

Half Year Results 2012

«Good result follows operational excellence»

Basel, 30 August 2012



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	17
Martin Strobel, Group CEO	
04 Strategy & Outlook	22
Martin Strobel, Group CEO	
05 Appendix	29

01 Highlights

Martin Strobel
Group CEO

Highlights HY 2012

Good result from strong operations

→ Profit of CHF 219 mn up by 7.8%; high cashflows stemming from strong operations

→ Business volume up by 2.4%¹⁾

→ Excellent net combined ratio of 92.6%

→ Stable recurring income and good investment performance of 3.0%²⁾

→ Solid shareholders' equity, book value per share up by 6.4%

→ Comfortable capitalisation: strong solvency I of 228%, S&P rating "A-, stable" confirmed

→ «Baloise 2012» on the home stretch, full benefit of CHF 200 mn for FY 2012 expected

→ «Safety World» product enhancements increase premiums and profit in Switzerland

¹⁾ local currency (LC)

²⁾ insurance assets excl. investment-type assets; incl. costs and movements in unrealised capital gains

02 Financials

German Egloff
Group CFO

Key Figures

Solid set of results, profit up by 8%

in CHF mn	HY 2011	HY 2012	+/-
Half-year consolidated profit	203	219	7.8%
Earnings per share (undiluted)	4.32	4.68	8.3%
Total equity	3,893 ²⁾	4,134	6.2%
Book value per share	82.3 ²⁾	87.6	6.4%
Total business volume	5,176	5,190	0.3%
Gross premiums written	4,522	4,438	-1.9%
Investment performance ¹⁾	1.7%	3.0%	1.3 pts
Combined ratio, net	93.0%	92.6%	-0.4 pts
New business margin	19.2%	7.1%³⁾	-12.1pts
Annual premium equivalent (APE)	201	144³⁾	-28.5%
Consolidated solvency I ⁴⁾	203% ²⁾	228%	25 pts

¹⁾ insurance assets excl. investment-type assets; incl. costs and movements in unrealised capital gains

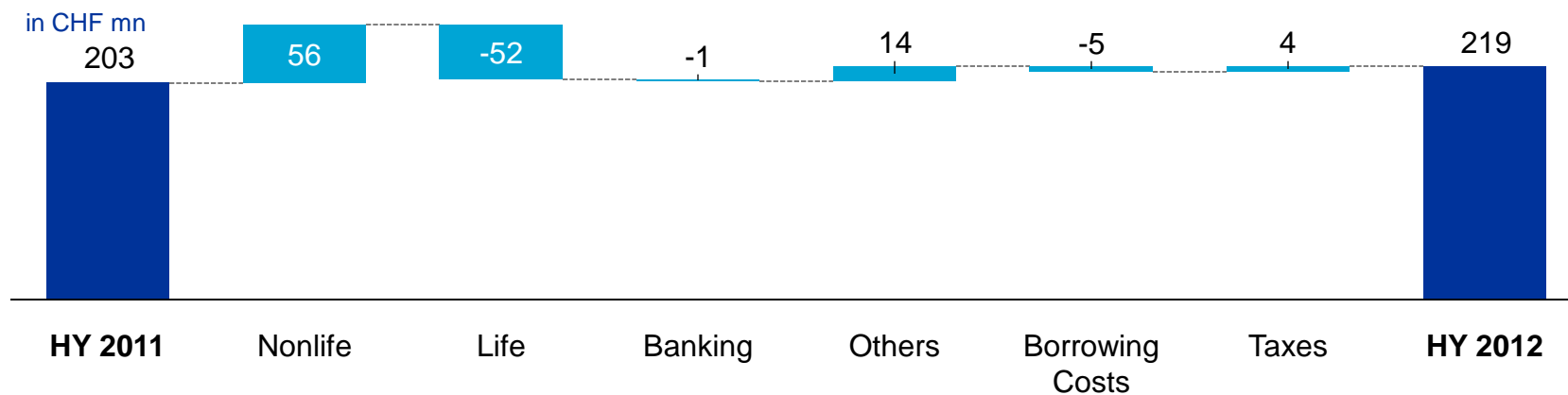
²⁾ as per 31.12.2011

³⁾ change in scope vs. YE 2011: incl. Nateus and excl. Baloise Life Liechtenstein

⁴⁾ excl. banking

Net Profit - Analysis of Change

Strong performance of nonlife business



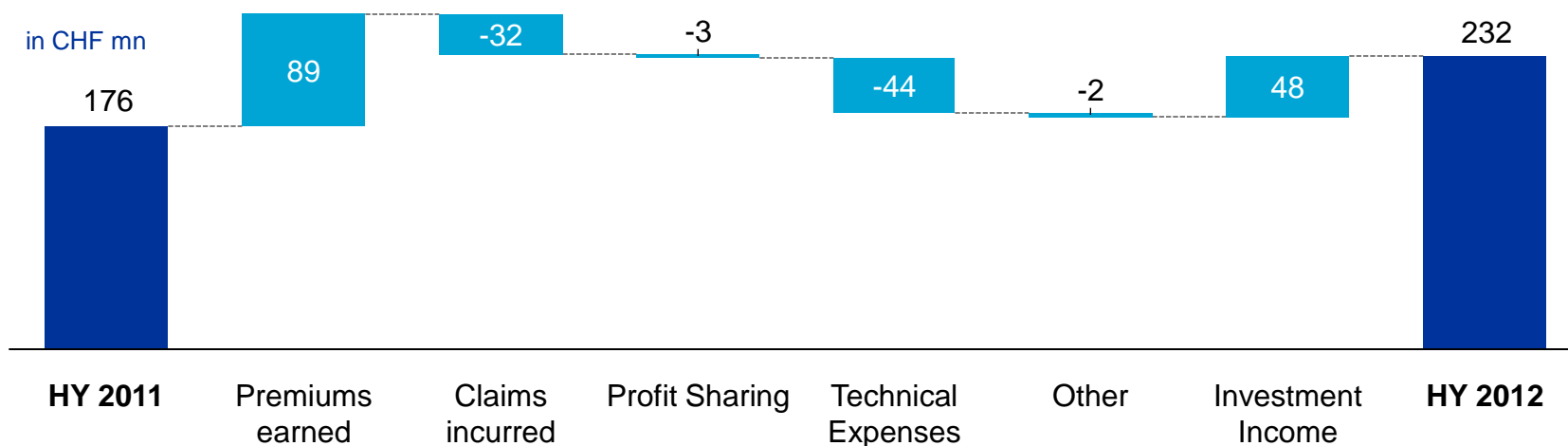
Major triggers first half-year 2012:

- Nonlife
- Excellent combined ratio
 - High profitable growth
 - Rebound of investment result

- Life
- DAC write-down & reserve strengthening (partly compensated by derivatives)
 - Lower premium volume due to restrictive underwriting policy
 - Negative effects partly compensated with higher investment income

Nonlife Earnings

Profitable growth

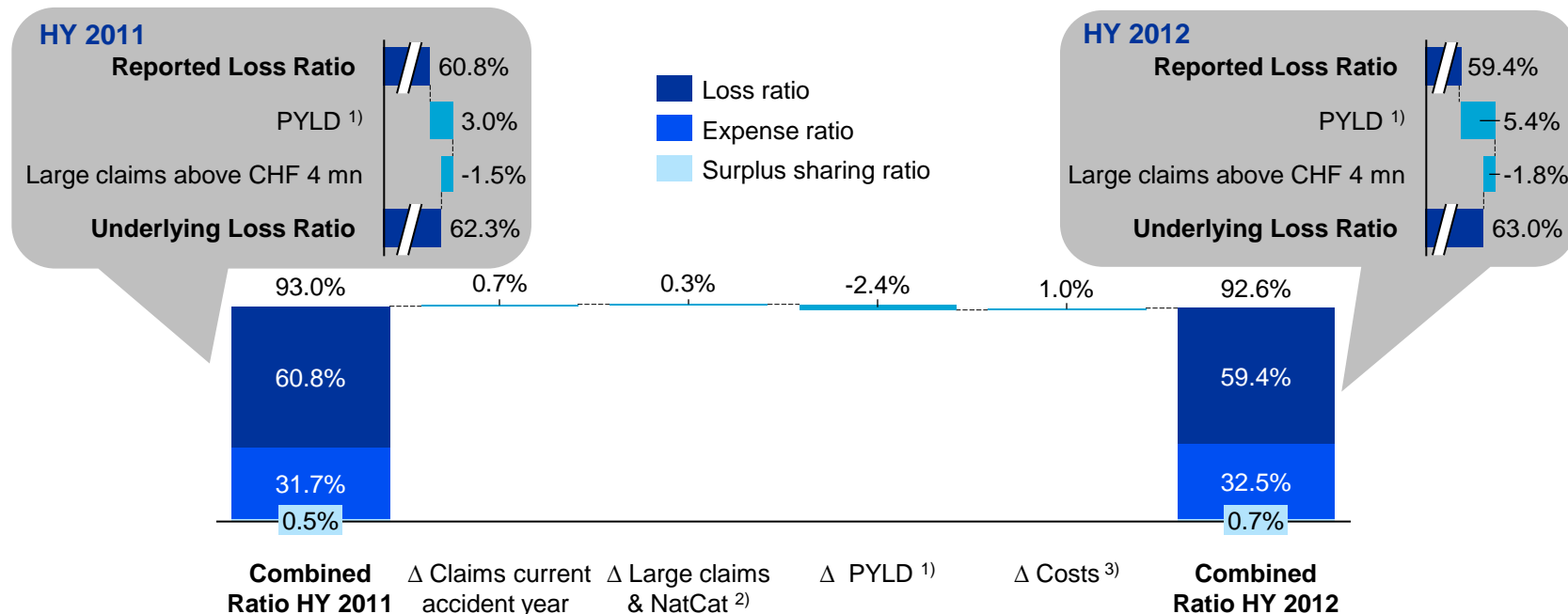


in CHF mn	HY 2011	HY 2012	+/-
Gross premiums written	2,098	2,215	5.6%
Net premiums earned	1,458	1,547	6.1%
Investment income	107	155	44.6%
Claims incurred	-898	-930	3.7%
Technical expenses	-472	-516	9.3%
EBIT	176	232	31.7%

Nonlife Combined Ratio

Excellent operational performance

net, in % of premiums earned









- Excellent underlying loss ratio despite higher claims load in Germany
- Positive development of prior year claims
- Integration of Belgian units impact combined ratio with 0.5 pts

¹⁾ prior year loss development
²⁾ incl. large claims above CHF 4 mn
³⁾ incl. Δ surplus sharing ratio

Nonlife Combined Ratio by Country

Strong cashflow from Switzerland

gross, in %	Switzerland	Germany	Belgium	Luxembourg	Austria	Croatia (incl. Serbia)	Group
							
Loss ratio	55.1	66.1	57.7	84.4	62.2	59.6	59.4
Expense ratio	25.3	34.2	36.5	35.4	33.6	52.8	31.4
Surplus sharing ratio	1.3	0.4	0.2	0.0	-	-	0.7
Combined ratio HY 2012	81.7	100.7	94.4	119.8	95.8	112.4	91.5
Change vs. HY 2011 (in pts)							
Δ Loss ratio	-3.6	5.4	-2.6	34.0	1.7	4.8	0.2
Δ Expense ratio	0.6	-0.3	1.6	-1.2	-0.4	0.9	0.8
Δ Surplus sharing ratio	0.4	-0.0	0.0	-0.0	-0.0	-	0.2
Δ Combined ratio	-2.6	5.1	-1.0	32.8	1.3	5.7	1.2

Life Earnings

Restrictive underwriting policy dampens growth

in CHF mn, excl. investment-type assets	HY 2011	HY 2012	+/-
Business volume	3,078	2,975	-3.4%
Gross premiums written	2,424	2,224	-8.3%
Net premiums earned	2,413	2,211	-8.4%
Investment-type premiums	654	751	14.9%
Investment income	637	749	17.6%
Benefits to policyholders ¹⁾	-2,672	-2,487	-6.9%
Technical expenses	-227	-375	65.4%
EBIT	101	49	-51.9%
Value of new business	39	10²⁾	-73.5%
Annual premium equivalent (APE)	201	144²⁾	-28.5%
New business margin	19.2%	7.1%²⁾	-12.1 pts

¹⁾ incl. change in technical reserves

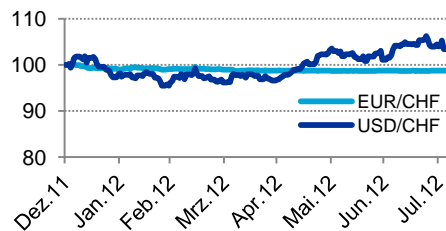
²⁾ change in scope vs. YE 2011: incl. Nateus and excl. Baloise Life Liechtenstein

Asset Management

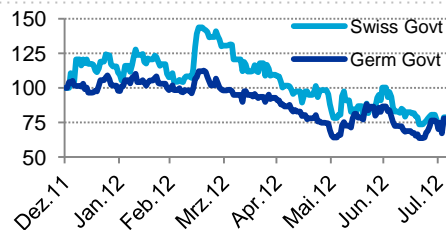
Investment result back on track

Drivers

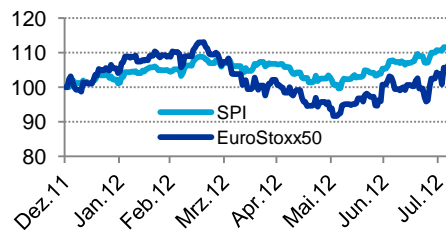
Currency



Interest Rates



Equities



Measures

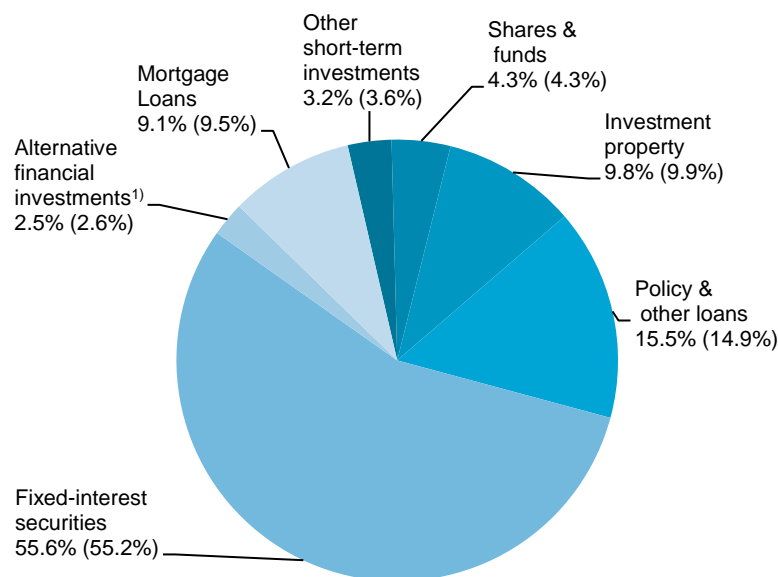
- Despite SNB EUR/CHF peg hedging quota above 90% on fixed income instruments
- USD hedge ratio on alternative investments managed more actively; no hedging of earnings of foreign business units and equities
- Low interest rate environment persists
- Duration again increased by 0.3 years
- Further reduction of GIIPS exposure; Greek and Portuguese exposure sold
- Equity quota kept stable
- New investment approach on high quality stocks and sustainable high payments of dividend

Asset Allocation

High quality and strong diversification

excluding banking assets and assets from investment-type premiums

HY 2012 (FY 2011)



¹⁾ private equity & hedge funds

<i>Equity & equity related investments</i> <i>In % total insurance assets</i>	HY 2012
Equities	3.0 %
Equity derivatives	-0.1 %
Equities incl. derivatives	2.9 %
Private Equity	1.0 %
Hedge Funds (equity related)	0.0 %
Other ²⁾	1.2 %
Equity & equity related investments	5.1 %

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

In CHF mn, %	FY 2011	HY 2012
Equity & equity-related investments (net)	4.8 %	5.1 %
Total insurance assets	50,032	51,512

Change in Equity

Book value per share up by 6.4%

in CHF mn	HY 2012		Per share ¹⁾
Total equity at January 1 (incl. minorities)	3,894		82.3
Other comprehensive income	228		
Dividends	-212		
Half-year consolidated profit	219	$\Delta = 6.2\%$	$\Delta = 6.4\%$
Purchase / sale of treasury shares	6		
Change in minority interests	-		
Total equity at June 30 (incl. minorities)	4,134		87.6

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

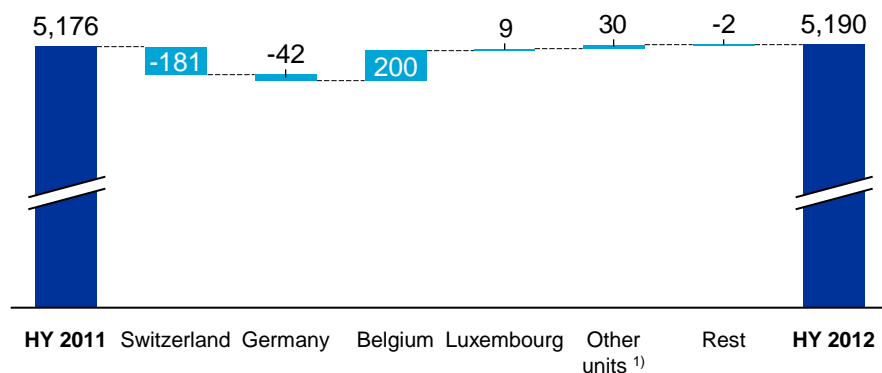
03 Operations

Martin Strobel
Group CEO

Business Volume

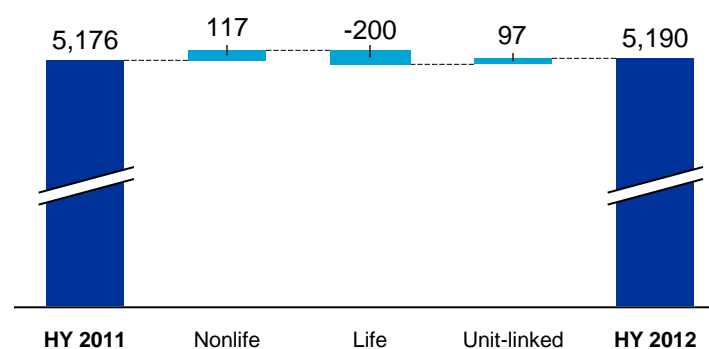
Strong growth in nonlife and unit-linked business

By country



in CHF mn	HY 2011	HY 2012	+/-	+/- LC ²⁾
Switzerland	3,040	2,859	-6.0%	-6.0%
Germany	1,016	974	-4.1%	1.1%
Belgium	515	715	38.7%	46.2%
Luxembourg	272	281	3.1%	8.6%
Other units ¹⁾	327	357	9.3%	-
Rest	6	4	-38.3%	-38.5%
Total	5,176	5,190	0.3%	2.4%

By line of business



in CHF mn	HY 2011	HY 2012	+/-	+/- LC ²⁾
Nonlife	2,098	2,215	5.6%	8.6%
Life	2,424	2,224	-8.3%	-7.3%
Unit-linked	654	751	14.9%	18.7%
Total	5,176	5,190	0.3%	2.4%

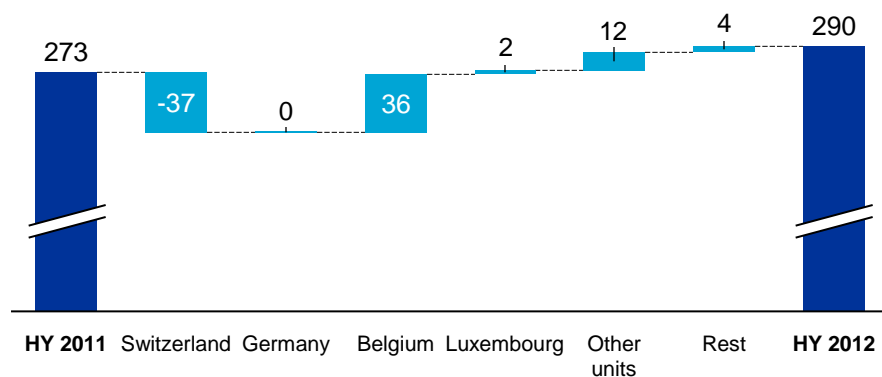
¹⁾ Austria, Croatia, Serbia and Baloise Life Liechtenstein

²⁾ local currency (LC)

EBIT

High contribution of nonlife business

By country

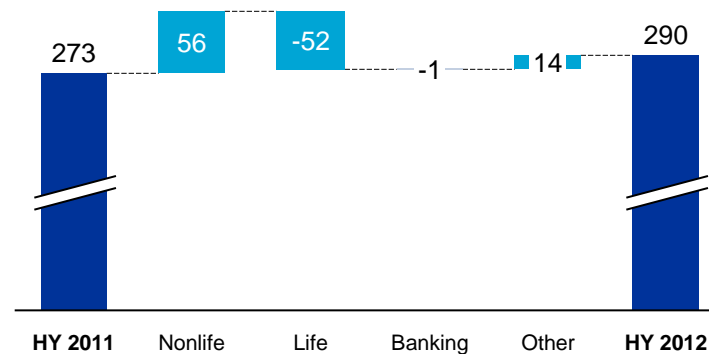


in CHF mn	HY 2011	HY 2012	+/-
Switzerland	174	137	-21.4%
Germany	13	14	1.5%
Belgium	41	77	89.0%
Luxembourg	5	7	44.4%
Other units ¹⁾	-9	2	-
Rest ²⁾	49	53	8.1%
Total	273	290	6.2%

¹⁾ Austria, Croatia, Serbia and Baloise Life Liechtenstein

²⁾ incl. Baloise Holding AG, internal reinsurance, Corporate IT. etc.

By line of business



in CHF mn	HY 2011	HY 2012	+/-
Nonlife	176	232	31.7%
Life	101	49	-51.9%
Banking	37	36	-2.2%
Other ³⁾	-41	-27	-34.5%
Total	273	290	6.2%

³⁾ incl. Baloise Holding AG, Corporate IT, Baloise Incentive Foundation, etc.

Highlights Swiss Operations

Safety World contributes to growth

Nonlife:

Gross premiums written:	CHF 1,037 mn (1.4%)	→	Excellent operational profitability
Combined Ratio, gross:	81.7% (-2.6 pts)	→	Safety World contributes to growth
EBIT:	CHF 89 mn (56.4%)		

Life:

Gross premiums written:	CHF 1,778mn (-9.8%)	→	Growth in Group Life annual premiums by 2.7%
Investment-type premiums ¹⁾ :	CHF 119 mn (15.1%)	→	Declining total volume due to restrictive underwriting policy
EBIT:	CHF 40 mn (-63.9%)	→	Innovative products lead to strong growth in investment-type premiums
New business margin:	6.1% (-16.7 pts)		

Baloise Bank SoBa²⁾: (local GAAP)

Profit for the period:	CHF 13 mn (+0.1%)	→	Customer confidence leads to increase in savings and assets
Client deposits:	CHF +125 mn (+2.7%)	→	Steady profitability despite adverse interest rate environment
Client loans:	CHF +70 mn (+1.2%)		
Cost income ratio:	63% (-0.4 pts)		

¹⁾ investment-type premiums incl. CHF 75 mn variable annuities stemming from Baloise Life Liechtenstein

²⁾ balance sheet positions compared to 31.12.2011, profit and loss positions compared to 30.06.2011

Highlights International Operations

Growth in all markets

- Germany: → Unwinding completed; connection of Deutscher Ring and Basler Germany on track
-
- Belgium: → Growth well above market average; business volume in nonlife up by 34.3%¹⁾ and in life by 58.6%¹⁾ while unit-linked products add 100.6%¹⁾. Even excluding the consolidation of Nateus there is significant total growth of 6.4%¹⁾
-
- Luxembourg: → Strong growth in life (24.7%¹⁾) and growth above market average in nonlife (6.9%¹⁾)
-
- Austria: → Strong growth leads to a further improved cost ratio
-
- Croatia: → Break-even reached in a declining market environment
-
- Liechtenstein:²⁾ → Increased VA production; strengthening the cooperation with Luxembourg
-

¹⁾ local currency (LC)

²⁾ Baloise Life Liechtenstein

04 Strategy & Outlook

Martin Strobel
Group CEO

Baloise 2012

Major contributors in the first half of the year 2012

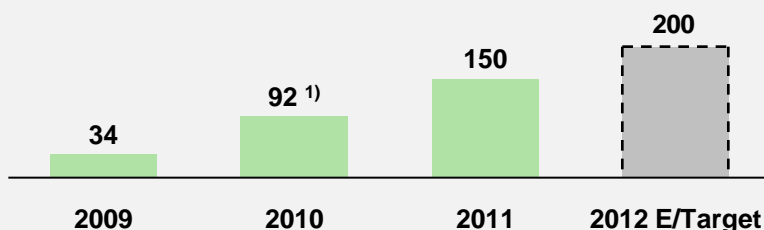


- Optimise:**
- Successful claims management and cost initiatives in Switzerland
 - Cost optimisation initiatives in Belgium
 - Centralized group procurement

- Grow:**
- Pricing initiative in Switzerland
 - Growth of Variable Annuity business in Germany
 - Growth in life business in Belgium

- Develop:**
- Steady income from investment type life insurance business

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



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

Baloise 2012

Sample initiatives

Optimise:



"Goede dag! Hoe kan ik u helpen?" - Corporate IT now speaking Dutch

- The consolidation of the Datacentres in Basel and the harmonization of the end user infrastructure in the Group is progressing according to plan
- For Mercator in Belgium, our Helpdesk in Basel answers and supports users in Dutch and French

Optimise:



Group Procurement established

- Implementation of a group-wide procurement platform is on track
- The initiative won the 2012 award for best business transformation by the Association of Management Consultants in Switzerland

Grow:



Integration of former Fortis successfully completed in Luxembourg

- Further decrease of expense ratio due to higher cost efficiency and economies of scale
- Significant increase of market share in local nonlife market
- Top 3 position in property and liability
- Significant increase of selling capacity

Financial Ambition

Focus on operational excellence

→ Combined ratio well below 100%

→ New business margin of $\geq 10\%$

→ Attractive payout to shareholders

Q&A

05 Appendix

I Financials

Business Matrix	29
Nonlife	31
Life	32
Asset Allocation	35
Comprehensive Income	48
Unrealised Gains	49
Solvency	51
Currency	52

II Operations

Switzerland	54
International	57

III Reporting Agenda & Contact Details

I Financials

Business Matrix HY 2012

in CHF mn	Switzerland (excl. VA)	Germany	Belgium	Luxembourg	Austria	Croatia/ Serbia	Liechten- stein	Rest	Total
Life	1,778 80.0% 62.2%	315 14.2% 32.3%	71 3.2% 9.9%	34 1.5% 12.1%	10 0.4% 12.3%	15 0.7% 43.5%	1 0.0% 0.4%	- 0.0% 0.0%	2,224 100.0% 42.8%
Unit-linked	44 5.9% 1.5%	114 15.2% 11.8%	144 19.2% 20.2%	199 26.5% 70.9%	9 1.2% 10.9%	- 0.0% 0.0%	241 32.0% 99.6%	- 0.0% 0.0%	751 100.0% 14.5%
Nonlife	1,037 46.7% 36.3%	545 24.6% 55.9%	500 22.6% 69.9%	48 2.2% 17.0%	62 2.8% 76.8%	19 0.9% 56.2%	- 0.0% 0.0%	4 0.2% 100.0%	2,215 100.0% 42.7%
Total	2,859 55.0% 100.0%	974 18.7% 100.0%	715 13.8% 100.0%	281 5.4% 100.0%	81 1.6% 100.0%	34 0.7% 100.0%	242 4.7% 100.0%	4 0.1% 100.0%	5,190 100.0% 100.0%

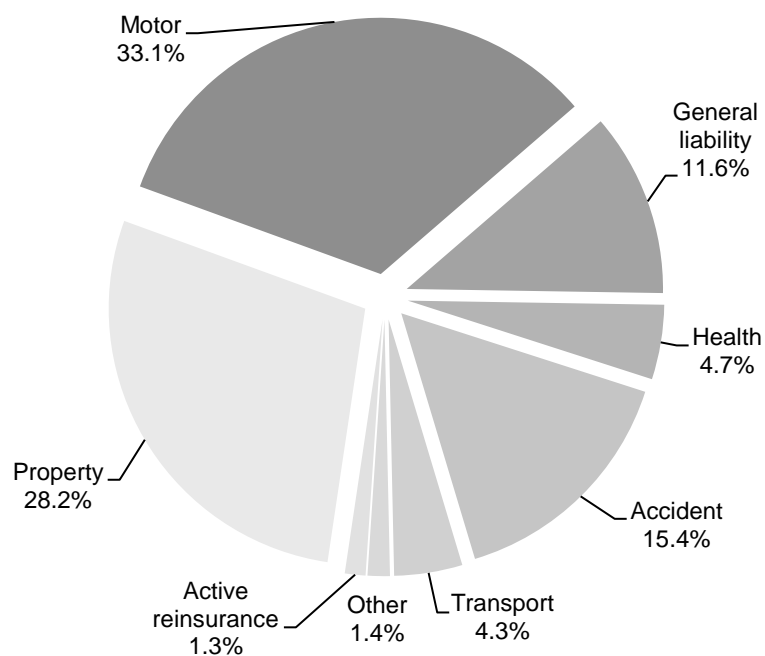
Growth Matrix HY 2012

in % in CHF (in % in LC)	Switzerland (excl. VA)	Germany	Belgium	Luxembourg	Austria	Croatia/ Serbia	Liechten- stein	Rest	Total
Life	-9.8%	-9.2% (-4.3%)	50.5% (58.6%)	18.3% (24.7%)	-13.9% (-9.3%)	-5.7% (1.4%)	-75.8%	-	-8.3% (-7.3%)
Unit-linked	-6.1%	-5.9% (-0.8%)	90.3% (100.6%)	1.2% (6.7%)	11.8% (17.9%)	-	17.3%	-	14.9% (18.7%)
Nonlife	1.4%	-0.5% (4.8%)	27.4% (34.3%)	1.5% (6.9%)	1.6% (7.0%)	-6.8% (0.7%)	-	-38.5%	5.6% (8.6%)
Total	-6.0%	-4.1% (1.1%)	38.7% (46.2%)	3.1% (8.6%)	0.3% (5.8%)	-6.3% (1.0%)	15.4%	-38.5%	0.3% (2.4%)

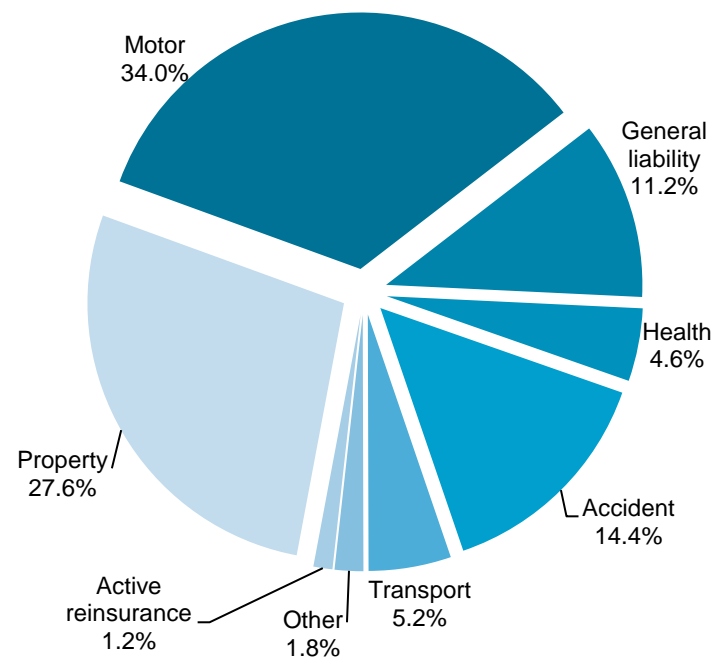
Business Mix Nonlife

in % of gross premiums written

HY 2011



HY 2012



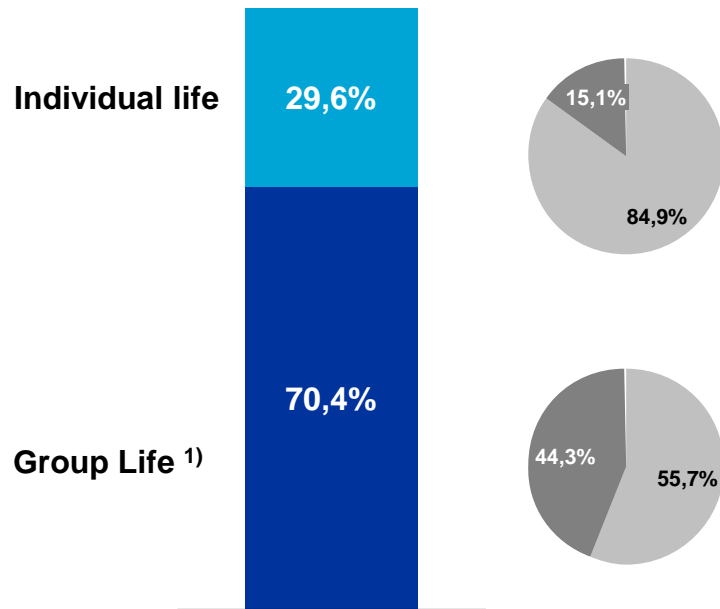
in CHF mn

	HY 2011	HY 2012
Gross premiums written nonlife	2,098	2,215

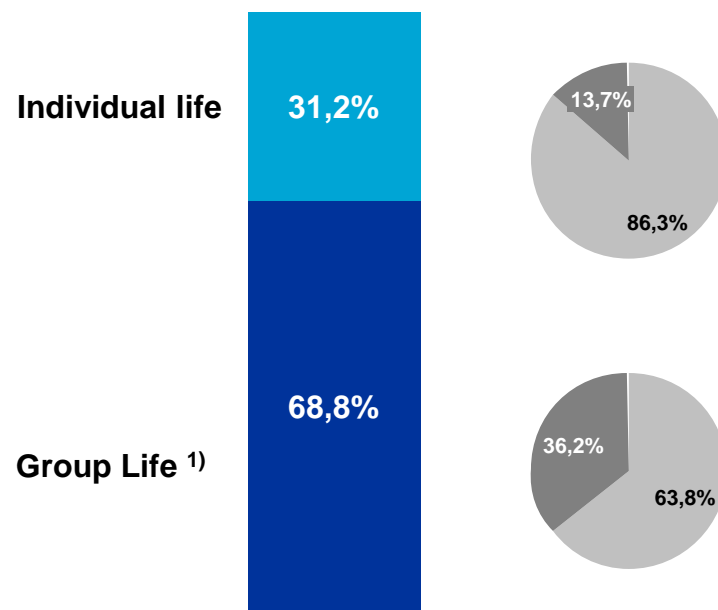
Business Mix Life

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

HY 2011



HY 2012



■ Single Premiums ■ Periodic premiums

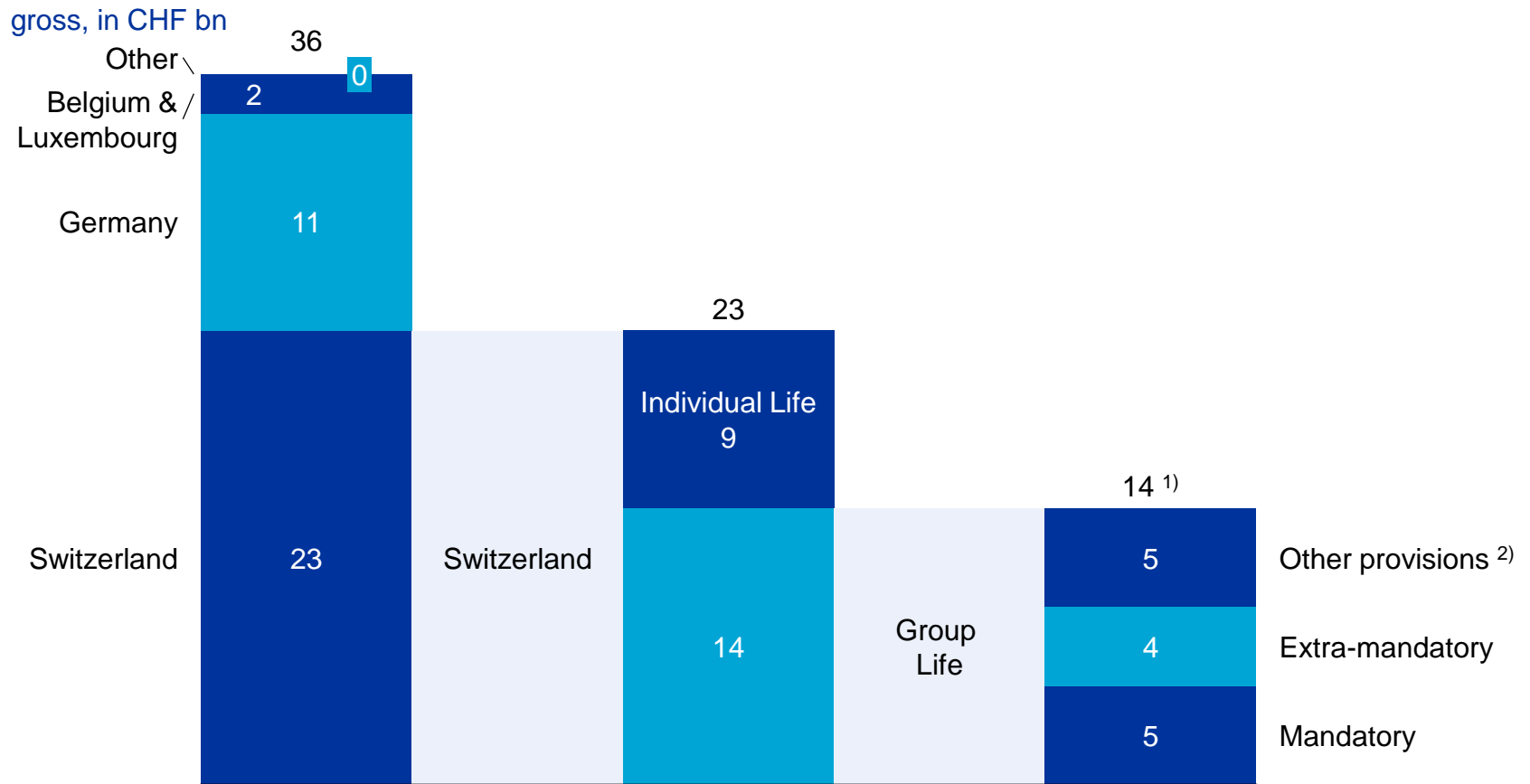
¹⁾ Swiss Group life business only

New Business Life: Split by Country

in CHF mn	CH		D		B		Lux		Group ¹⁾	
Value of new business (MCVNB)										
	HY 2011	HY 2012	HY 2011	HY 2012	HY 2011	HY 2012	HY 2011	HY 2012	HY 2011	HY 2012
Annual premium equivalent (APE)										
	HY 2011	HY 2012	HY 2011	HY 2012	HY 2011	HY 2012	HY 2011	HY 2012	HY 2011	HY 2012
	HY 2012	Δ pts	HY 2012	Δ pts	HY 2012	Δ pts	HY 2012	Δ pts	HY 2012	Δ pts
NB Margin (in % APE)	6.1%	-16.7	16.2%	-6.0	-8.7%	-24.4	12.4%	-2.2	7.1%	-12.1
NB Margin (in % of PVNBP)	0.5%	-1.6	2.2%	-1.4	-0.8%	-2.3	1.3%	-0.2	0.6%	-1.2

¹⁾ change in scope vs. YE 2011: incl. Nateus and excl. Baloise Life Liechtenstein

Technical Reserves Life

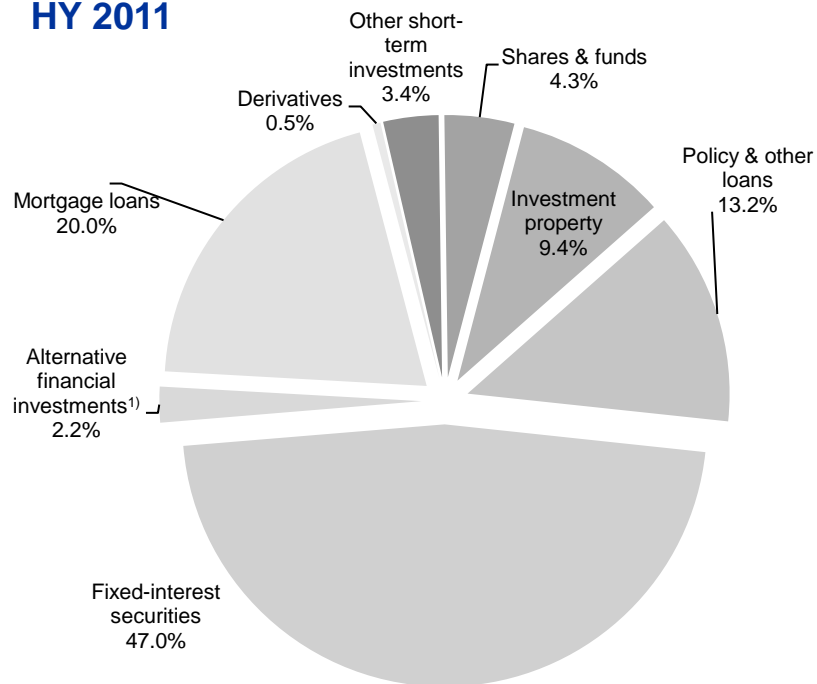


1) local GAAP

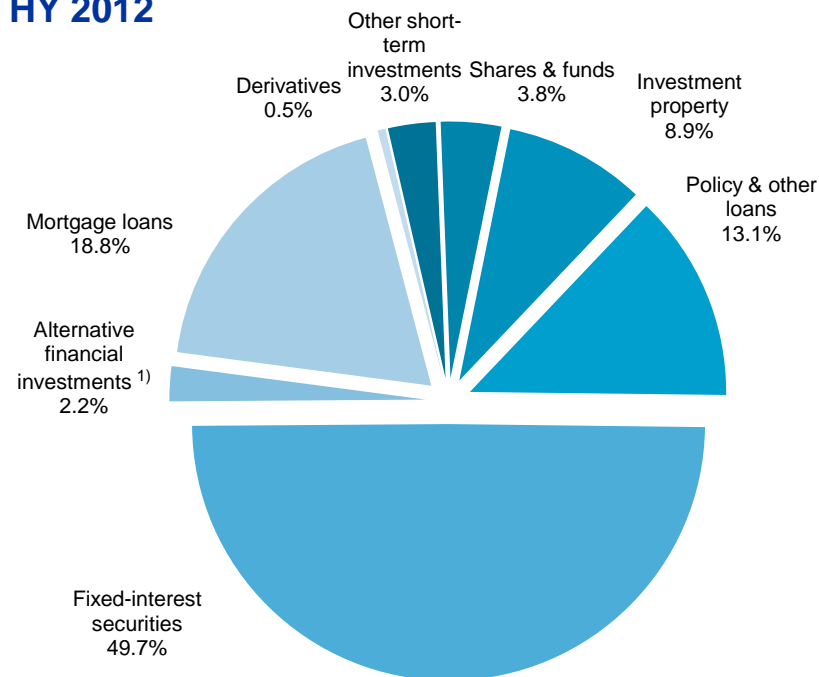
2) provisions for annuities, mortality, disability, reserve strengthening, cost of living adjustment fund

Group Asset Allocation

HY 2011



HY 2012



in CHF mn

Total group assets²⁾

HY 2012

58,388

¹⁾ private equity and hedge funds

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

Impairments in HY 2012

Financial assets of an equity nature		Financial assets of a debt nature	
Impairments (in CHF mn), gross	38	Impairments (in CHF mn), gross	1
Impairments (in CHF mn), net	29	Impairments (in CHF mn), net	0
Impairments (gross) in % of ø asset of an equity nature	1.1%	Impairments (gross) in % of ø assets of a debt nature	0.0%

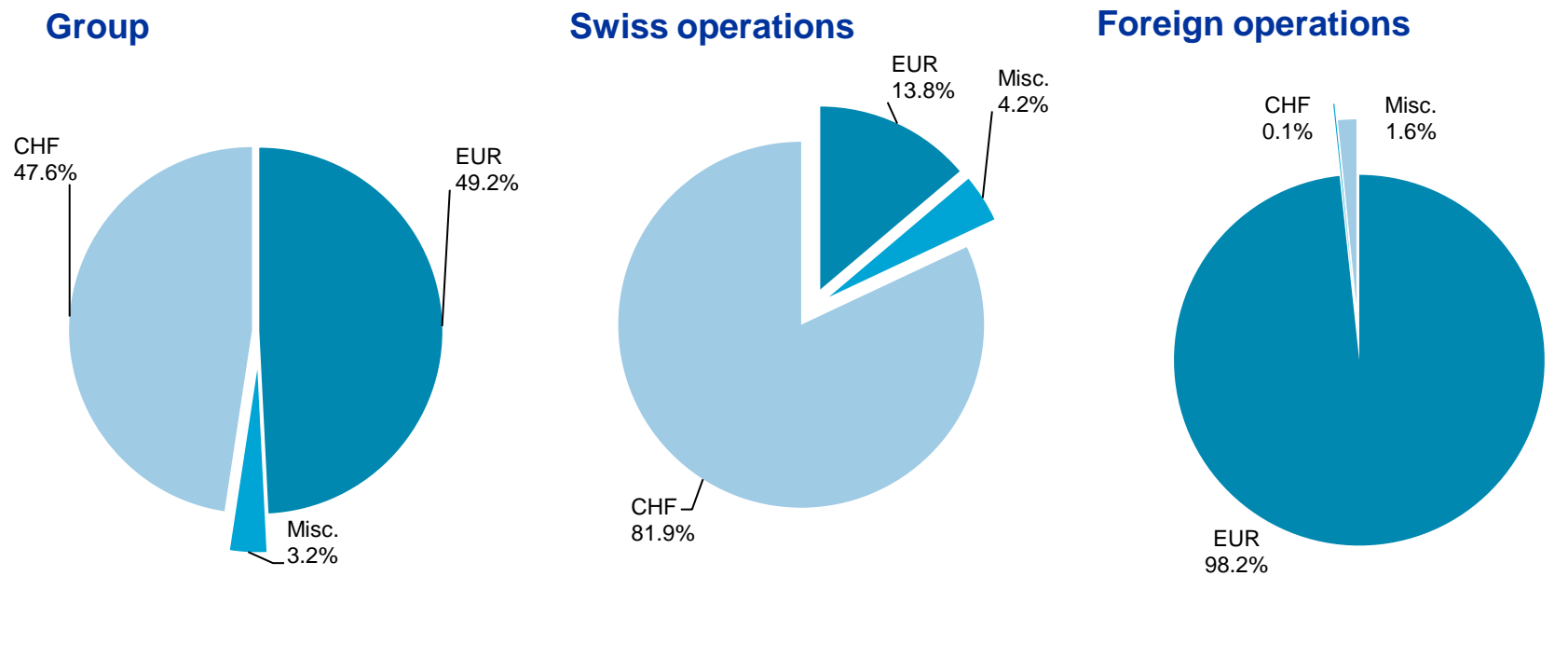
→ Significantly lower impairments

→ Broadly diversified portfolio of high quality bonds

→ Only marginal GIIPS exposure

Total Insurance Assets: Currency Exposure, Gross

excluding banking assets and assets from investment-type premiums



in CHF mn

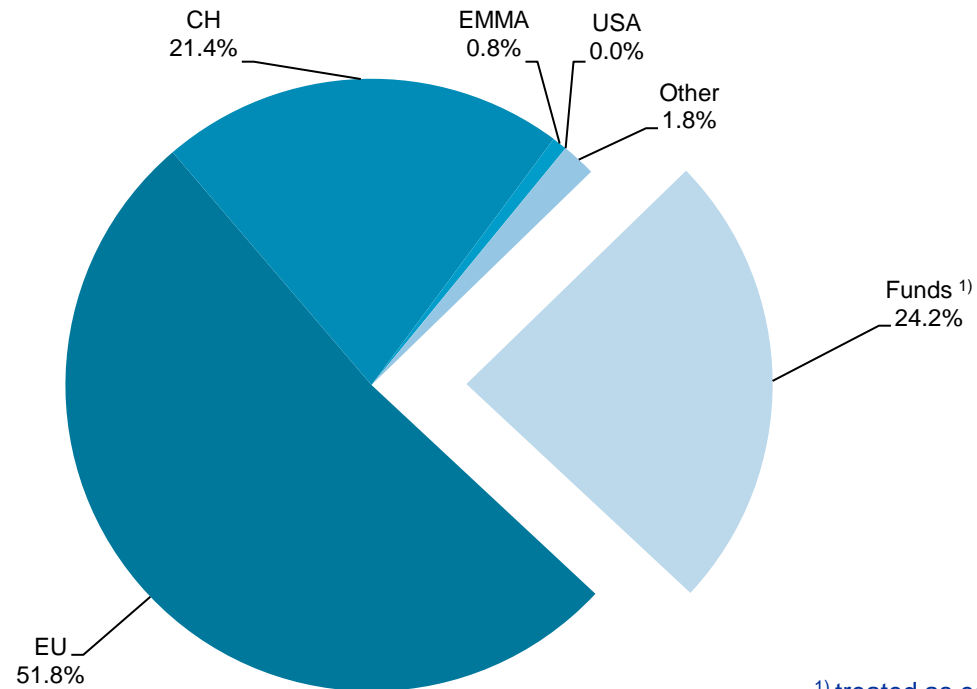
HY 2012

Total insurance assets

51,512

Equity Portfolio: Regional Exposure

excluding banking assets and assets from investment-type premiums



¹⁾ treated as equity under IFRS

in CHF mn	HY 2012
Total equity investments	2,205

Hedge Fund Portfolio

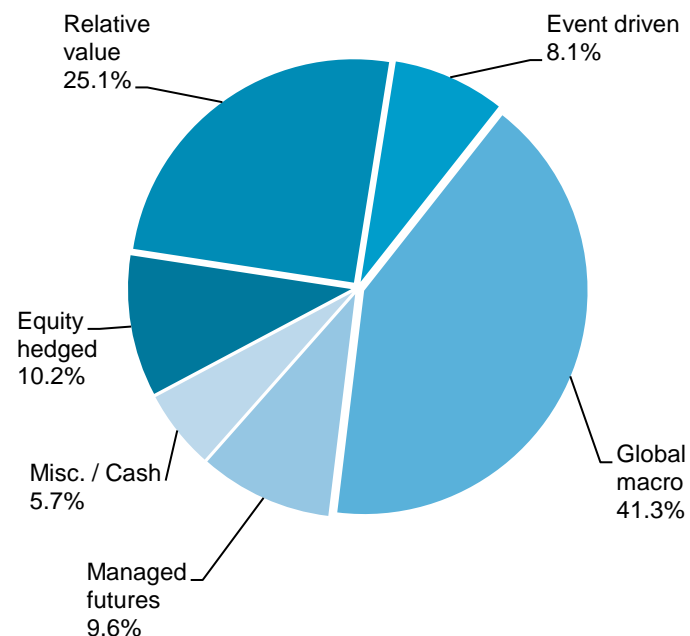
excluding banking assets and assets from investment-type premiums

	HY 2012
Total hedge fund investments (in CHF mn)	835
Performance (in USD)	0.5%
Impairments ¹⁾ (in CHF mn), gross	6
Impairments in % of ø Hedge Funds	0.8%

- Cautious positioning of Global Macro funds caused muted performance during Q1 rally
- Broadly diversified portfolio (~50 funds & 11 funds of funds)
- FX-risk mainly hedged

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

By style



Private Equity Portfolio

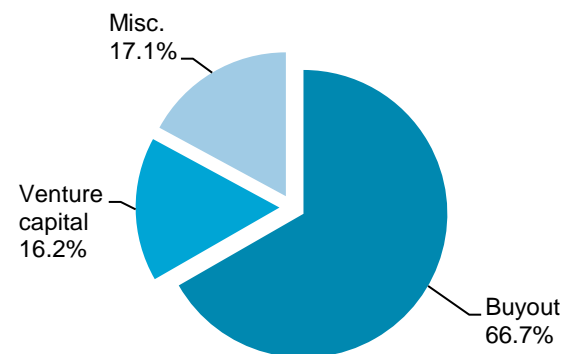
excluding banking assets and assets from investment-type premiums

	HY 2012
Total private equity investments (in CHF mn)	466
Performance (in USD, Sep 11 - Mar 12)	1.6%
Impairments ¹⁾ (in CHF mn), gross	0.4
Impairments in % of ø Private Equity	0.1%

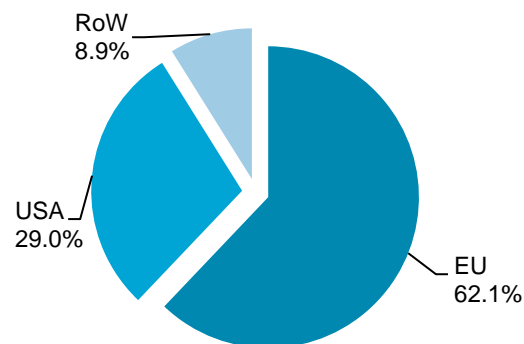
- Performance mainly driven by realised gains
- New commitments of 57 mn USD
- FX-risk to a large extent hedged

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

By type



By region

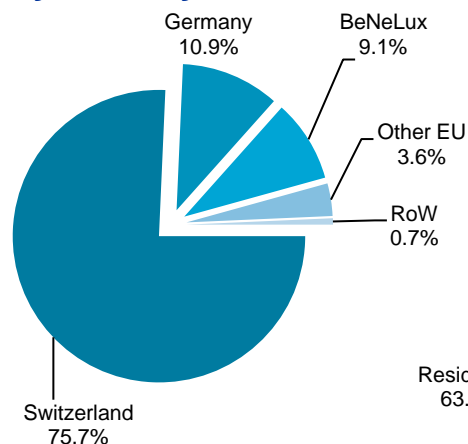


Investment Property and Mortgages

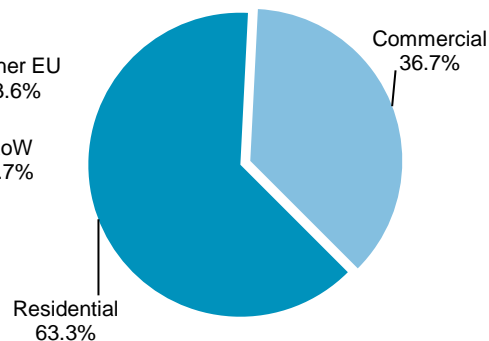
excluding banking assets and assets from investment-type premiums

in CHF mn	HY 2012
Total investment property	5,040

By country



By type



- Well diversified portfolio, only invested in solid markets
- Stable valuation generating regular periodic income

in CHF mn	HY 2012
Total mortgages	4,682
Gross yield ¹⁾	2.6%
administration costs	-3 bps
risk costs	-1 bps
Net yield ¹⁾	2.5%

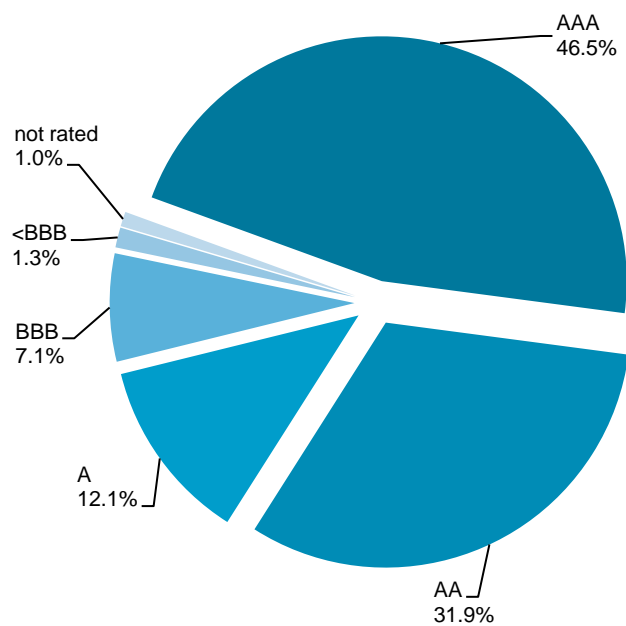
¹⁾ annualised, in % of mortgage investments

- Low interest rates leading to a lower yield
- Portfolio of excellent quality due to credit guidelines of high standing

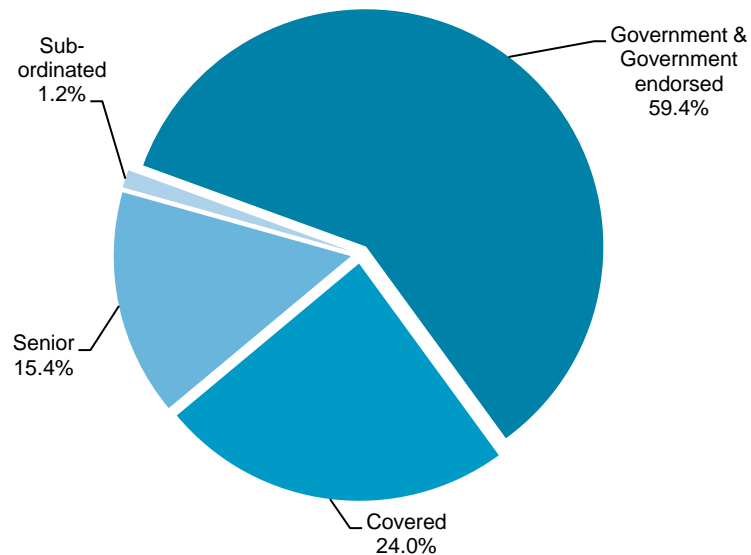
Bond Portfolio

excluding banking assets and assets from investment-type premiums

By quality



By ordination



in CHF mn

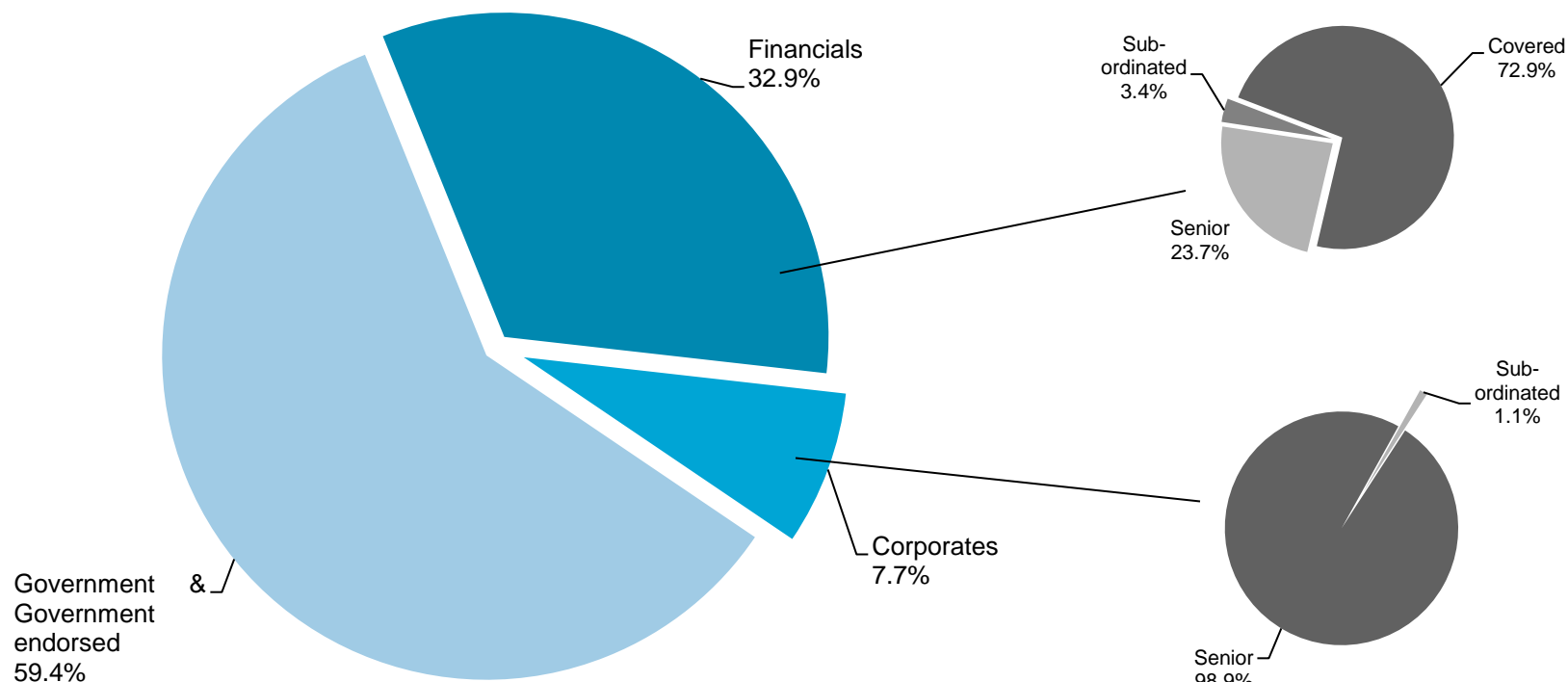
HY 2012

Total bond investments

28,655

Bond Portfolio: Issuers

excluding banking assets and assets from investment-type premiums



in CHF mn

HY 2012

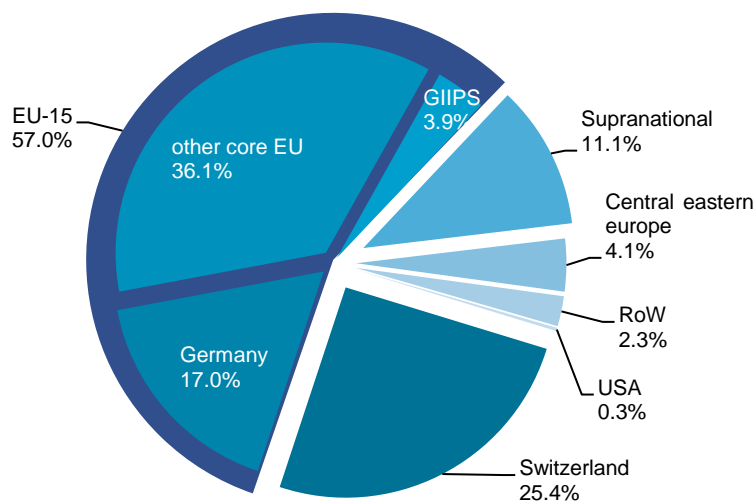
Total bond investments

28,655

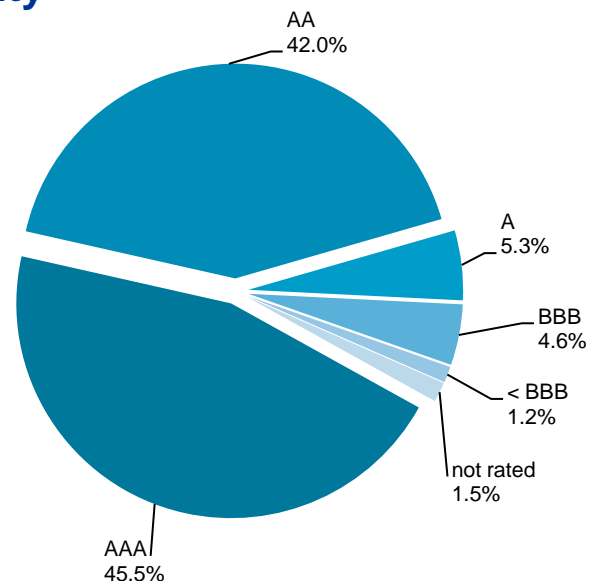
Bond Portfolio: Sovereign and Public Debt

excluding banking assets and assets from investment-type premiums

By region



By quality



→ Broadly diversified portfolio of high quality sovereign debt

In CHF mn

Total Sovereign and Public Debt

HY 2012

16,925

GIIPS-Sovereign Exposure

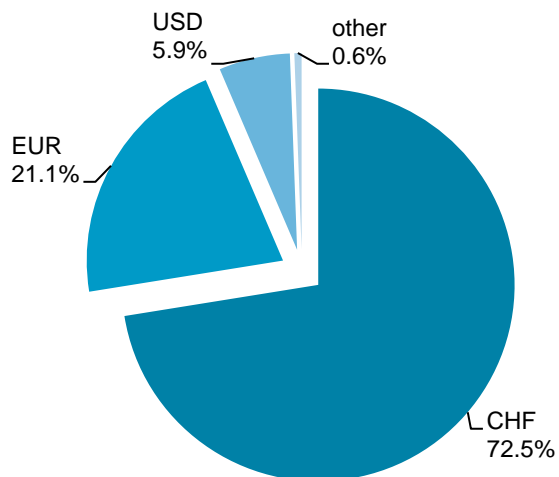
in CHF mn	Market Value 31.12.2011	Book Value 31.12.2011	Market Value 30.06.2012	Book Value 30.06.2012
Greece	39	39	-	-
Ireland	163	165	171	171
Italy	330	335	286	289
Portugal	94	123	-	-
Spain	196	207	173	192
Total	822	869	630	652

- Further reduction of GIIPS exposure
- Exposure to Greece and Portugal totally eliminated
- Market values mostly reflected in balance sheet

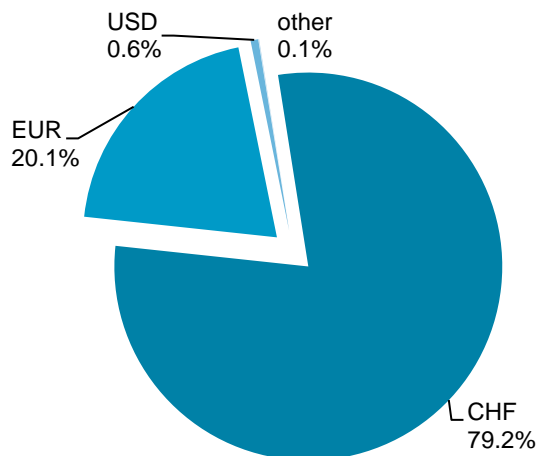
Bond Portfolio: Currency Exposure of Swiss Operations

excluding banking assets and assets from investment-type premiums

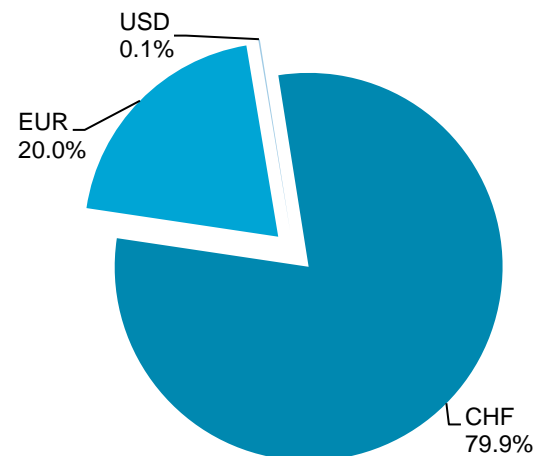
Nonlife



Total bonds



Life



→ Total net currency exposure after hedges & liabilities: 0.1% EUR, 0.2% USD

in CHF mn

HY 2012

Total bonds investments¹⁾

19,545

¹⁾ held by Swiss operations

Duration of Bonds and Promissory Notes

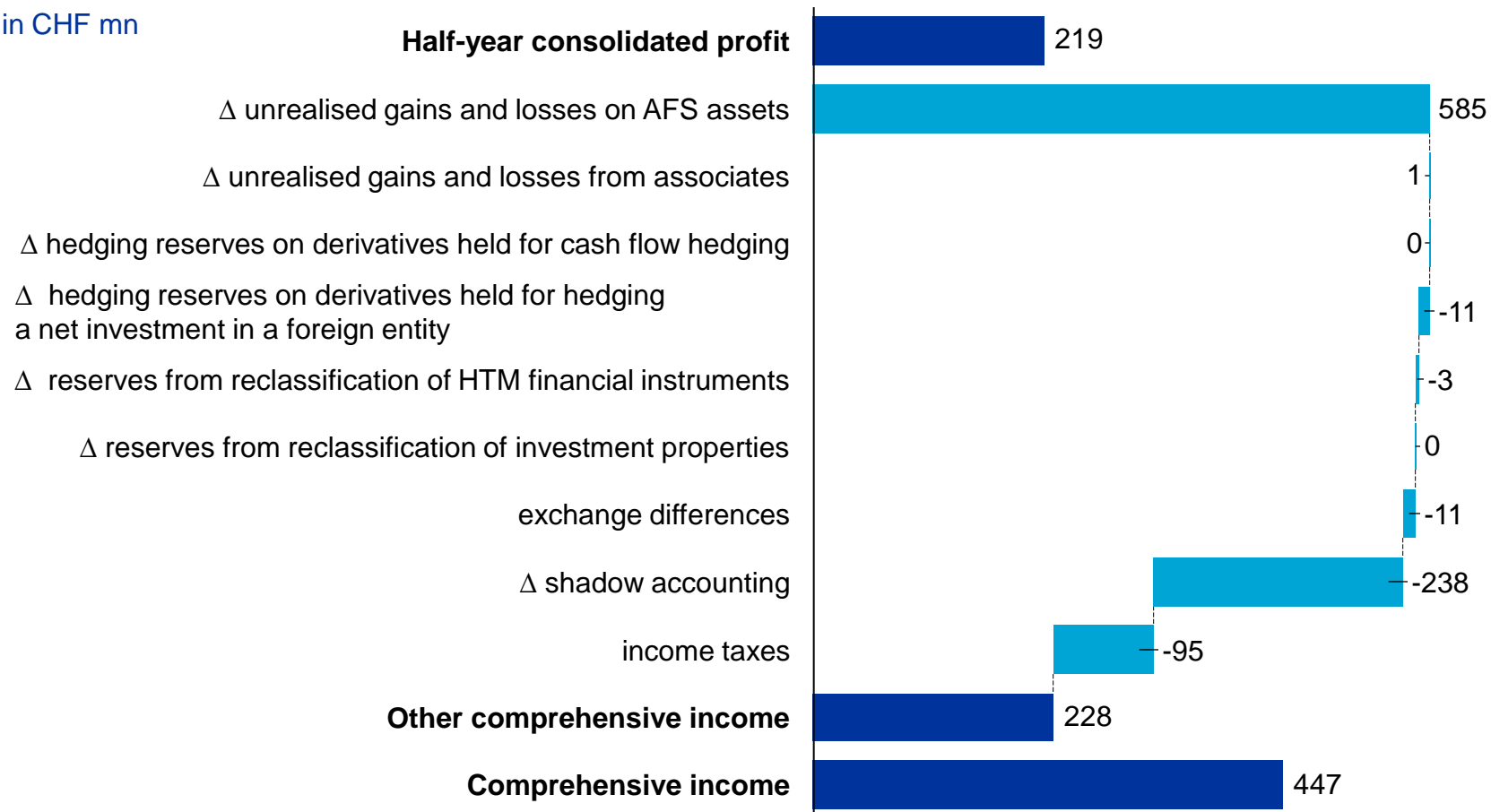
excluding banking assets and assets from investment-type premiums

Duration by classification	2011		HY 2012	
	Years	% of total	Years	% of total
Duration bonds available-for-sale (AFS)	6.1	57.9%	6.6	58.1%
Duration bonds held-to-maturity (HTM)	8.2	24.5%	8.5	24.1%
Duration promissory notes	6.2	17.6%	6.4	17.8%
Duration portfolio	6.7	100%	7.0	100%

Duration by line of business	2011		HY 2012	
	Years	% of total	Years	% of total
Duration life bonds (incl. promissory notes)	6.9	85.5%	7.3	85.6%
Duration nonlife bonds (incl. promissory notes)	5.1	14.5%	5.3	14.4%
Duration portfolio	6.7	100%	7.0	100%

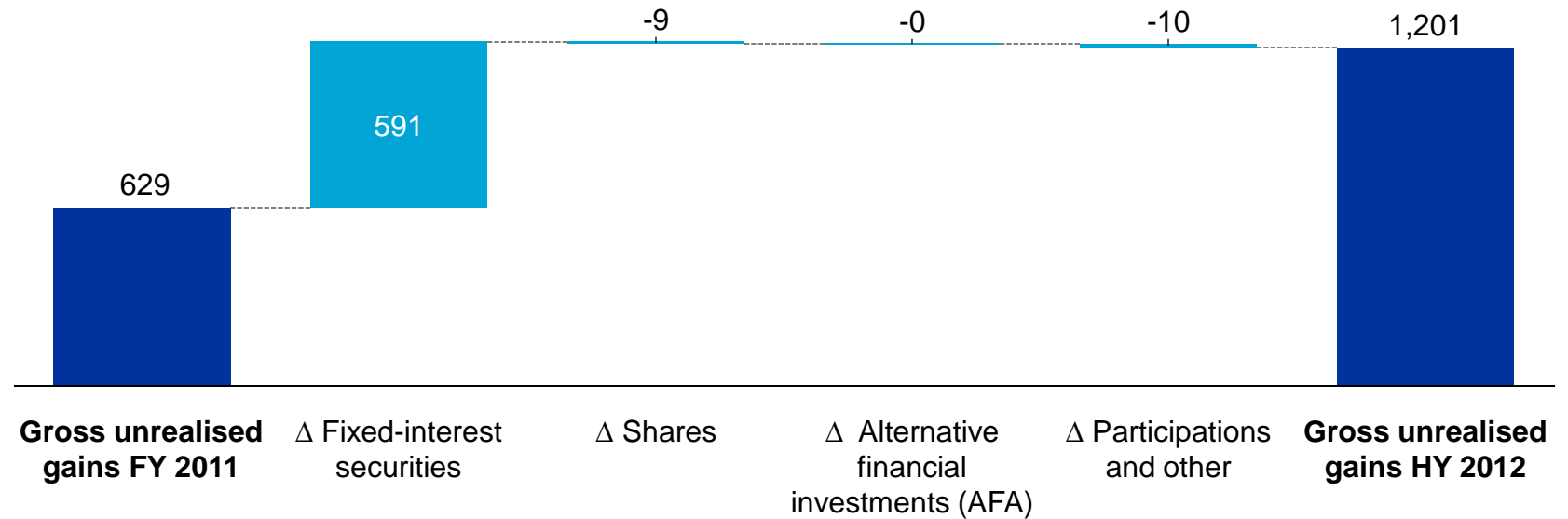
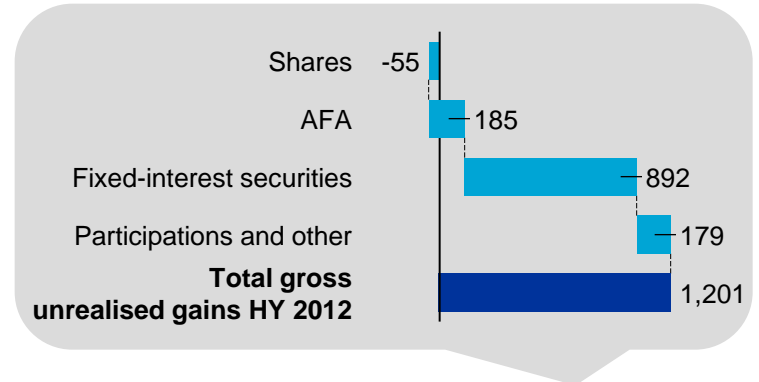
Comprehensive Income

in CHF mn



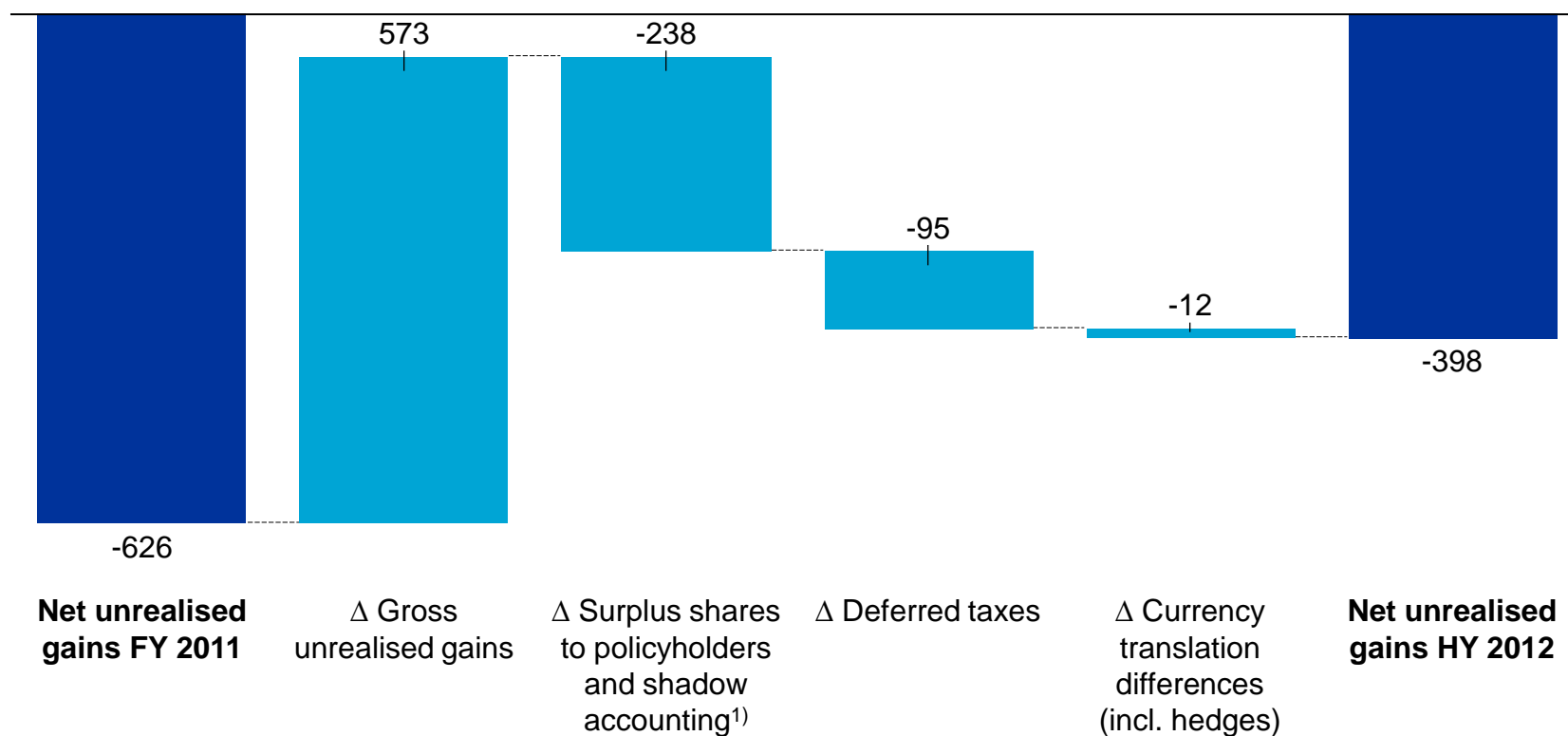
Gross Unrealised Capital Gains

in CHF mn, incl. minorities



Net Unrealised Capital Gains

in CHF mn, incl. minorities

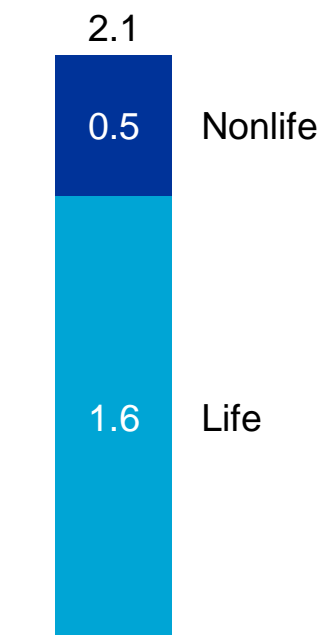


¹⁾ incl. DAC, URR, terminal policyholders' dividends

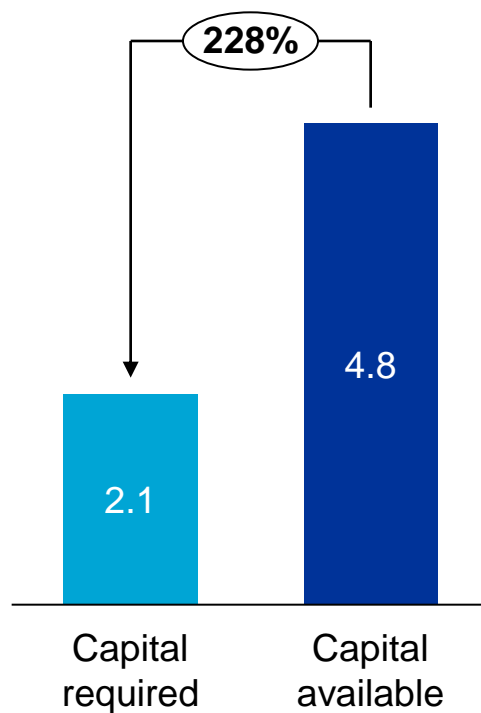
Consolidated Solvency I

in CHF bn, excluding banking assets

Capital required



Required vs. available capital



Available funds

	HY 2012
Total equity	4.1
Goodwill / intangibles	-0.3
DAC nonlife	-0.2
Unallocated surplus	1.6
Other	-0.0
Banking assets	-0.4
Total	4.8

Currency

in CHF	B/S		P/L	
	FY 2011	HY 2012	HY 2011	HY 2012
EUR	1.21	1.20	1.27	1.20
USD	0.94	0.95	0.91	0.93

II Operations

Switzerland

in CHF mn	Nonlife	Life
Gross premiums written	1,037 (1.4%)	1,778 (-9.8%)
Investment-type premiums	-	119 ¹⁾ (15.1%)
EBIT	89 (56.4%)	40 (-63.9%)

Nonlife

- Excellent operational profitability
- Safety World contributes to growth
- Operational excellence and sound financial result lead to higher EBIT

Life

- Growth in Group Life annual premiums by 2.7%
- Declining business volume due to restrictive underwriting policy
- Innovative products lead to strong growth in investment-type premiums despite difficult market environment

¹⁾ investment type premiums incl. CHF 75 mn variable annuities stemming from Baloise Life Liechtenstein

Switzerland: Baloise Bank SoBa

in CHF mn, local GAAP	HY 2011	HY 2012	+/-
Interest income	42	42	-1.5%
Fee and commission income	8	8	-3.5%
Trading income	2	2	5.8%
Gross yield	53	52	-1.1%
Expense	-34	-33	-1.6%
Gross profit	19	19	-0.3%
Profit for the period	13	13	0.1%
Cost / income ratio	63.4%	63.0%	-0.4 pts
Return on Equity	8.5%	8.0%	-0.5 pts

Switzerland: Cooperation Bank and Insurance

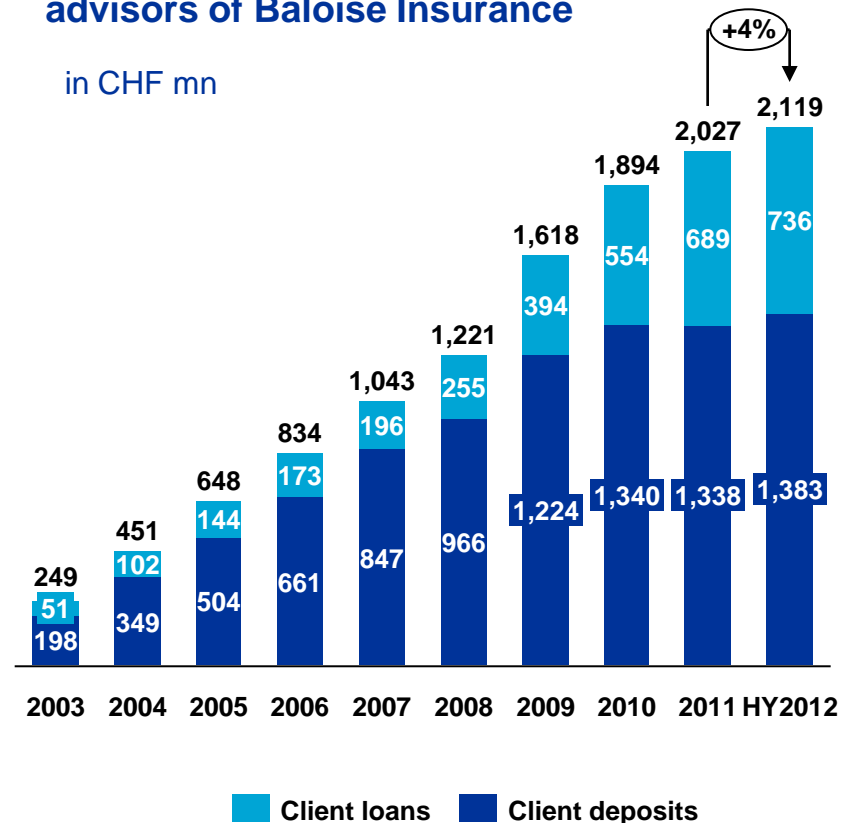
→ Collaboration model with the insurance agents is a successful business model

→ The linking between financial precautions and wealth management offers great potential

→ The behavioral finance advisory approach 'Baloise Investment Advice' leads to verifiable customer satisfaction

Total volume generated by customer advisors of Baloise Insurance

in CHF mn



Germany

in CHF mn	Nonlife	Life
Gross premiums written	545 (4.8% ¹⁾)	315 (-4.3% ¹⁾)
Investment-type premiums	-	114 (-0.8% ¹⁾)
EBIT	19 (57.6%)	-4 (n.m.)

- Positive premium growth in nonlife, compensating the decreasing life premium in a difficult market situation
- Result negatively effected due to two major fire claims which increase the combined ratio
- Integration of Deutscher Ring and Basler Germany evolving as planned and all targets for 2012 will be reached

¹⁾ local currency (LC)

Belgium

in CHF mn	Nonlife	Life
Gross premiums written	500 (34.3% ¹⁾)	71 (58.6% ¹⁾)
Investment-type premiums	-	144 (>100% ¹⁾)
EBIT	43 (42.8%)	32 (>100%)

- Strong overall premium growth due to organic growth above market in nonlife and consolidation of Nateus
- Improved claims ratio in all lines of business
- Integration of Avéro completed and integration of Nateus fully on track; significant strengthening of market position

¹⁾ local currency (LC)

Luxembourg

in CHF mn	Nonlife	Life
Gross premiums written	48 (6.9% ¹⁾)	34 (24.7% ¹⁾)
Investment-type premiums	-	199 (6.7% ¹⁾)
EBIT	4 (>100%)	4 (-7.0%)

- Strong growth in nonlife and life especially due to the distribution channel of Konex adding significantly to profitable new business
- Major fire claim affects the claims ratio negatively and increases the combined ratio
- Expansion of centre of competence for freedom of services in cooperation with Liechtenstein

¹⁾ local currency (LC)

Austria

in CHF mn	Nonlife	Life
Gross premiums written	62 (7.0% ¹⁾)	10 (-9.3% ¹⁾)
Investment-type premiums	-	9 (17.9% ¹⁾)
EBIT	0.8 (5.4%)	-0.7 (42.8%)

- Continuous strong growth in nonlife and life above market
- Positive growth dynamics improve the expense ratio
- Further investments in own sales force to enable further growth

¹⁾ local currency (LC)

Croatia

in CHF mn	Nonlife	Life
Gross premiums written	19 (0.7% ¹⁾)	15 (1.4% ¹⁾)
Investment-type premiums	-	-
EBIT	1.7 (n.m.)	3.7 (n.m.)

→ Break-even reached in a recessive market environment

→ Positive growth dynamics in life

→ Greenfield operation in Serbia according to plan

¹⁾ local currency (LC)

Liechtenstein

in CHF mn	HY 2012
Business Volume	242 (15.4%)
<i>Whereof generated by</i>	
Liechtenstein	161 (10.6%)
Switzerland (only VA)	75 (33.0%)

→ Strong business volume out of Italy

→ New business volume of Variable Annuities increased compared to last year

→ Re-pricing of RentaSafe Time and Renta Protect due to further decrease of interest rates

III Reporting Agenda & Contact Details

Reporting Agenda

→ Full Year Results 2012

Tuesday, 19 March 2013

→ Annual General Meeting

Thursday, 2 May 2013

→ Half Year Results 2013

Thursday, 29 August 2013

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

Contacts

Investor Relations

+41 58 285 81 81

investor.relations@baloise.com

www.baloise.com/investors

Media Relations

+41 58 285 84 67

media.relations@baloise.com

www.baloise.com/media

Making you safer.