



**talanx.**

Insurance. Investments.

## Berenberg & Goldman Sachs German Corporate Conference

Dr. Immo Querner, CFO  
Munich, 23 September 2013

# Talanx – „Strong roots, dynamic growth“

1

Where are we coming from?

2

Where do we stand today?

3

What is special about us and what makes us different to peers?

4

How are we going to move forward?

5

Which return to expect from us?

APPENDIX

# 1 Where are we coming from?

## Overview **HDI** V.a.G.

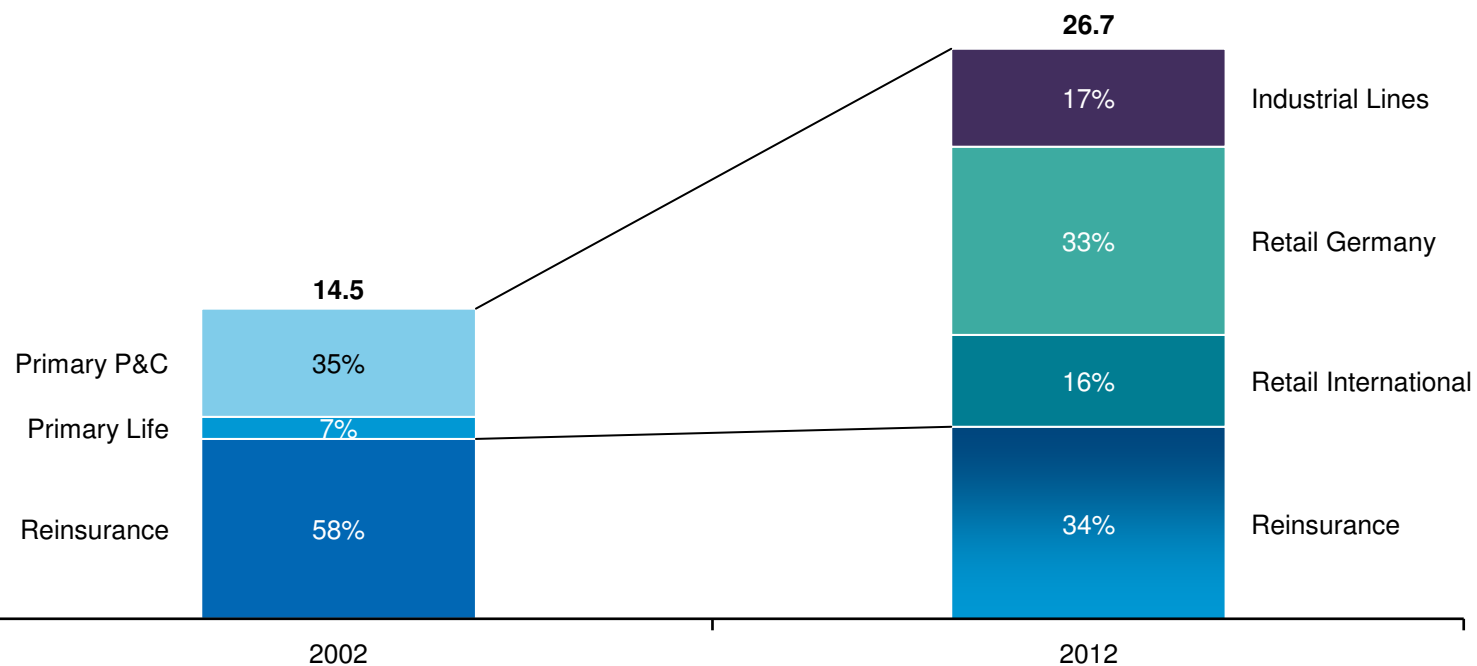
- HDI V.a.G. is a mutual insurance company and majority-owner of the holding company Talanx AG
- Around 1900, a fast-growing German industry saw the need for a more efficient way to receive third-party liability insurance cover
- On 8 December 1903, 176 companies and 6 employers liability insurance associations founded the “Haftpflichtverband der deutschen Eisen- und Stahlindustrie” (“liability association of the German steel industry”)
- The organisational setup reflects the historic roots of HDI, an association of important companies of the German industry that offers mutual insurance cover
- Approx. 0.8m members of HDI V.a.G.

## History

1903	Foundation as ‘Haftpflichtverband der deutschen Eisen- und Stahlindustrie’ in Frankfurt
1919	Relocation to Hannover
1953	Companies of all industry sectors are able to contract insurance with HDI V.a.G.
1966	Foundation of Hannover Rückversicherungs AG
1991	Diversification into life insurance
1994	IPO of Hannover Rückversicherung AG
1998	Renaming of HDI Beteiligungs AG to Talanx AG
2001	Start transfer of insurance business from HDI V.a.G. to individual entities
2006	Acquisition of Gerling insurance group by Talanx AG
2012	IPO of Talanx AG

## 1 Where are we coming from? – in topline growth

### GWP by segment 2002 and 2012 (€bn)<sup>1,2</sup>



<sup>1</sup> Share of segments in total GWP calculated before consolidation

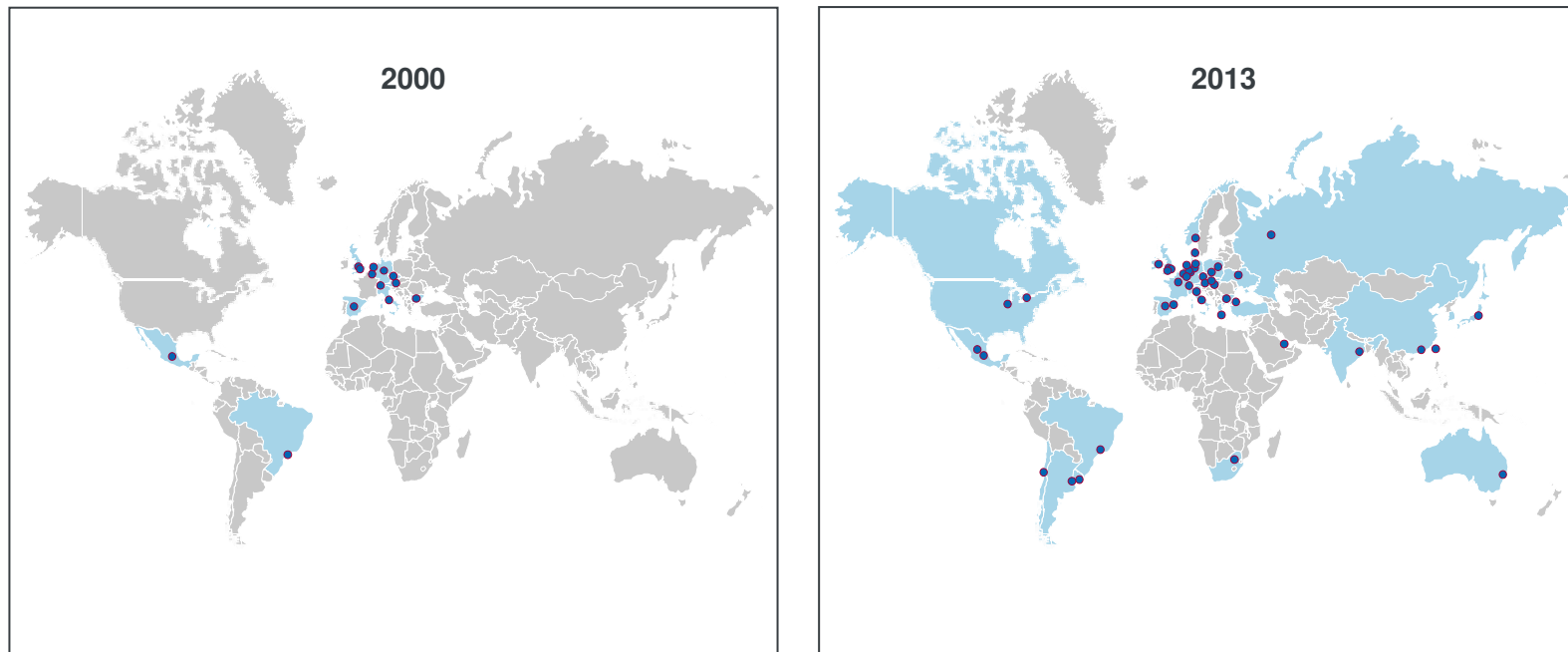
<sup>2</sup> Calculated based total GWP adjusted for the respective stake in HannoverRe



**Talanx's business portfolio on a strive for better diversification**

# 1 Where are we coming from? – in global presence

## Location overview in primary insurance business



■ Countries with local presence ● Branch / office location



**Talanx on the move to a global footprint**

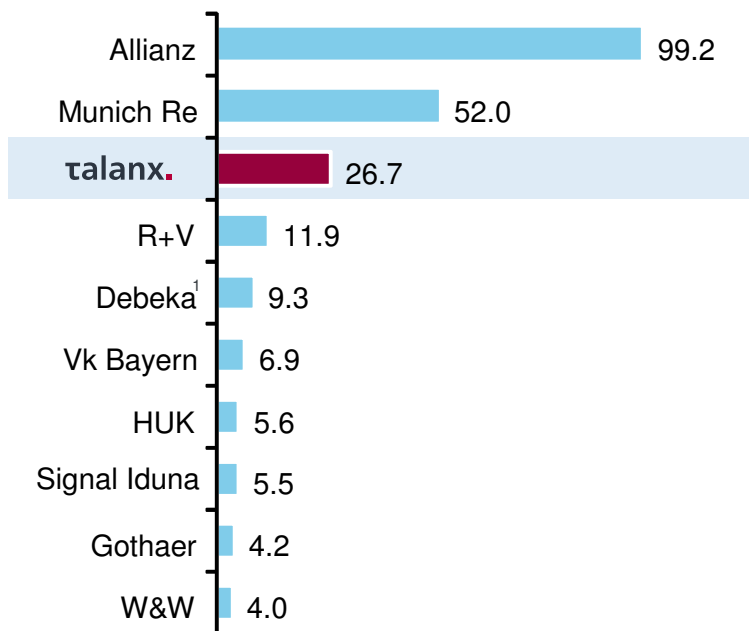
## 2 Where do we stand today? – our corporate identity



## 2 Where do we stand today? – our size versus peers

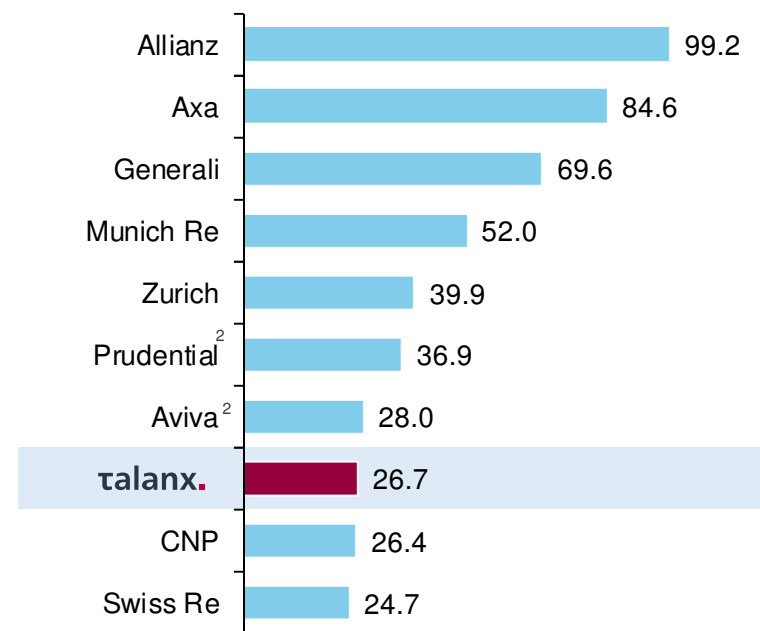
### Top 10 German insurers

German insurers by global GWP (2012, €bn)



### Top 10 European insurers

European insurers by global GWP (2012, €bn)



<sup>1</sup> Cumulated individual financial statements

<sup>2</sup> Gross premiums earned

Source: SNL Financial, annual reports



**Third-largest German insurance group with leading position in Europe and strong roots in Germany**

## 2 Where do we stand today? – our portfolio of brands

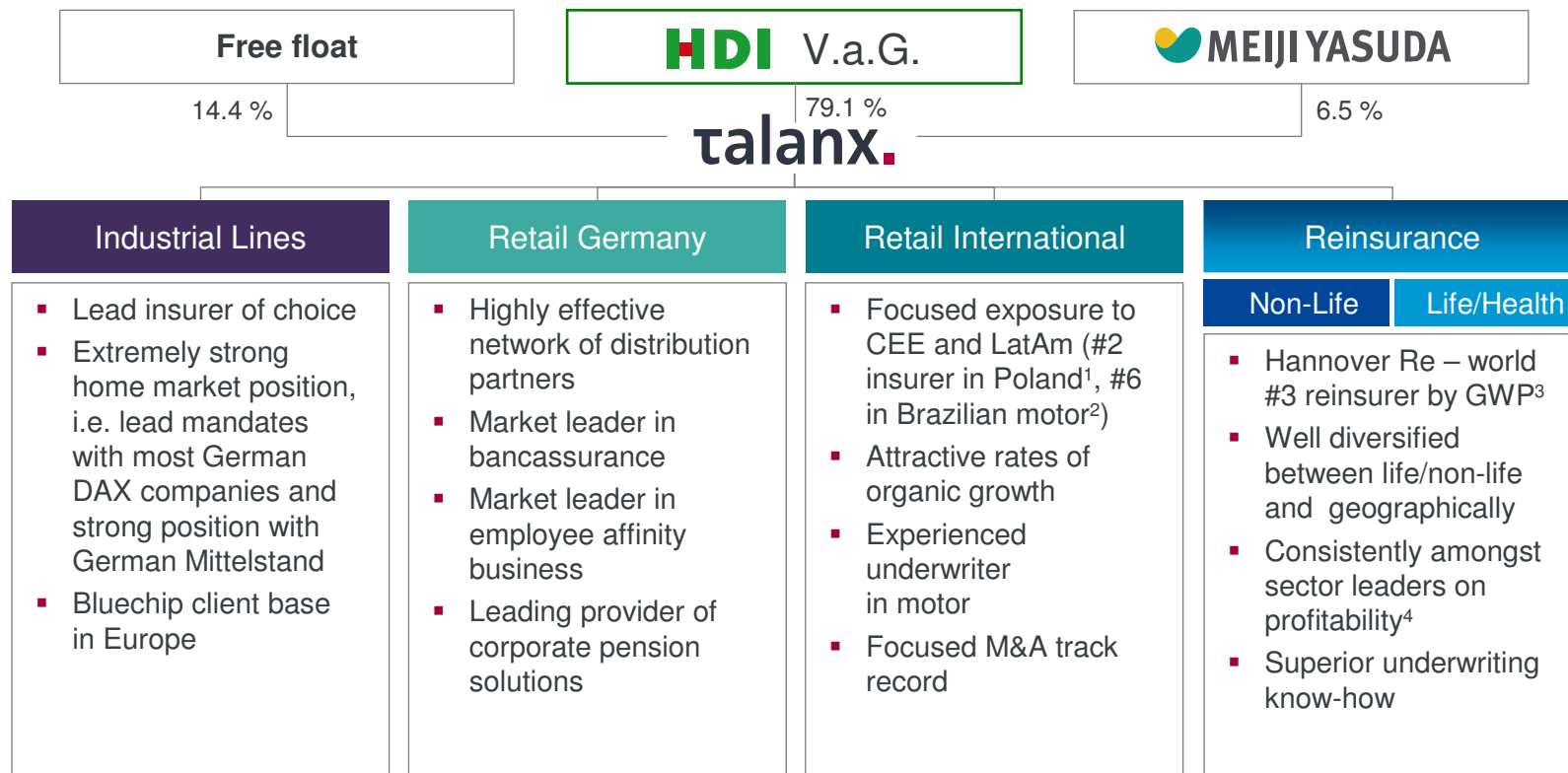
**tal anx.**



▶ Talanx is an integrated international insurance group, anchored in Germany, running a multi-brand approach



## 2 Where do we stand today? – our divisions



<sup>1</sup> Combined ranking based on 2012 data of Polish regulator as per local GAAP

<sup>2</sup> According to Siscorp based on local GAAP

<sup>3</sup> Based on A.M. Best ranking (September 2012)

<sup>4</sup> Based on S&P ranking by average RoE 2002-2010 and also number 1 by average RoE as per KPMG 2012



**Integrated insurance group with leading market positions in all segments**

## 2 Where do we stand today? – our corporate functions

# tal anx.

### Operating segments

Industrial Lines

Retail Germany

Retail International

Reinsurance

P&C reinsurance  
procurement

Group  
reinsurance

Group-wide asset  
management unit

Central back-office  
service provider

Central IT service  
provider

tal anx.

Reinsurance Broker

tal anx.

Reinsurance

tal anx.

Asset Management

tal anx.

Service

tal anx.

Systeme

### Corporate operations

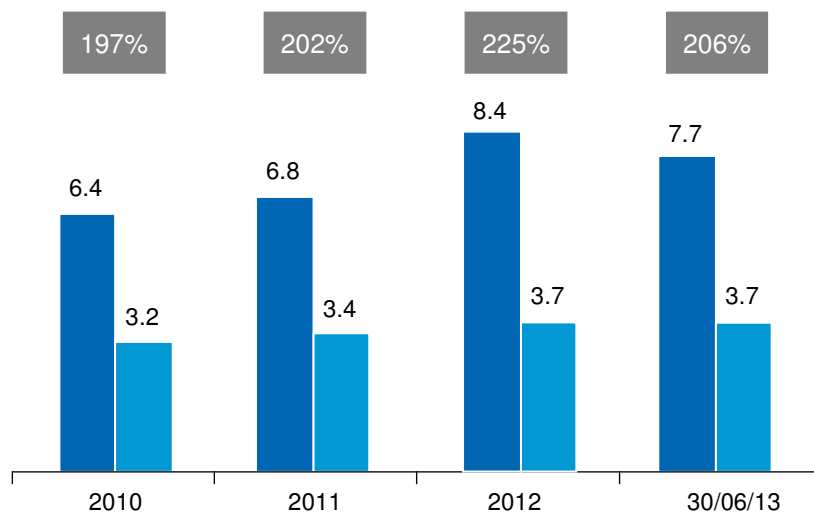


Talanx's operating segments are supported by five specialised service functions

## 2 Where do we stand today? – in regulatory capital

### Solvency I capital position

(€bn)



■ Available funds ■ Solvency capital requirements

■ Solvency I margin<sup>1</sup>

### Comments

- Talanx has extensive experience in innovative capital management
- As of 30 June 2013, available funds include €1.7bn of subordinated debt<sup>2</sup>
- Goodwill of €1.1 bn as of 30 June 2013 (relative to shareholders' equity excl. minorities of €6.8bn)

<sup>1</sup> Talanx Group based on the solvency of HDI V.a.G. (HDI V.a.G. is the relevant legal entity for the calculation of group solvency from a regulatory perspective)

<sup>2</sup> €1.7bn of the Group's total subordinated debt (€3.1bn) are eligible for Solvency I capital (after accounting for minority interest and capped by regulatory thresholds)



**Solid solvency and high-quality capital with relatively low goodwill supporting optimal balance sheet strength**

## 2 Where do we stand today? – in ratings capital

### Current financial strength ratings

	Standard & Poor's		A. M. Best	
	12/06/13		16/05/13	
	Grade	Outlook	Grade	Outlook
Talanx Group <sup>1</sup>			A	Stable
Talanx Primary Group <sup>2</sup>	A+	Stable		
Hannover Re subgroup <sup>3</sup>	AA–	Stable	A+	Stable

### STANDARD & POOR'S rating of Talanx Primary Group

Anchor rating a+		Modifiers
Business Risk Profile	Financial Risk Profile	
Strong	Very Strong	
IICRA <sup>4</sup>	Capital & Earnings	ERM
Intermediate Risk	Very Strong	Strong
Competitive Position	Risk Position	Management & Governance
Strong	Intermediate Risk	Satisfactory
	Risk Position	Liquidity
	Strong	Exceptional

<sup>1</sup> The designation used by A. M. Best for the Group is "Talanx AG and its leading non-life direct insurance operation and its leading life insurance operation"

<sup>2</sup> This rating applies to the core members of Talanx Primary Group (the subgroup of primary insurers in Talanx Group)

<sup>3</sup> This rating applies to Hannover Re and its major core companies. The Hannover Re subgroup corresponds to the Talanx Reinsurance segment

<sup>4</sup> Insurance Industry and Country Risk Assessment

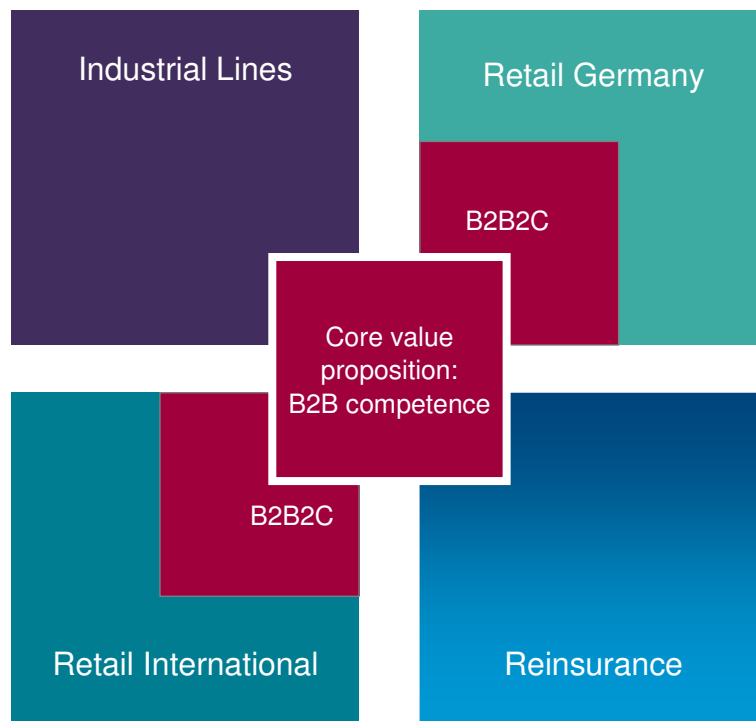


**Financial strength underpinned by S&P and A.M. Best ratings**

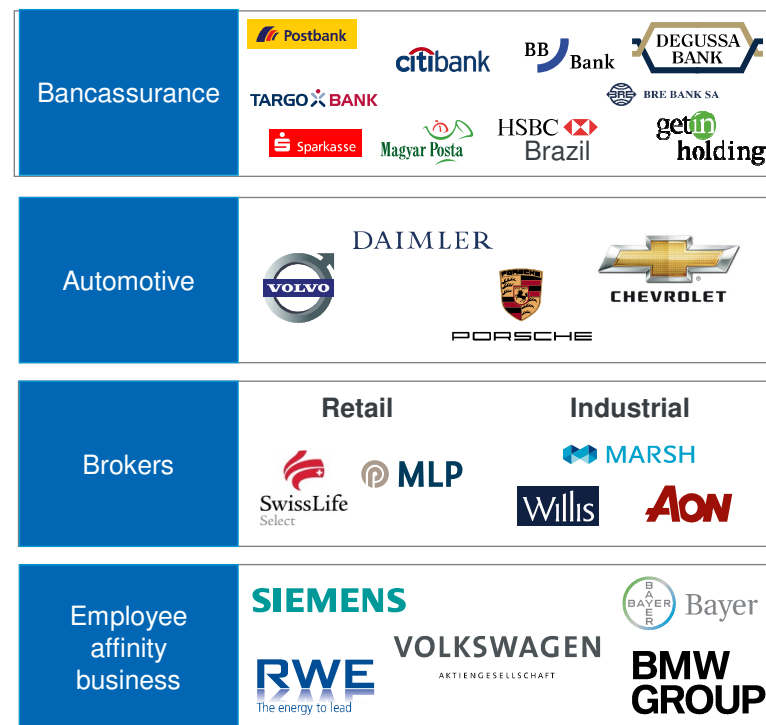
3

## What is special about us? – focus on B2B distribution as a key differentiator

### Linkage between different Group segments



### Excellence in B2B2C channels<sup>1</sup>



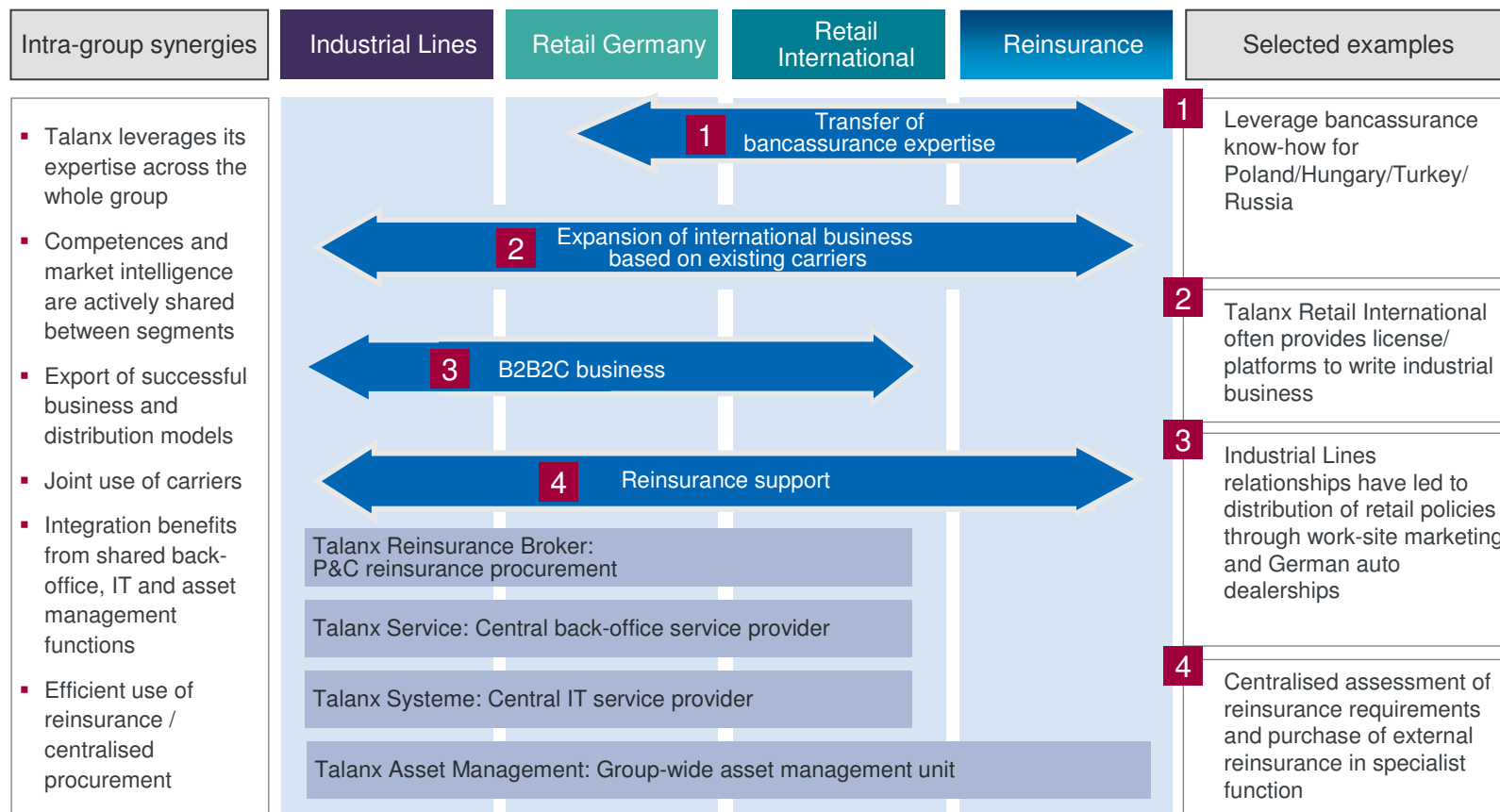
<sup>1</sup> Samples of clients/partners



**Superior service of corporate relationships lies at heart of our value proposition**

3

## What is special about us? – B2B competence allows business integration across all divisions

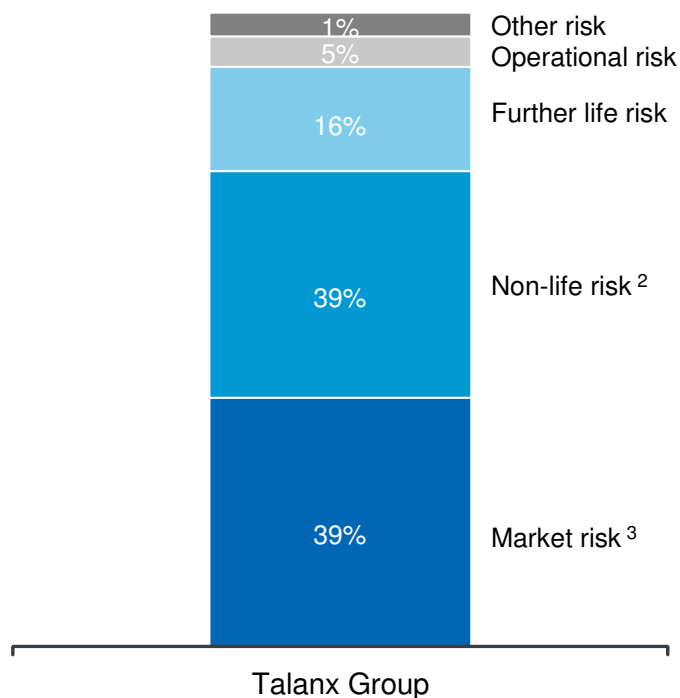


**Enhanced business activity and efficiency through close cooperation and best-practice approach across all segments**

3

## What is special about us? – Sophisticated underwriter with low gearing to market risk

### Risk components of Talanx Group<sup>1</sup>



### Comments

- Total market risk of 39%, of solvency capital requirements, which is comfortably below the 50% limit
- Risk capacity priority for insurance risk
- Non-life is the dominating insurance risk category, comprising premium and reserve risk, NatCat and counterparty default risk
- Equities ~1% of investments under own management
- GIIPS sovereign exposure 0.7% of total assets

<sup>1</sup> Figures show approximate risk categorisation, in terms of solvency capital requirements, of the Talanx Group after minorities, after tax, post diversification effects as of 2012

<sup>2</sup> Includes premium and reserve risk (non-life), net NatCat and counterparty default risk

<sup>3</sup> Refers to the combined effects from market developments on assets and liabilities



**Market risk sensitivity (limited to less than 50% of solvency capital requirement) is deliberately low**

3

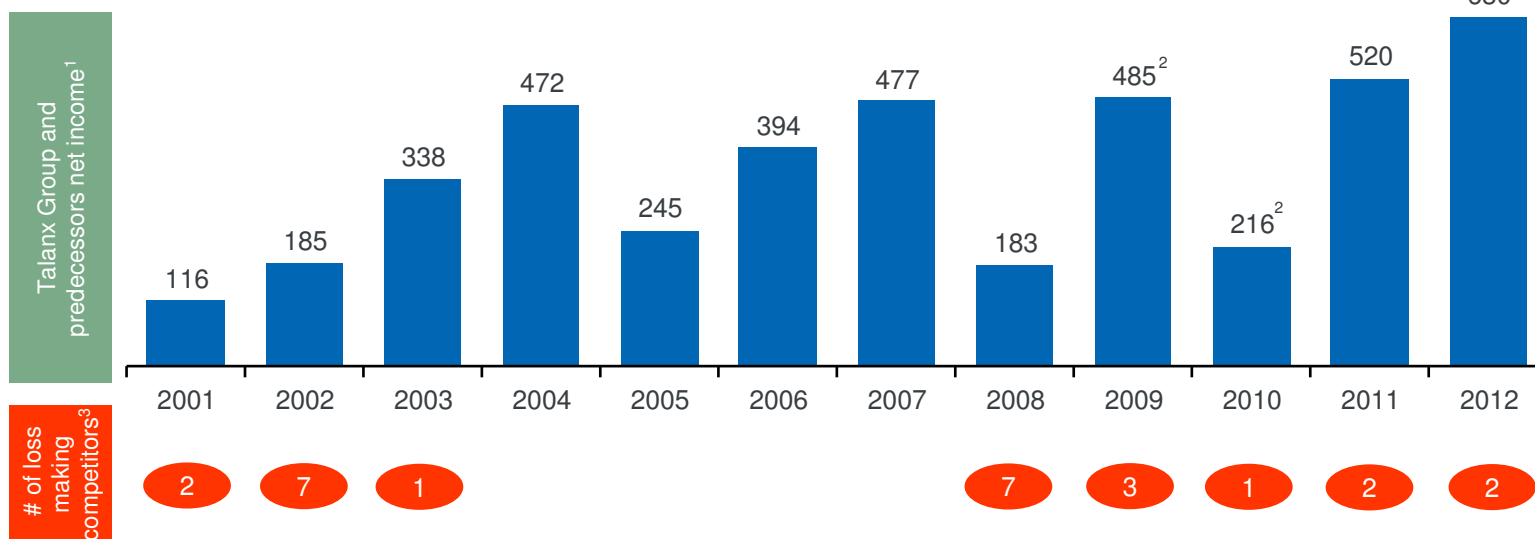
## What is special about us? – Proven earnings resilience over cycle

### Talanx Group net income

**tal anx.**  
hannover re®



Talanx Group net income<sup>1</sup> (€m)



<sup>1</sup> Net income of Talanx after minorities, after tax based on restated figures as shown in annual reports; 2001–2003 according to US GAAP, 2004–2011 according to IFRS

<sup>2</sup> Adjusted on the basis of IAS 8

<sup>3</sup> Top20 European peers, each year measured by GWP

Source: FactSet / Annual reports of Talanx Group and Hannover Re Group

+ Net profit – Net loss

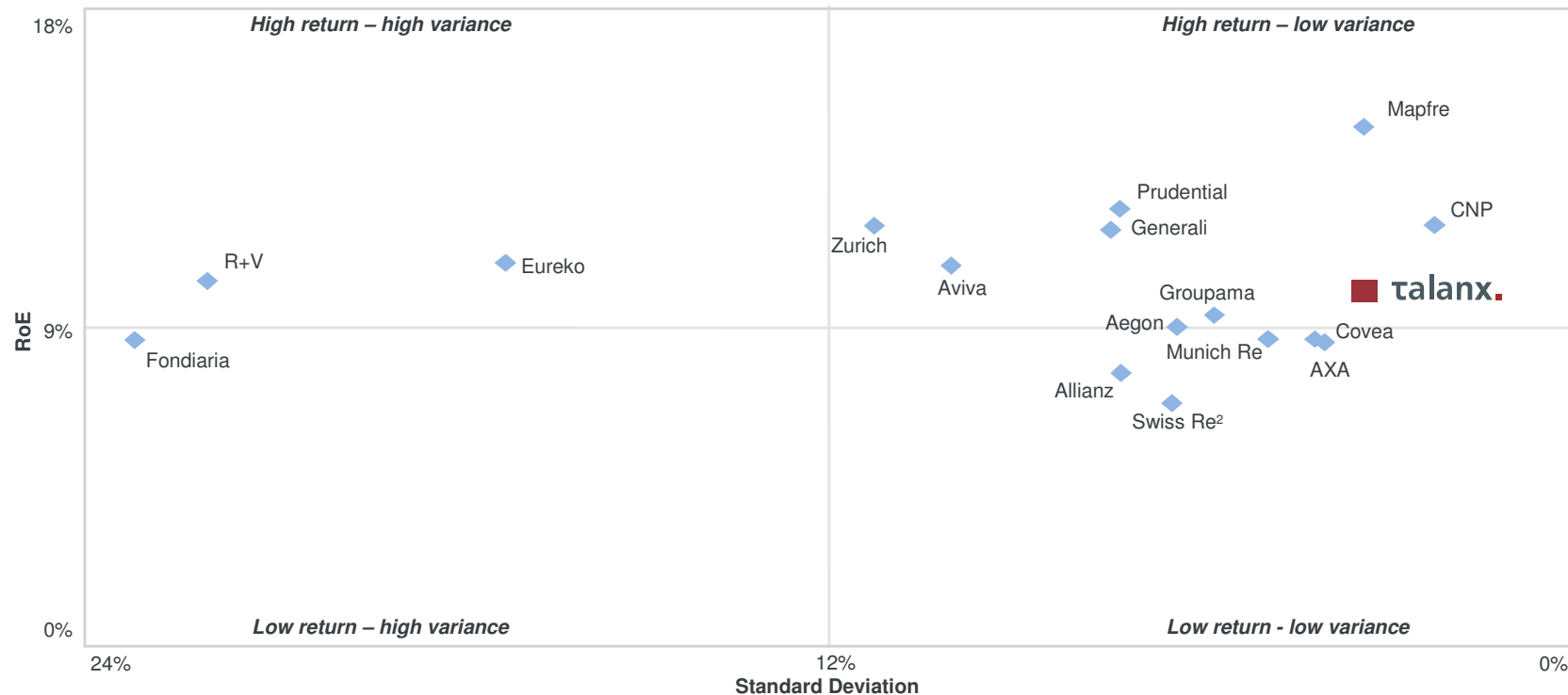


**Robust cycle resilience due to diversification of segments**



### 3 What is special about us? – Attractive risk-return profile

#### RoE standard deviation of selected European insurance companies



Note: Calculation based on respective accounting standards used in respective years. Accounting standards may have changed over periods analysed  
 ■ Median RoE and standard deviation of RoE 2001 – 2011 of selected European insurance groups; R+V 2001 – 2010, Groupama 2001 – 2010, Covea 2005 – 2010  
 ■ Minority interests only given in 2010 and 2011, no adjustment for variable interest entities  
 Source: Based on data of "Benchmarking of selected insurance companies" analysis by KPMG AG as of 27 April 2012

► Sustainable earnings development due to prudent risk management approach

## 4 How to move forward? – Overall Group strategy

**Focus of the Group is on long-term increase in value by sustainable and profitable growth and vigorous implementation of our B2B-expertise**

Profit target	Capital management	Risk management	Growth target	Human resource policy
<ul style="list-style-type: none"> <li>▪ <math>\text{RoE}^1 &gt; \emptyset</math> TOP20 European insurers</li> <li>▪ <math>\text{RoE}^1 \geq \text{risk-free interest rate}^2 + 750\text{bps}</math></li> </ul>	<ul style="list-style-type: none"> <li>▪ Fulfill S&amp;P “AA” capital requirement</li> <li>▪ Efficient use of available financing instruments</li> </ul>	<ul style="list-style-type: none"> <li>▪ Generate positive annual earnings with a probability of 90%</li> <li>▪ Sufficient capital to withstand at least an aggregated 3,000-year shock</li> <li>▪ Investment risk <math>\leq 50\%</math></li> </ul>	<ul style="list-style-type: none"> <li>▪ 50% of primary GWP from foreign operations</li> <li>▪ Selective profitable growth in Retail Germany and Reinsurance</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continuous development and promotion of own workforce</li> <li>▪ Individual responsibility and entrepreneurial spirit</li> </ul>

<sup>1</sup> In accordance with IFRS

<sup>2</sup> Risk-free rate is defined as the 5-year rolling average of the 10-year German government bond yield



**Group and divisional strategies define goals and actions to be taken**

## 4 How to move forward? – Sources for growth

### Industrial Lines

- Growth through globalisation
- Increase retention

### Retail Germany

- Elimination of cost disadvantages
- Intelligent products and B2B focus

### Retail International

- Focus on emerging markets (LatAM / CEE)
- Consolidation and integration of acquisitions

### Reinsurance

- Efficient cycle management
- Expansion into emerging markets

## 5 Which return to expect from us – 6M 2013 results at a glance

### Summary of 6M 2013

€m, IFRS	6M 2013	6M 2012	Change
Gross written premium	14,966	13,582	+10 %
Net premium earned	11,498	10,294	+12 %
Net underwriting result	(730)	(695)	(5) %
Net investment income	1,877	1,748	+7 %
Operating result (EBIT)	1,018	853	+19 %
Net income after minorities	407	353	+15 %
Key ratios	6M 2013	6M 2012	Change
Combined ratio non-life insurance and reinsurance	96.0%	98.0%	(2.0)%pts
Return on investment <sup>1</sup>	4.0%	4.1%	(0.1)%pts
Balance sheet	6M 2013	FY 2012	Change
Investments under own management	85,670	84,052	+2 %
Goodwill	1,121	1,152	(3) %
Total assets	132,663	130,350	+2 %
Technical provisions	91,919	89,484	+3 %
Total shareholders' equity	10,648	11,309	(6) %
Shareholders' equity	6,791	7,153	(5) %

### Comments

- 10% y/y growth in gross written premium (currency-adjusted +11%, organically +6%) and even somewhat higher momentum in net premium earned
- Combined ratio improved by 2.0%pts, reflecting the benefits of Group diversification
- Return on investment virtually flat y/y
- Decline in shareholders' equity of 5% reflects the dividend payout of €265m in Q2 as well as OCI effects from rates and currencies of ~€500m
- Solvency I ratio at comfortable 206%

<sup>1</sup> Annualised  
2012 numbers in this presentation adjusted on the basis of IAS8



**Higher EBIT and bottom-line result despite major losses**

## 5 Which return to expect from us? – Outlook 2013

Talanx Group

Gross Written Premium	≥ +4%
<ul style="list-style-type: none"> <li>• Industrial Lines</li> <li>• Retail Germany</li> <li>• Retail International</li> <li>• Non-Life Reinsurance</li> <li>• Life and Health Reinsurance</li> </ul>	~ +4-6% flat ~ +17-20% ~ +3-5% ~ +5-7%
Return on investment	> 3.5%
Group net income	~ €700m
Return on equity	~ 10%
Dividend payout ratio	35-45% target range

[Updated outlook as of 14/08/2013]

▶ Targets are subject to no major losses exceeding budget (**cat**), no turbulences on capital markets (**capital**), and no material currency fluctuations (**currency**).

## 5 Which return to expect from us? – Mid-term target matrix

Segments	Key figures	Strategic targets
<b>Group</b>	Return on equity	≥ 750 bps above risk free <sup>1</sup>
	Group net income growth	~ 10%
	Dividend payout ratio	35 - 45%
	Return on investment <sup>2</sup>	≥ 3.5%
<b>Industrial Lines</b>	Gross premium growth <sup>3</sup>	3 - 5%
	Combined ratio	≤ 96%
	EBIT margin <sup>4</sup>	≥ 10%
	Retention rate	60 - 65%
<b>Retail Germany</b>	Gross premium growth	≥ 0%
	Combined ratio (non-life)	≤ 97%
	New business margin (life)	≥ 2%
	EBIT margin <sup>4</sup>	≥ 4.5%
<b>Retail International</b>	Gross premium growth <sup>3</sup>	≥ 10%
	Combined ratio (non-life)	≤ 96%
	Value of New Business (VNB) growth	5 - 10%
	EBIT margin <sup>4</sup>	≥ 5%
<b>Non-life reinsurance</b>	Gross premium growth	3 - 5%
	Combined ratio	≤ 96%
	EBIT margin <sup>4</sup>	≥ 10%
<b>Life &amp; health reinsurance</b>	Gross premium growth <sup>3</sup>	5 - 7%
	Value of New Business (VNB) growth	≥ 10%
	EBIT margin <sup>4</sup> financing and longevity business	≥ 2%
	EBIT margin <sup>4</sup> mortality and health business	≥ 6%

<sup>1</sup> Risk-free rate is defined as the 5-year rolling average of the 10-year German government bond yield

<sup>2</sup> Derived from actual asset duration. Currently ~ 6.5 years, therefore the minimum return is the 13-year average of 13-year German government bond yield.

Annually rolling

<sup>3</sup> Organic growth only; currency neutral

<sup>4</sup> EBIT/net premium earned

Note: growth targets are on p.a. basis

## 5 Talanx credentials in summary

### EXCELLENCE

- B2B expertise as USP
- Strong integration of all divisions
- Focus on underwriting

### SOUNDNESS

- Strong solvency ratios
- State-of-the-art capital management
- TERM in final BaFin application process

# talánx.

### GROWTH

- Strategy for Industrial Lines, Retail International and Re
- Focus on growth regions
- Intelligent combination of organic and bolt-on

### PROFITABILITY

- Top-line growth from presence in growth markets
- Efficiency gains in Germany and cost synergies in Poland and Mexico
- Strategic increase of retention rate

## APPENDIX: HDI V.a.G. placement strengthens position in MDAX

### MDAX ranking free-float market cap

Rank June 2013	Group
	...
38	Peer 1
39	Peer 2
40	Peer 3
41	Peer 4
42	Peer 5
43	Peer 6
44	Peer 7
45	Peer 8
46	Peer 9
47	Peer 10
48	Peer 11
49	Peer 12
50	<b>tal anx.</b>
	...



Rank August 2013	Group
	...
38	Peer 1
39	Peer 2
40	Peer 3
41	Peer 4
42	Peer 5
43	Peer 6
44	Peer 7
45	Peer 8
46	<b>tal anx.</b>
47	Peer 9
48	Peer 10
49	Peer 11
50	Peer 12
	...

### Comments

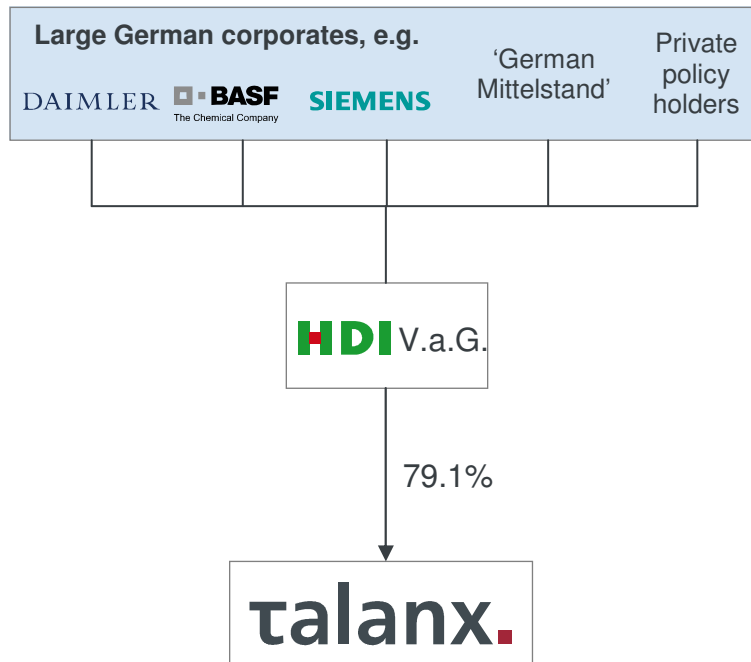
- In July, HDI V.a.G. placed 8.2m shares (3.2% of Talanx's share capital) at €23.25 per share
- The transaction reduced HDI V.a.G.'s share in Talanx to 79.1% while raising the free-float from 11.2 to 14.4%
- Based on the Deutsche Börse MDAX ranking, Talanx stands end of August at #46 according to the free-float market cap criteria
- With respect to turnover, Talanx reached #35 in the August ranking

Source: Talanx analysis based on July 2013 MDAX statistics.



## APPENDIX: HDI V.a.G. structure

### Members of HDI V.a.G.



### Relationship HDI V.a.G. – Talanx AG

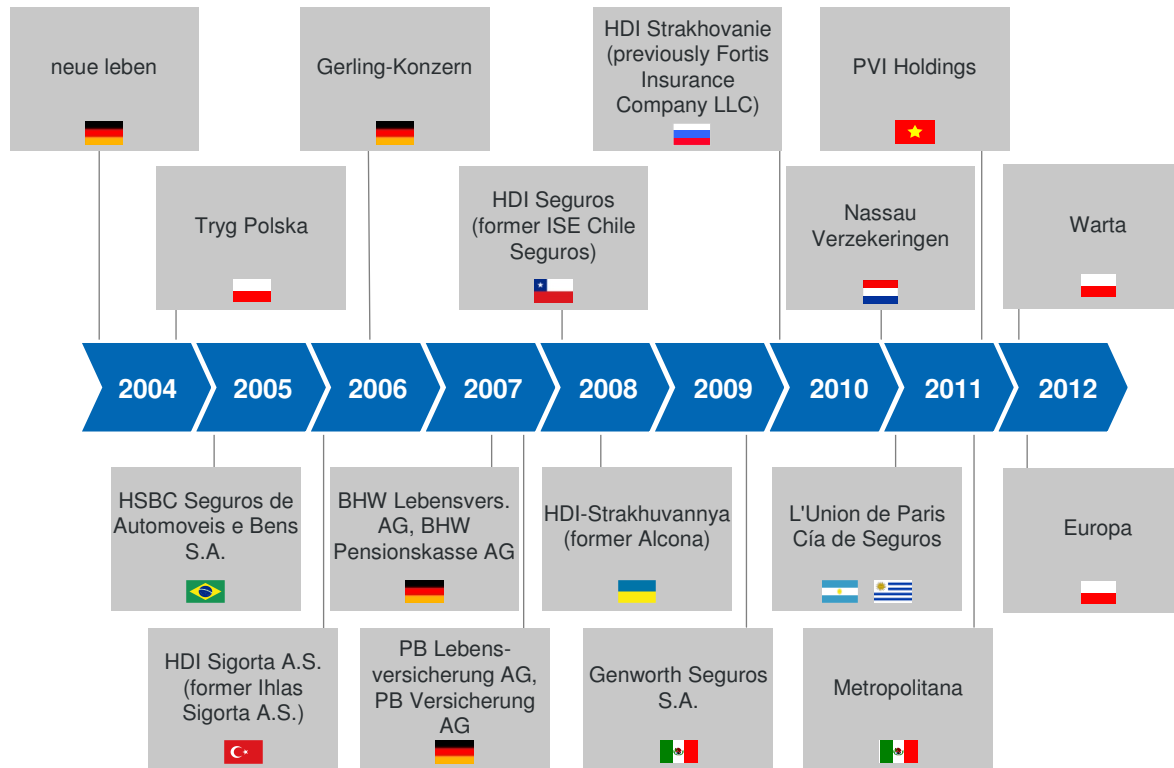
- HDI V.a.G. is a mutual insurance company and majority-owner of the holding company Talanx AG; commitment to remain long-term majority shareholder post IPO
- Alignment of interests of HDI V.a.G. and Talanx Group through
  - Providing efficient and reliable insurance to mutual members at market rates, often syndicate-based
  - Same decision makers: Mr Haas, Dr Hinsch, Dr Querner
  - HDI V.a.G. has no other investments besides Talanx and is interested to further strengthen and enable Talanx to provide stable insurance capacity to industrial clients
  - Talanx and HDI V.a.G. committed to capital market oriented dividend policy
- No financial liabilities on mutual level
- Very limited business relations / intercompany contracts between HDI V.a.G. and Talanx



**Strong and reliable anchor shareholder with aligned interests**

# APPENDIX: How to move forward? – Profitable organic growth accelerated by focused acquisitions

## Selected acquisitions of Talanx since 2004



- M&A focus set on „Industrial Lines“ and „Retail International“
- Key focus on Eastern European and Latin American markets with existing footprint
- Main rationals: portfolio optimization, increasing global efficiencies, expanding group competencies
- H1 2013 delivered positive contribution in all target markets proving M&A strategy successful



**Excellent track record in acquiring and integrating insurers in attractive growth markets**

## APPENDIX: Key financials by segments – 6M 2013

	Industrial Lines			Retail Germany			Retail International		
€m, IFRS	6M 2013	6M 2012	Change	6M 2013	6M 2012	Change	6M 2013	6M 2012	Change
<b>P&amp;L</b>									
Gross written premium	2,399	2,246	+7%	3,623	3,516	+3%	2,151	1,334	+61%
Net premium earned	895	782	+14%	2,663	2,610	+2%	1,748	1,078	+62%
Net underwriting result	(11)	58	n.a.	(732)	(711)	n.a.	17	(21)	n.a.
Net investment income	108	113	(5%)	872	813	+7%	146	118	+24%
Operating result (EBIT)	78	157	(50%)	90	73	+23%	113	52	+117%
Net income after minorities	47	99	(53%)	51	49	+4%	66	31	+114%
<b>Key ratios</b>									
Combined ratio non-life insurance and reinsurance	101.2%	92.6%	8.5%pts	99.9%	108.6%	(8.8)%pts	94.9%	99.0%	(4.1)%pts
Return on investment <sup>1</sup>	3.1%	3.4%	(0.3)%pts	4.3%	4.3%	0.0%pts	5.1%	6.1%	(1.0)%pts

<sup>1</sup> Annualised

Note: Differences due to rounding may occur.

## APPENDIX: Key financials by segments – 6M 2013 (continued)

	Non-Life Reinsurance			Life and Health Reinsurance			Group		
€m, IFRS	6M 2013	6M 2012	Change	6M 2013	6M 2012	Change	6M 2013	6M 2012	Change
<b>P&amp;L</b>									
Gross written premium	4,097	4,080	+0%	3,130	2,809	+11%	14,966	13,582	+10%
Net premium earned	3,404	3,303	+3%	2,787	2,521	+11%	11,498	10,294	+12%
Net underwriting result	191	100	+91%	(194)	(121)	(60)%	(730)	(695)	(5)%
Net investment income	378	429	(12)%	315	286	+10%	1,877	1,748	+7%
Operating result (EBIT)	567	448	+26%	108	153	(29)%	1,018	853	+19%
Net income after minorities	166	143	+17%	40	62	(36)%	407	353	+15%
<b>Key ratios</b>									
Combined ratio non-life insurance and reinsurance	94.2%	96.8%	(2.6)%pts	---	---	---	96.0%	98.0%	(2.0)%pts
Return on investment <sup>1</sup>	3.2%	3.8%	(0.6)%pts	3.2%	3.8%	(0.6)%pts	4.0%	4.1%	(0.1)%pts

<sup>1</sup> Annualised

Note: Differences due to rounding may occur.

## APPENDIX: 6M 2013 results – GWP of main risk carriers

Retail Germany			
GWP, €m, IFRS	6M 2013	6M 2012	Change
<b>Non-life Insurance</b>	<b>1,038</b>	<b>1,045</b>	<b>(1%)</b>
HDI Versicherungs AG <sup>1</sup>	965	977	(1%)
<b>Life Insurance</b>	<b>2,585</b>	<b>2,471</b>	<b>+5%</b>
HDI Lebensversicherung AG	1,101	1,116	(1%)
neue leben Lebensversicherung AG <sup>2</sup>	525	499	+5%
TARGO Lebensversicherung AG	476	429	+11%
PB Lebensversicherung AG	384	354	+9%
<b>Total</b>	<b>3,623</b>	<b>3,516</b>	<b>+3%</b>

<sup>1</sup> Entity results from Sept 2012 merger of HDI Direkt Versicherung AG and HDI-Gerling Firmen und Privat Versicherung AG

<sup>2</sup> Talanx ownership 67.5%

<sup>3</sup> includes HDI Asekuracja TU S.A., Poland; Talanx ownership of 75.74%

<sup>4</sup> Talanx ownership 50% + 1 share; closed on 1 June 2012

<sup>5</sup> includes Metropolitana

Numbers for main carriers represent data entry values

Retail International			
GWP, €m, IFRS	6M 2013	6M 2012	Change
<b>Non-life Insurance</b>	<b>1,439</b>	<b>966</b>	<b>+49%</b>
HDI Seguros S.A., Brazil	421	390	+8%
TUIR Warta S.A. <sup>3</sup> , Poland	444	127	n.a.
TU Europa S.A. <sup>4</sup> , Poland	76	10	n.a.
HDI Assicurazioni S. p. A., Italy (P&C)	172	162	+6%
HDI Seguros S.A. De C.V., Mexico <sup>5</sup>	87	67	+30%
HDI Sigorta A.Ş., Turkey	97	79	+22%
<b>Life Insurance</b>	<b>712</b>	<b>368</b>	<b>+93%</b>
TU Warta Zycie S.A., Poland	67	-	n.a.
TU Europa <sup>4</sup> , Poland	194	7	n.a.
Open Life <sup>4</sup>	9	1	n.a.
HDI-Gerling Zycie, Poland	84	44	+91%
HDI Assicurazioni S. p. A., Italy (Life)	153	111	+37%
<b>Total</b>	<b>2,151</b>	<b>1,334</b>	<b>+61%</b>

# Talanx Investor Relations

## Financial Calendar

14 November 2013  
Interim Report Q3 2013

24 March 2014  
Annual Report 2013

08 May 2014  
Annual General Meeting

15 May 2014  
Interim Report Q1 2014

## Contact

Talanx AG  
Riethorst 2  
30659 Hannover  
Germany  
[ir@talanx.com](mailto:ir@talanx.com)

Dr. Wolfram Schmitt  
Phone: +49 511 3747 2185  
[wolfram.schmitt@talanx.com](mailto:wolfram.schmitt@talanx.com)

Carsten Werle, CFA  
Phone: +49 511 3747 2231  
[carsten.werle@talanx.com](mailto:carsten.werle@talanx.com)

Marcus Sander, CFA  
Phone: +49 511 3747 2368  
[marcus.sander@talanx.com](mailto:marcus.sander@talanx.com)

# Disclaimer

This presentation contains forward-looking statements which are based on certain assumptions, expectations and opinions of the management of Talanx AG (the "Company") or cited from third-party sources. These statements are, therefore, subject to certain known or unknown risks and uncertainties. A variety of factors, many of which are beyond the Company's control, affect the Company's business activities, business strategy, results, performance and achievements. Should one or more of these factors or risks or uncertainties materialize, actual results, performance or achievements of the Company may vary materially from those expressed or implied as being expected, anticipated, intended, planned, believed, sought, estimated or projected in the relevant forward-looking statement.

The Company does not guarantee that the assumptions underlying such forward-looking statements are free from errors nor does the Company accept any responsibility for the actual occurrence of the forecasted developments. The Company neither intends, nor assumes any obligation, to update or revise these forward-looking statements in light of developments which differ from those anticipated.

Where any information and statistics are quoted from any external source, such information or statistics should not be interpreted as having been adopted or endorsed by the Company as being accurate. Presentations of the company usually contain supplemental financial measures (e.g., return on investment, return on equity, gross/net combined ratios, solvency ratios) which the Company believes to be useful performance measures but which are not recognised as measures under International Financial Reporting Standards, as adopted by the European Union ("IFRS"). Therefore, such measures should be viewed as supplemental to, but not as substitute for, balance sheet, statement of income or cash flow statement data determined in accordance with IFRS. Since not all companies define such measures in the same way, the respective measures may not be comparable to similarly-titled measures used by other companies. This presentation is dated as of 23 September 2013. Neither the delivery of this presentation nor any further discussions of the Company with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since such date. This material is being delivered in conjunction with an oral presentation by the Company and should not be taken out of context.