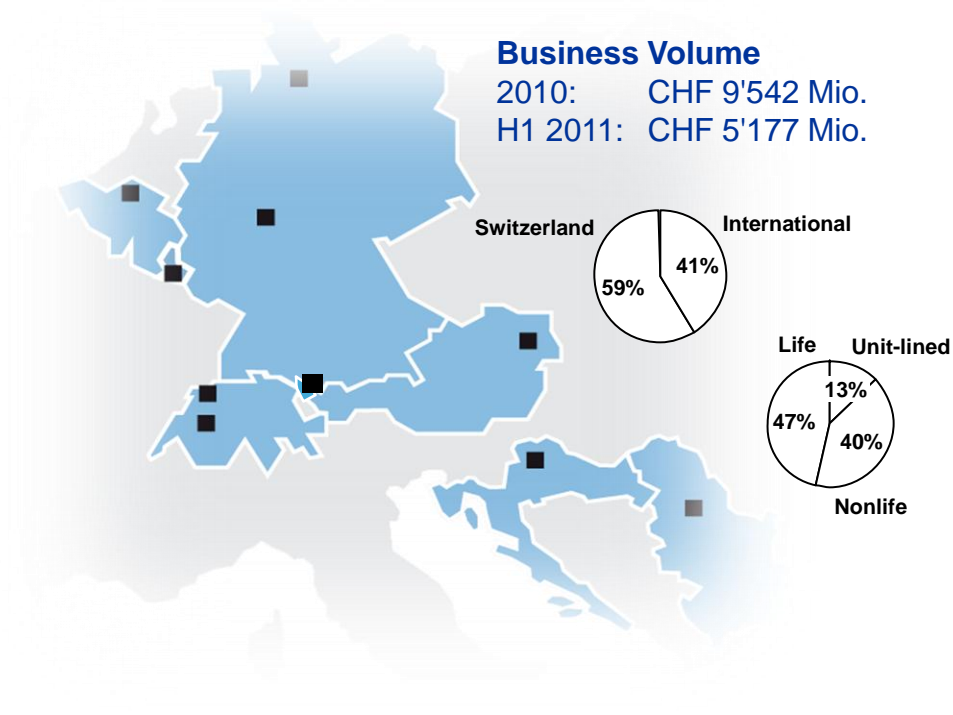
Investment yield	1.6% ³⁾
GIIPS Exposure	<2% of TA
Solvency I	227%

¹⁾ incl. Avéro, Belgium

²⁾ Previous year high single premium contribution from Italian tax amnesty "scudo fiscale"

³⁾ Not annualized

Business Map

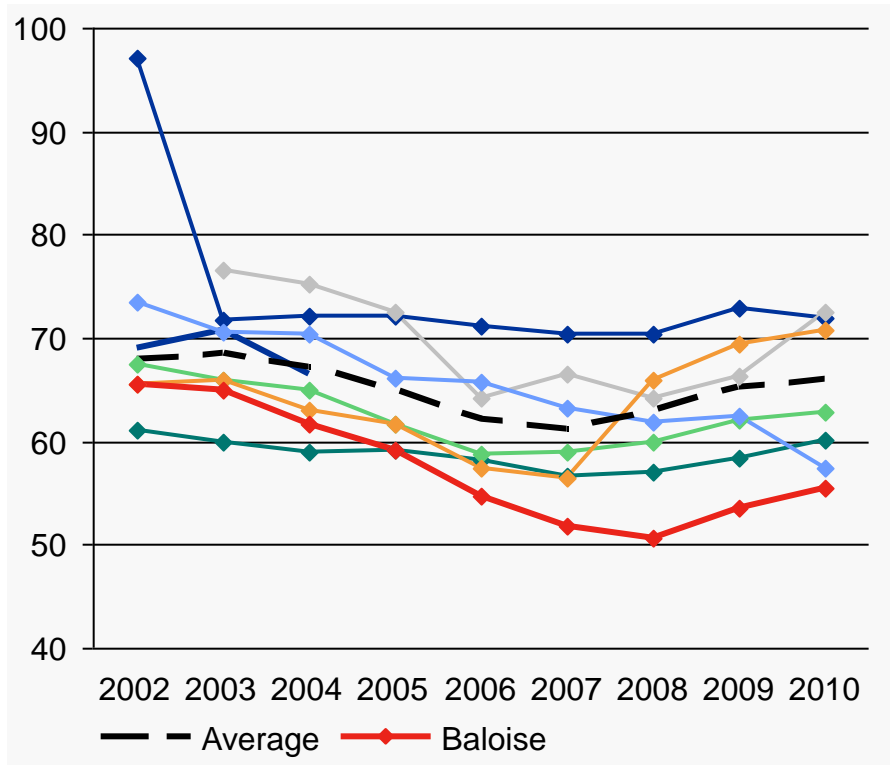


Cash Flows

Target customer management leads to high operational profits

Low claims frequency leads to...

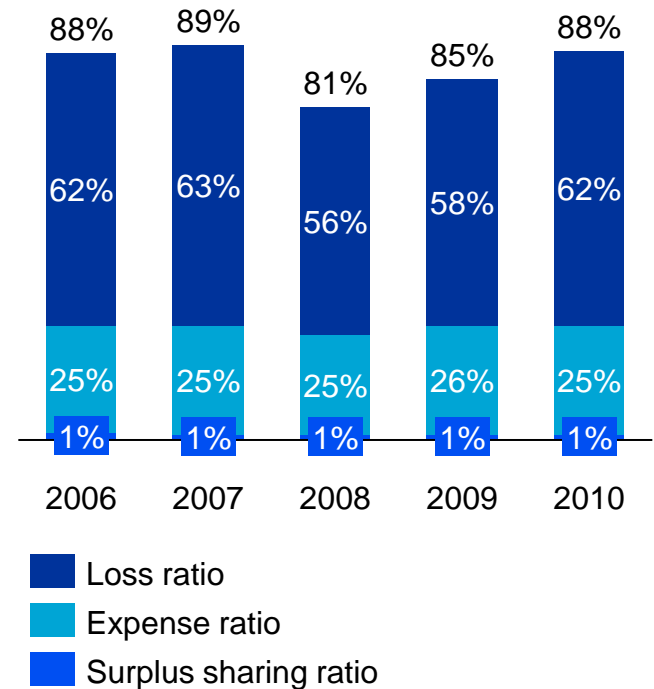
Number of claims per 1'000 risks



Source: Swiss Insurance Association (SIA)

... high cash flows

Combined ratio (gross), Switzerland

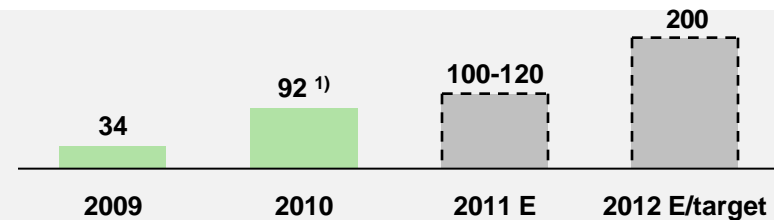


Strategic framework

Safety World leads to higher growth and profitability



Baloise 2012 fully on track
 Additional sustainable profit
 of CHF 200 mn until 2012



¹⁾ includes one-off payment out of unwinding in Germany



Safety World «embedded»

New product features lead to cross- and upselling

Safety World features of property and general liability insurance

- Safety Box
 - Card Protection
 - Psychological treatment in case of burglary
 - Self-defense lessons
-

Cross- and upselling

- Innovative product features embedded in insurance policy
 - Every fourth insurance policy already sold with new additional features
 - USP vs. peers
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«Agents who offer these safety world add-ons to their clients, have a 90% success ratio.»



Baloise Investment Advice (BIA)

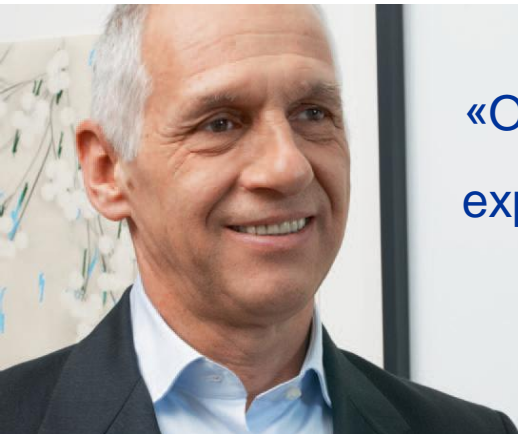
Behavioural finance principles in client consulting

Safety through Behavioural Finance advisory

- Unique client consulting based on innovative Behavioural Finance principles
- Developed together with the universities of St. Gallen (HSG) and Zurich
- High up-selling potential and increase of customer loyalty

Customer benefits

- Customer awareness of investment and pension risks through a highly trustful advisory service
- Scientific solution approach taking individual financial situation into account
- "All-in-one" service



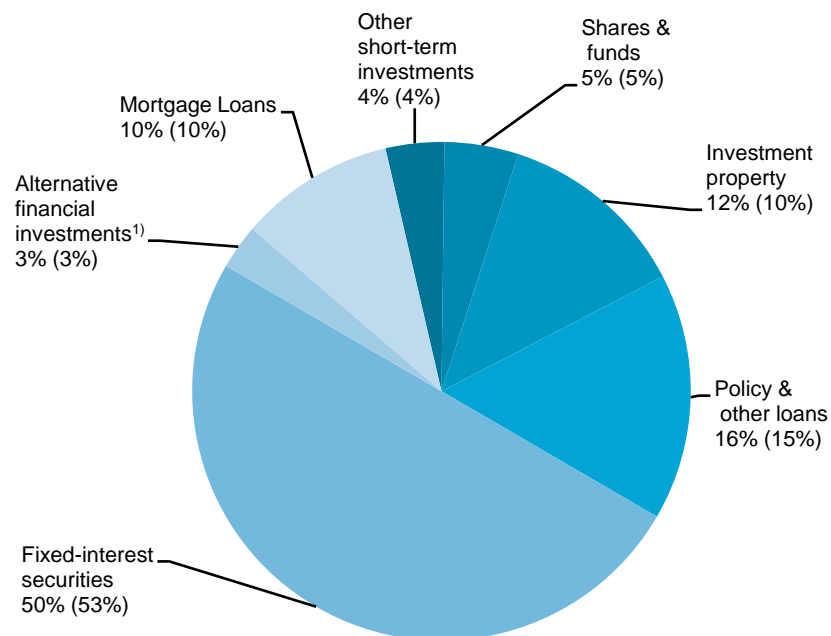
«Of course I am looking for a high return but not at the expense of financial safety»

Asset Allocation

Diversified portfolio generates stable recurring income

excluding banking assets and assets from investment-type premiums

HY 2011 (FY 2010)



¹⁾ private equity & hedge funds

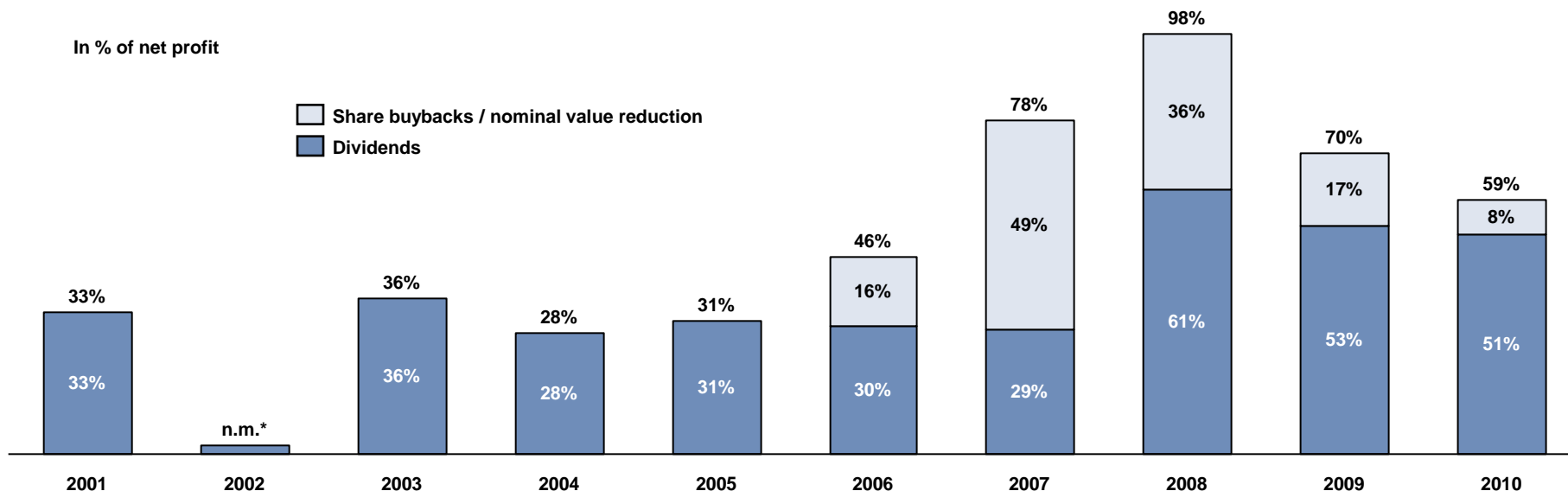
In CHF mn, %	FY 2010	HY 2011
Equity & equity-related investments (net)	5.8%	6.7%
Total insurance assets	46,476	47,233

Payout Policy

High cashflow ensures reliable payout

In % of net profit

Share buybacks / nominal value reduction
 Dividends



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
Net profit (in CHF mn)	404.4	-634.5	91.4	223.3	403.5	707.1	820	387	421	436.7
EPS	7.3	-11.6	1.7	3.9	7.3	12.93	15.15	7.32	8.57	8.89
DPS	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

Summary

- Good operating performance of the insurance business
- Net profit FY11 will be considerably lower than previous year because of market-related and largely one-off negative accounting impacts
- Strong capitalisation
- Reliable dividend payer

Q&A

III Reporting Agenda & Contact Details

Reporting Agenda

→ Full Year Results 2011

Thursday, 22 March 2012

→ Annual General Meeting

Friday, 27 April 2012

→ Half Year Results 2012

Thursday, 30 August 2012

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

Contacts

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