

Interim Results 2004 Helvetia Patria Group

Welcome



Programme:

- **The Group's business**
- **The interim results by business segments, the investments and the shareholders' equity**
- **The Swiss business**
- **The country markets abroad**
- **Review and preview**
- **Questions & answers**

Erich Walser

Roland Geissmann

Philipp Gmür

Erich Walser

Erich Walser



The Group's business

Erich Walser, CEO



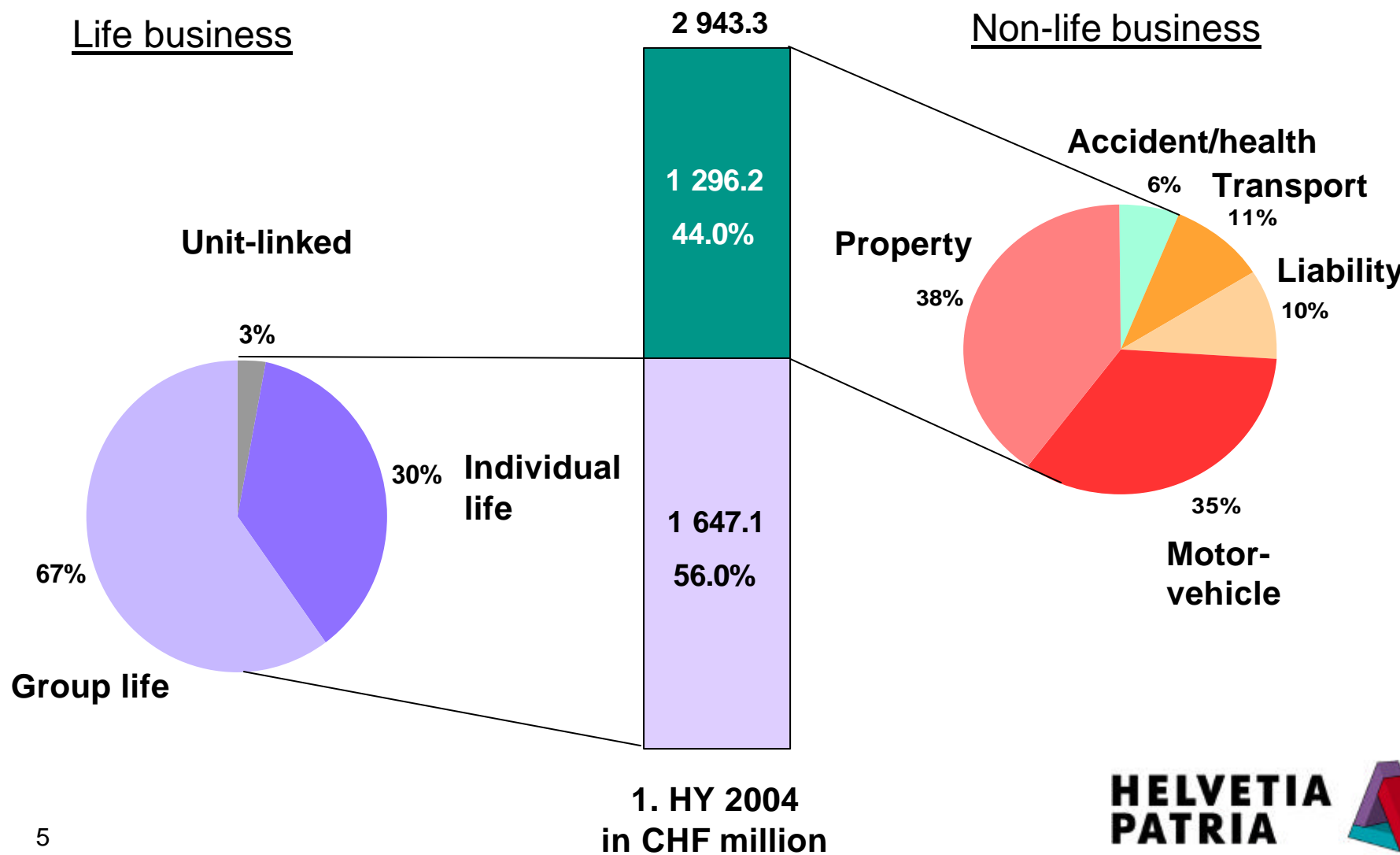
Good overall result

In CHF million, unless otherwise noted

	HY 2003	HY 2004
Gross written premiums	3 504.6	3 074.2
Income from investments	477.3	484.6
Result before taxation	38.1	100.6
Result after taxation	26.8	73.7
Investments at market values	25 396.1	25 654.1
Net underwriting reserves	23 252.0	23 645.4
Consolidated shareholders' equity before appropriation of profit	1 195.5	1 154.8
Market capitalization	962.8	1 393.9
Result after taxes per share (in CHF)	4.5	12.3
Consolidated shareholders' equity per share (in CHF)	190.0	183.5
Share price (CHF)	153.0	221.5
Price/Book ratio	81%	121%
Number of shareholders	3 812	3 697

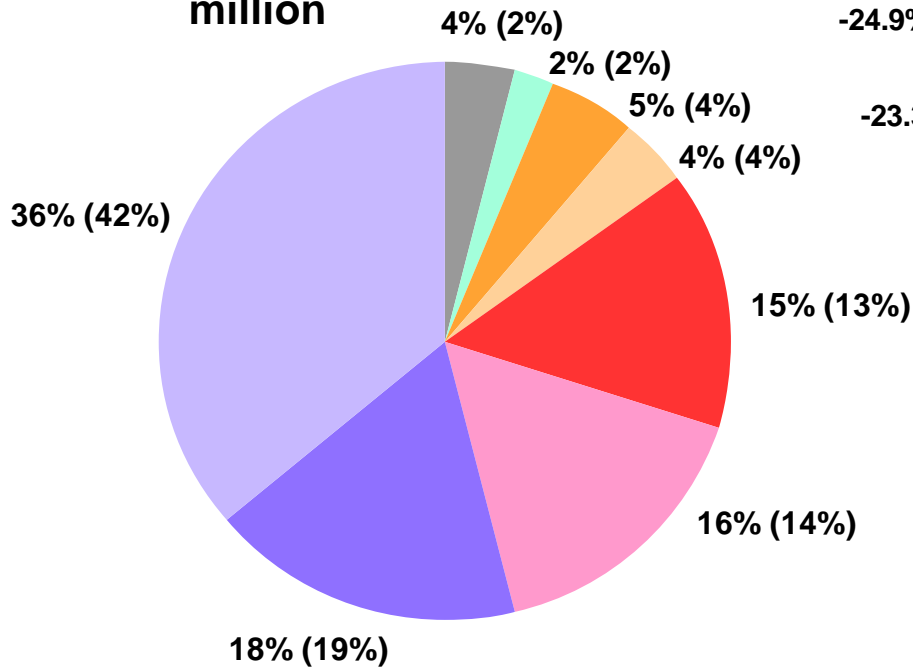


Direct business: Premium volume by business segment



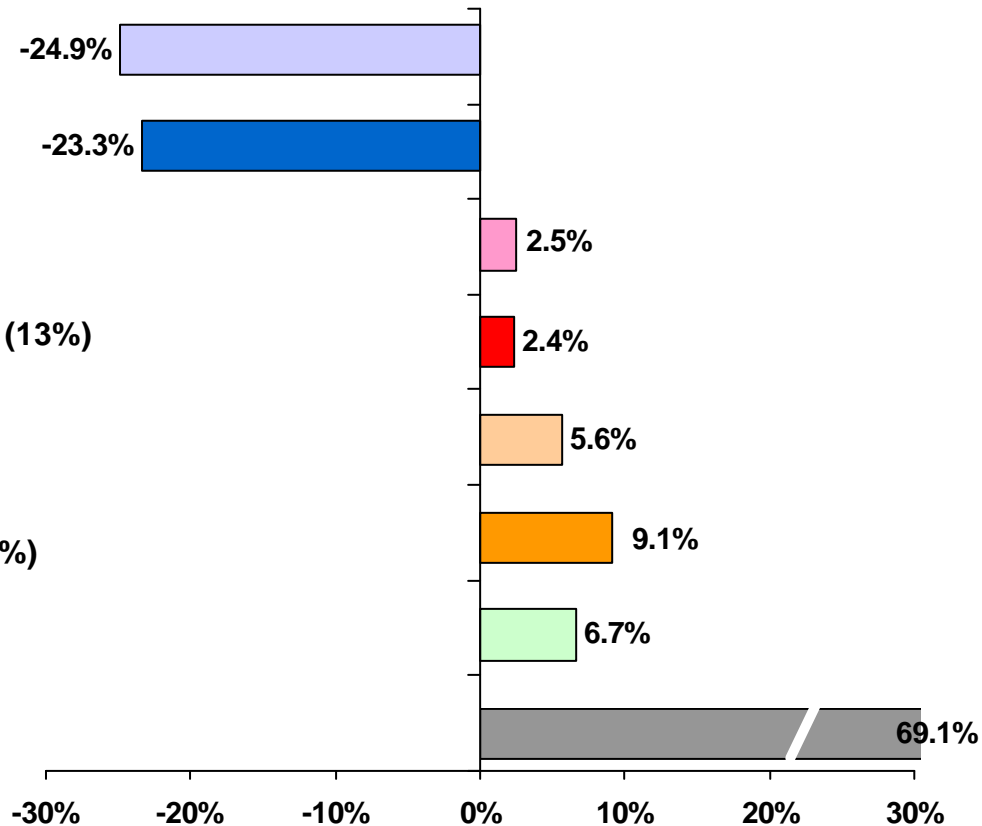
Premium development by business segment (incl. indirect business)

Total CHF 3 074
million



1. HY 2004

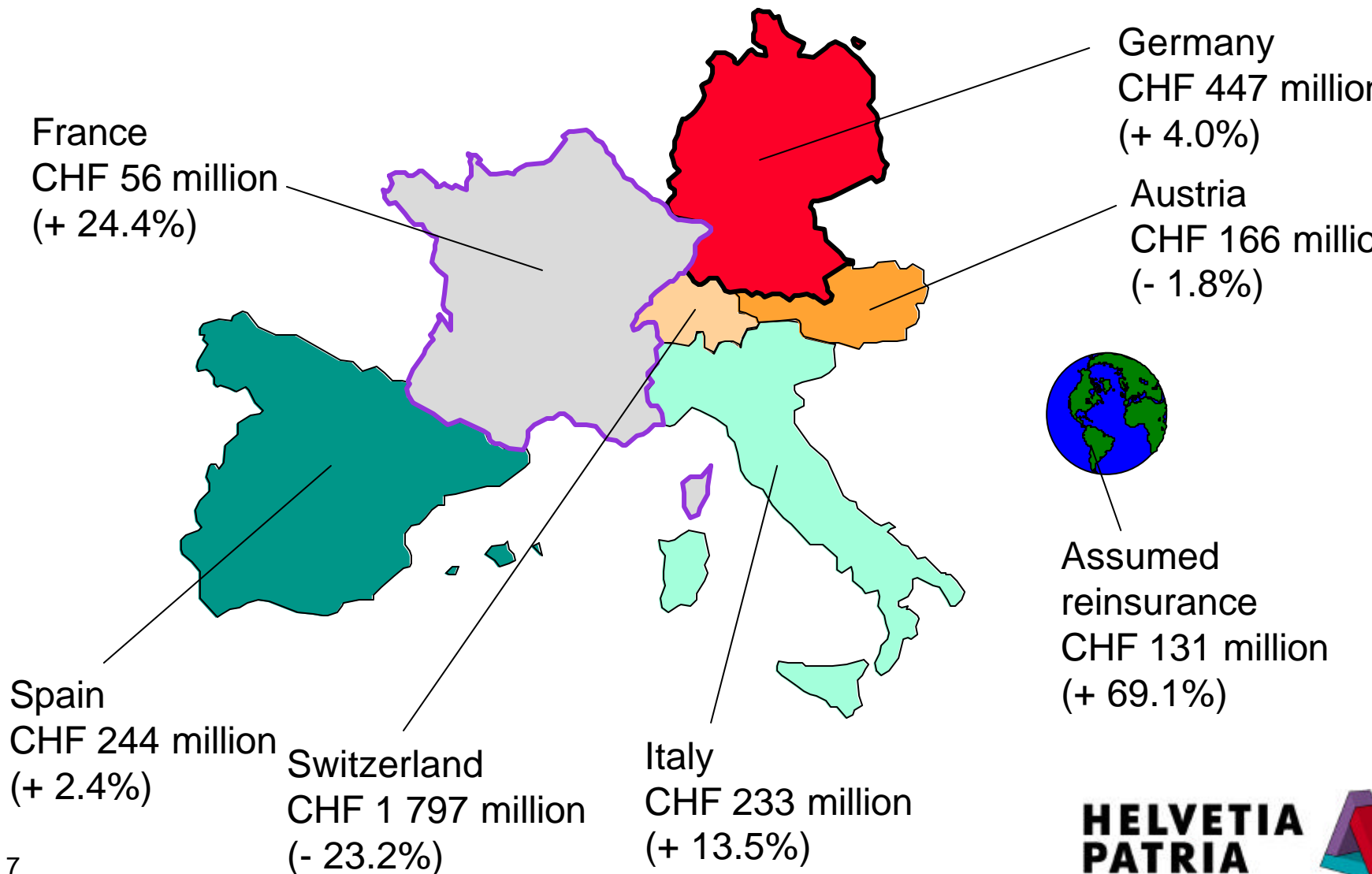
(Prior-year values in brackets)



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Premium distribution by country

Gross written premiums - Group: CHF 3 074 million



The interim results by business segments, the investments and the shareholders' equity

Roland Geissmann, CFO



**Life business:
Again positive
underwriting result**



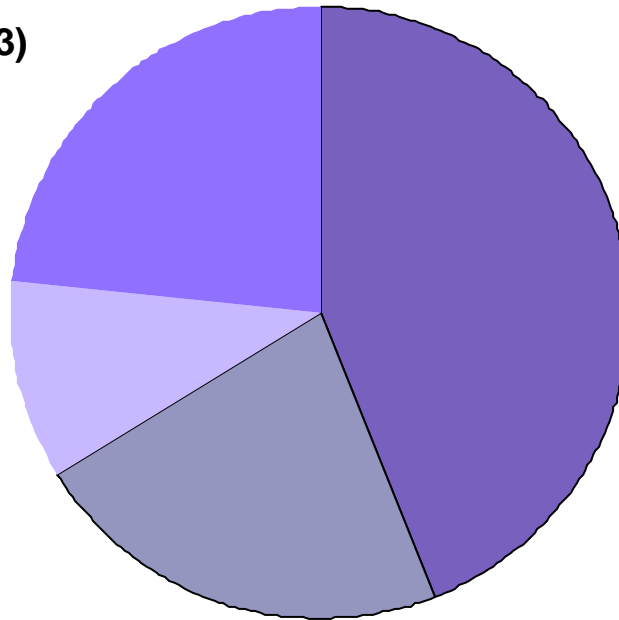
Life business: Premium distribution

In CHF million (prior-year values in brackets)

Group life
Single premiums
Premiums 385.5 (812.3)
69.2% (70.2%)

Total Single premiums
33.8% (53.1%)

Individual life
Single premiums
Premiums 171.9 (344.7)
30.8% (29.8%)



Total CHF 1 647.1 mn
(Total CHF 2 177.1 mn)

Group life
Periodic premiums
Premiums 721.4 (653.2)
66.2% (64.0%)

Total Periodic premiums
66.2% (46.9%)

Individual life
Periodic premiums
Premiums 368.3 (367.0)
33.8% (36.0%)

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Life business:

Again positive underwriting result

In CHF million

Net written premiums

Net benefits paid; early repayments

Net change in actuarial reserves

Net change in other underwriting reserves

Net underwriting expenses

Net expense ratio in % of net written premiums

Net expenditure on results-linked and non-results
linked policyholders' dividends

Result from life underwriting activities

Net underwriting reserves

	HY 2003	HY 2004	Change
	2 166.2	1 630.4	- 24.7%
	- 1 292.1	- 1 549.5	+ 19.9%
	- 765.6	111.4	-
	-	- 5.0	- 100.0%
	- 173.9	- 137.2	- 21.1%
	8.0%	8.4%	-
	- 46.7	- 63.2	+ 35.3%
	- 28.2	20.1	-
	19 989.9	20 234.7	+ 1.2%



**Non-life business:
Excellent**

Non-life business: Again significantly improved result

In CHF million

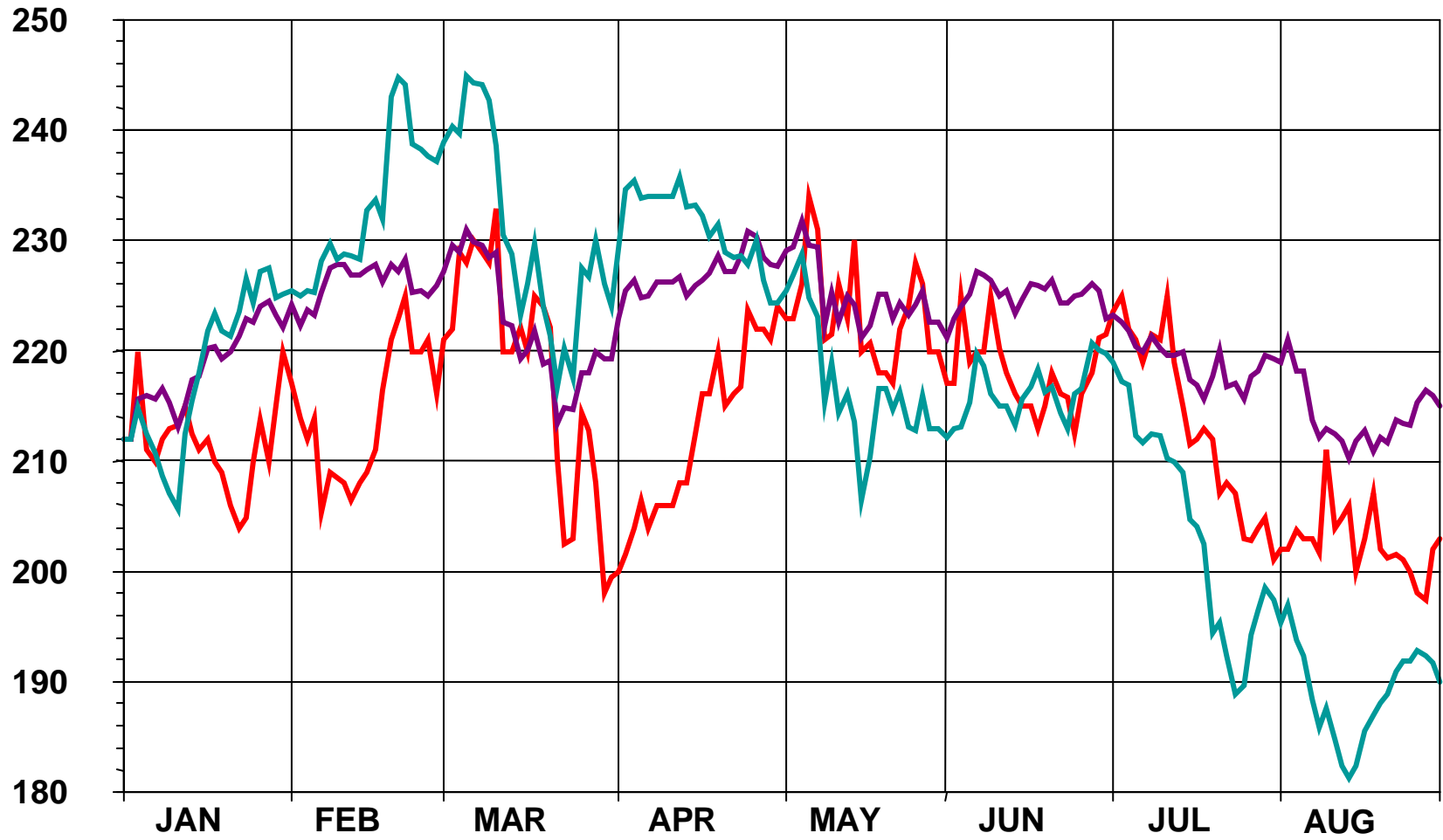
	HY 2003	HY 2004	Change
Net earned premiums	971.3	1 080.8	+11.3%
Net claims paid	- 642.3	- 681.1	+ 6.0%
Net change in equalisation reserve	- 23.1	- 28.6	+ 23.8%
Claims ratio (incl. change in equalisation reserve) in % of net earned premiums	68.5%	65.7%	-
Net underwriting expenses	- 306.2	- 342.4	+ 11.8%
Expense ratio in % of net earned premiums	31.5%	31.7%	-
Combined Ratio («all in» in % of net earned premiums)	100.6%	99.0%	-
Result from non-life underwriting activities	60.5	74.7	+ 23.5%
Net non-life underwriting reserves	3 262.1	3 410.7	+ 4.6%

Includes indirect business

The non-underwriting account



Share price development 1.1. - 31.8.2004



- Helvetia Patria registered shares
- SPI Total Index
- SPI Insurance

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Investment result

In CHF million

1. Current income
2. Realized gains/losses
 - on index- and unit-linked life insurance policies
3. De- / appreciation and value adjustments affecting the operating result
 - of index- and unit-linked life insurance policies
- Sum of 1.- 3. *)
- (Difference between 2. and 3.)
4. Total investment income
 - with index- and unit-linked life insurance policies
 - without index- and unit-linked life insurance policies

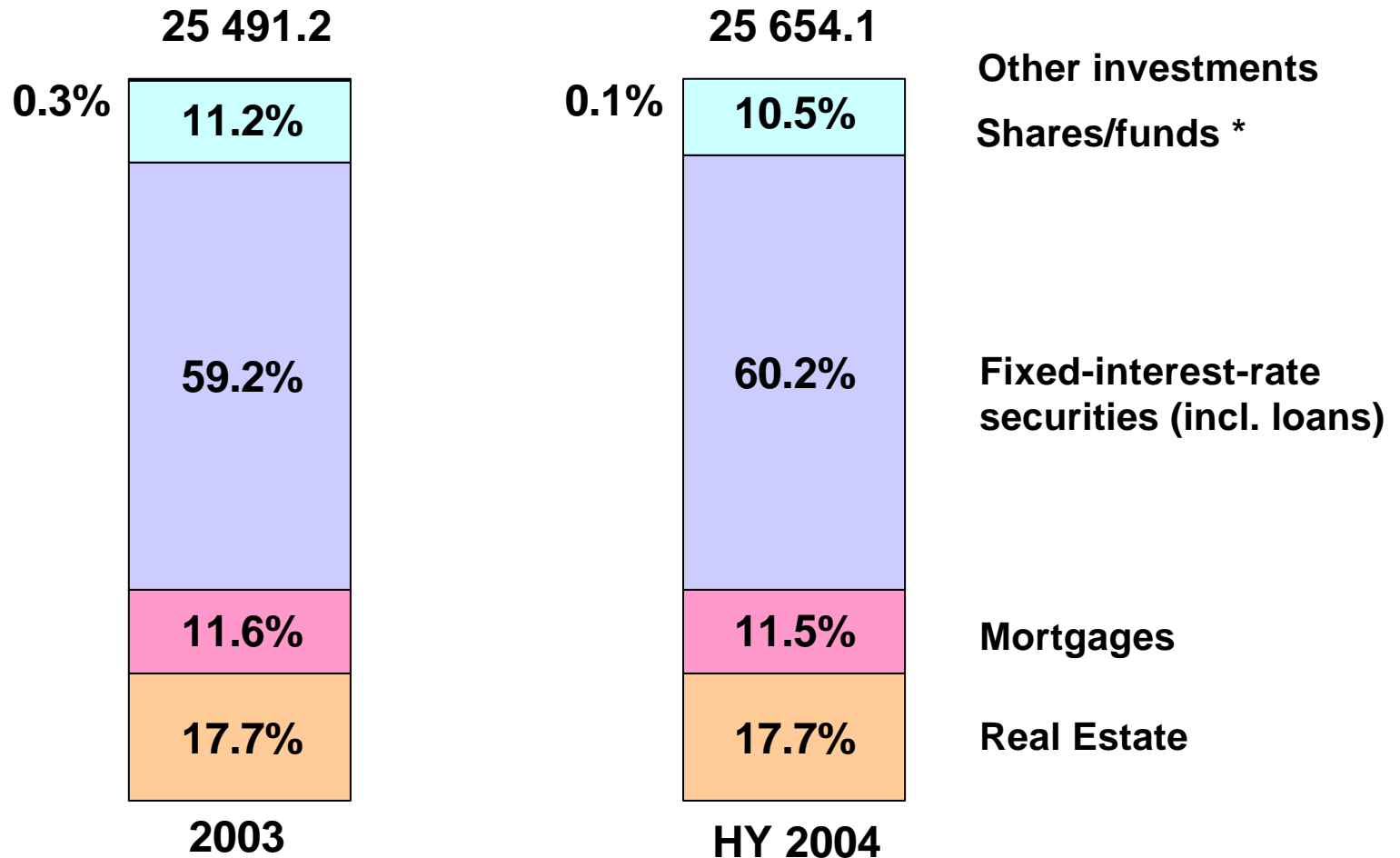
HY 2003	HY 2004	Change
487	451	- 7.4%
113	90	- 20.4%
1	1	-
- 151	- 68	- 55.0%
27	11	- 59.3%
(- 124)	(- 57)	- 54.0%
(- 10)	(+ 34)	-
477	485	+ 1.7%
449	473	+ 5.3%

*) Depreciations according to ARR 14 „old“, i.e. total charged to profit and loss account (no deferred depreciations)



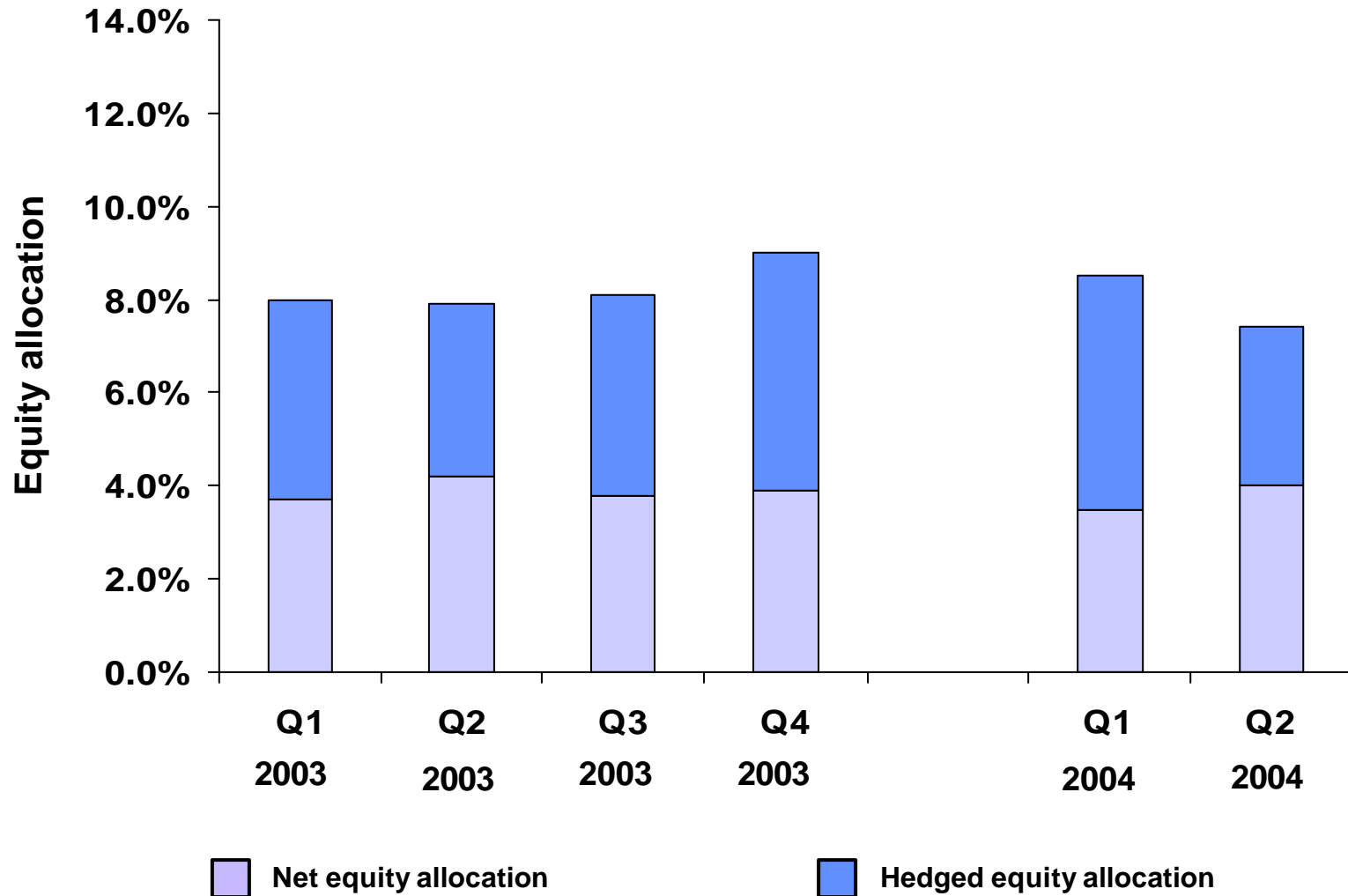
Investment structure

In CHF million



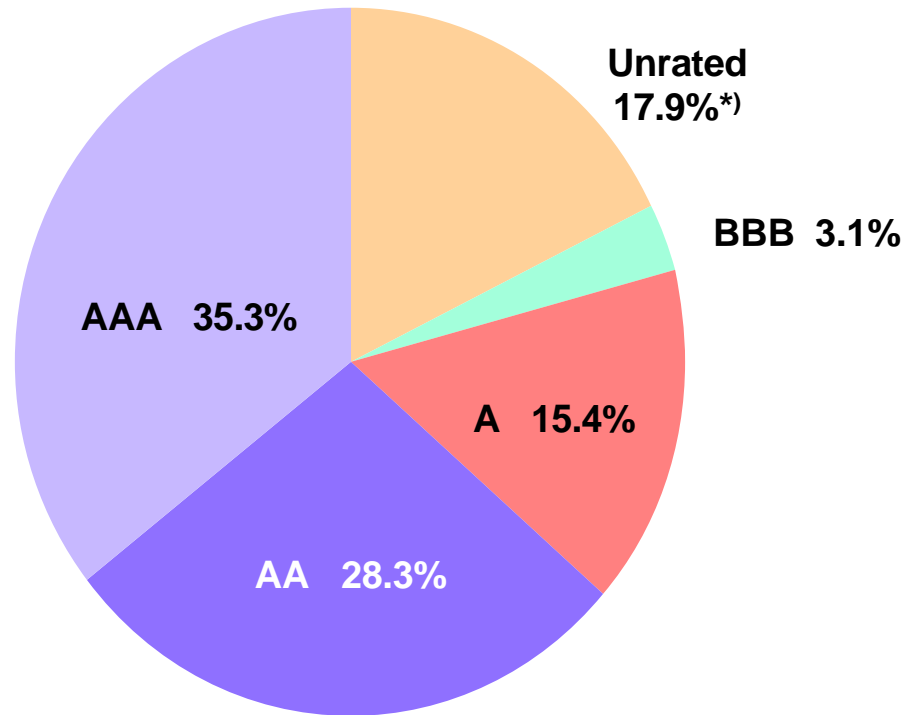
* Portion of pure equity: gross 7.4 %

Hedging measures and equity exposure



Excellent quality of our bond portfolio

By credit rating



1. HY 2004

➡ 80% of all bonds have at least an A-Rating

*) in particular: Cantonal Banks, foreign regional banks, cantonal and special mortgage institutions: debtors with first-rate credit standing

The Group's business and the shareholders' equity

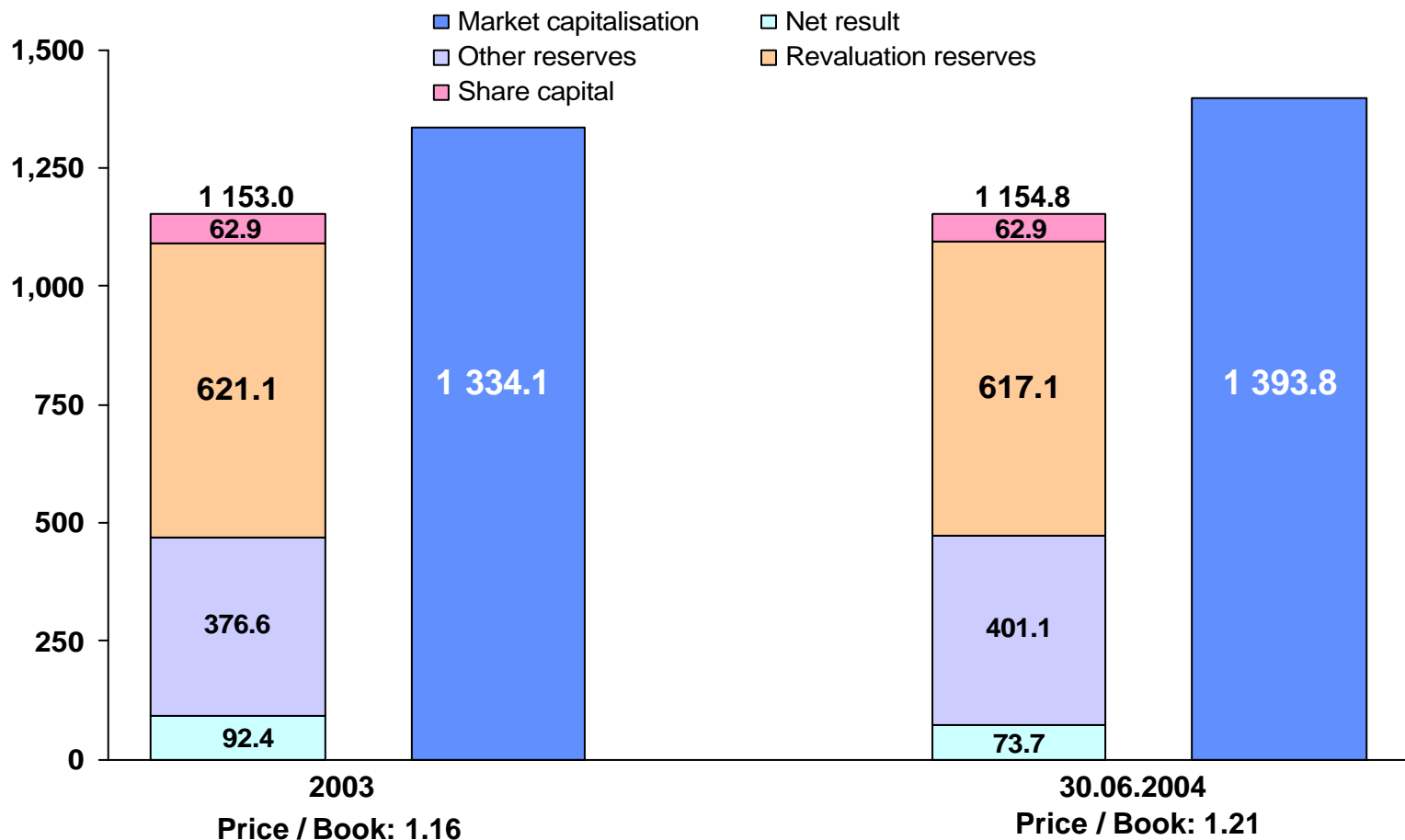


Development of Group Result

In CHF 1'000	HY 2003	HY 2004	Change
Underwriting result from non-life activities	60 457	74 741	23.6%
Underwriting result from life activities	- 28 162	20 086	171.3%
Non-underwriting result	14 033	5 786	- 58.8%
Subtotal 1	46 328	100 613	117.2%
./ Impairment Goodwill (straight-line method of depreciation in prior year)	- 8 250	- 32	- 99.6%
./ Taxes	- 11 239	- 26 856	139.0%
./ Minority interests	- 65	- 37	- 43.1%
Result after amortization of goodwill, after taxes and minority interests	26 774	73 688	175.2%
Result per share (in CHF)	4.5	12.3	175.2%



Shareholders' equity compared to market capitalization



During the year 2004 new legal provisions have taken effect at short notice with regard to separating the investments. Those provisions will affect the revaluation reserves in the consolidated shareholders' equity. The related separation plans are under development and the approval by the supervisory authorities is expected to be given during the fourth quarter of 2004. We are estimating the share of the revaluation reserves to be separated to reach an amount of about CHF 100 million which will be reported in the balance sheet for the first time at 31.12.2004.

The Swiss Business

Philipp Gmür, CEO Switzerland



Switzerland: First half-year 2004

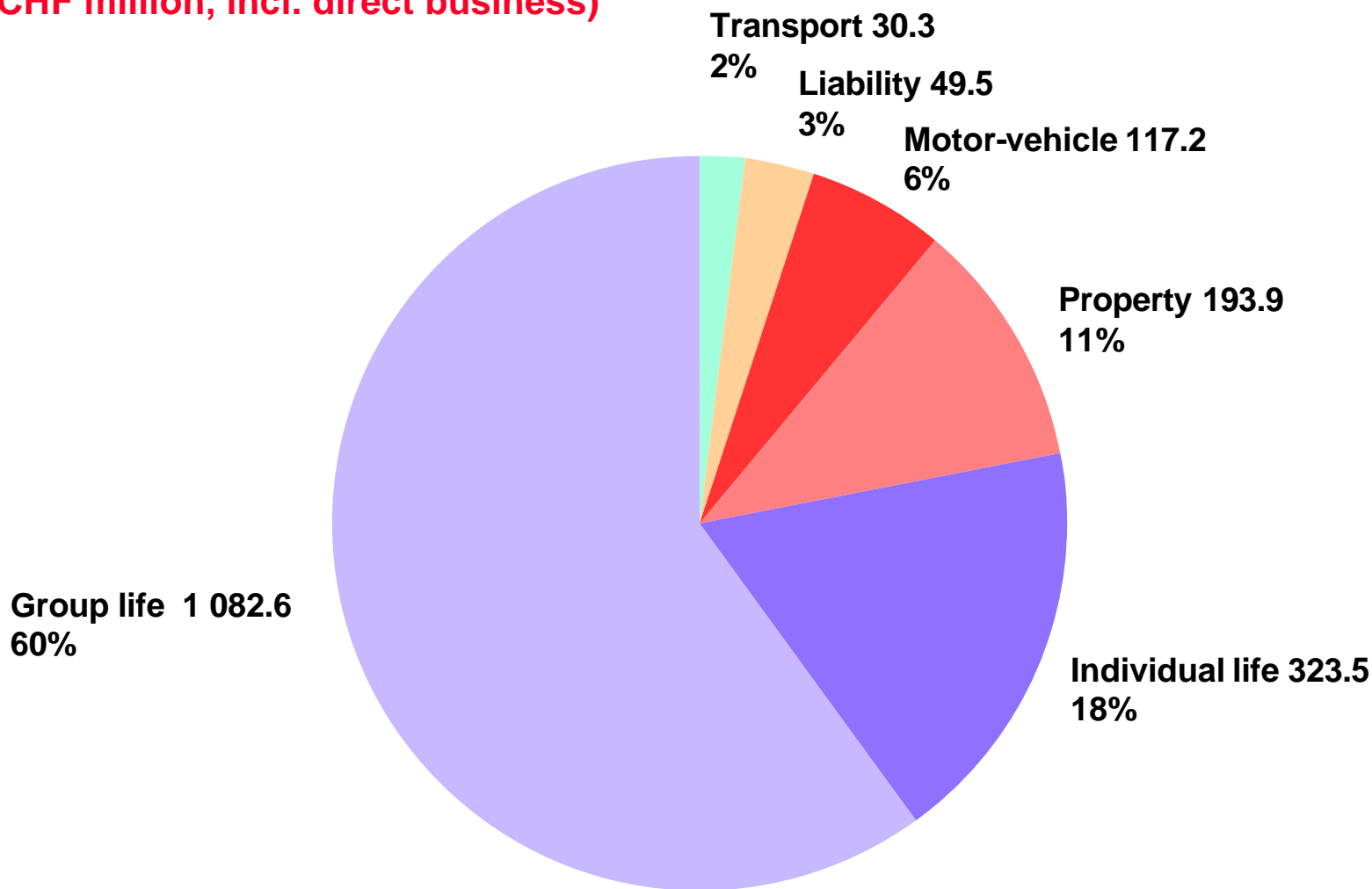
In CHF milion	HY 2003	HY 2004	Change
Premiums life	1 966.0	1 406.1	- 28.5%
Premiums non-life	373.7	390.9	4.6%
Total premiums Switz.	2 339.7	1 797.0	- 23.2%

- Individual life: Decline in the single premium segment
- Group life: Higher cost- and risk premiums
Recovery of the disability insurance result
- Non-life: Pleasing growth
Continuous profitability



Switzerland: Gross written premiums by segment

(in CHF million, incl. direct business)



Total: CHF 1 797.0 million

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Switzerland: Premiums in the life business

In CHF million

Total premiums direct life
Periodic premiums individual
Single premiums individual
Total individual life

Periodic premium group
Single premium group
Total group life

HY 2003	HY 2004	Change
1 966.0	1 406.1	- 28.5%
200.0	200.9	0.5%
317.5	122.6	- 61.4%
517.5	323.5	- 37.5%
639.6	700.7	9.6%
808.9	381.9	- 52.8%
1 448.5	1 082.6	- 25.3%



Switzerland: Premiums in the non-life business

In CHF million

Total premiums non-life

Property

Transport

Motor-vehicle

Liability

HY 2003	HY 2004	Change
373.7	390.9	4.6%
194.5	193.9	- 0.3%
25.0	30.3	21.2%
108.8	117.2	7.7%
45.4	49.5	9.0%



Switzerland: Non-life key figures

	HY 2003	HY 2004
Gross premiums (in CHF million)	373.7	390.9
Gross claims ratio (%)	63.9	64.8
Gross expense ratio (%)	28.4	27.9
Gross combined ratio (%)	93.6	93.9
Net combined ratio (%)	100.7	97.4

All ratios in % of the earned premiums



BVG* business: First progress

- **Better interest rate result**
- **Lower losses on the old-age pensions thanks to splitting into the mandatory part and the part exceeding the mandatory plan**
- **Improvement of the disability insurance result (change in trend?)**
- **Additional cost savings**
- **New IT-platform promises gains in efficiency**

* BVG: Mandatory occupational provisions



BVG-business: Insufficient political framework

We are asking for:

- **Reliable minimum interest rate**
- **Lower pension conversion rate**
- **Legislation with more moderation and vision**



Outlook

- **Continuous selective acceptance policy in the group life sector**
- **Subdued development in the individual life segment**
- **Life result above prior-year's period**
- **Result non-life within budget**



The country markets abroad

Erich Walser, CEO



Successful business units (1)

- **Germany:** Increasing premium development, declining claims ratio, innovative products
- **Austria:** Profit-oriented business policy, lower costs and better loss experience, turnaround proceeding as planned
- **Italy:** Better portfolio mix due to decreasing motor-vehicle business, positive loss development, high growth rate in the life business



Successful business units (2)









- **Spain:** Merger completed, good operating business, interesting product range, progress thanks to optimizations
- **France:** Strong growth, acquisition of two portfolios, excellent loss experience with lower costs
- **Assumed** High premium growth, strong earnings power, synergies between assumed and outwards reinsurance



Review and preview



Overall assessment

- Profit growth /RoE 
- Underwriting result non-life 
- Combined ratio (cost-/claims mgt.) 
- Underwriting result life 
- Profitability improvement in BVG-business 
- Solvability of individual companies 
- Risk capacity 
- Framework for group life business 



Current course of business and preview (July 04)

- | | |
|---|--|
| ■ Premium growth
(Direct business aggregated) | Total: - 12.4 % (LC* - 14.2%)
Life: - 24.3 % (LC* - 24.9%)
Non-life: + 7.1% (LC* + 3.5%) |
| ■ Loss experience | Continuously good (incl. storms in July/
August), little impact from hurricanes
Charley and Frances |
| ■ Cost development | Within budget |
| ■ Investments | <ul style="list-style-type: none">- Current income slightly below budget
for volume reasons- Valuation margin just below value of 12/03- Continuation of cautious policy |
| ■ Preview 2004 | Set goals within reach from current
point of view. |

*LC = Local currency



Objectives for the business year 2004

- **Implementing strategy 2004-06:
Profitability precedes growth!**
- **Having a combined Ratio below 100 per cent**
- **Achieving positive results in all country units**
- **Generating a positive result in the Swiss
group life business**
- **Continuing cost discipline**
- **Increasing risk capacity of Group**



Conclusion: Helvetia Patria is well positioned in an attractive industry

Our Opportunity

- Rising demand for one stop solutions in the financial and pension-scheme sectors in Europe

Our Strengths

- Leadership position in risk protection
- Strong country markets and brands
- Strong base for European growth
- Access to customers through multi-channel business model

Our Challenges

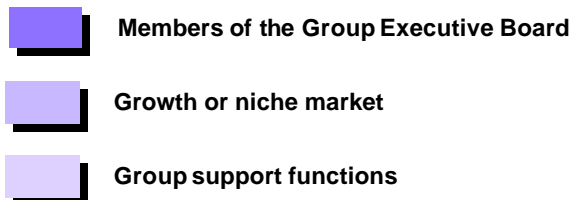
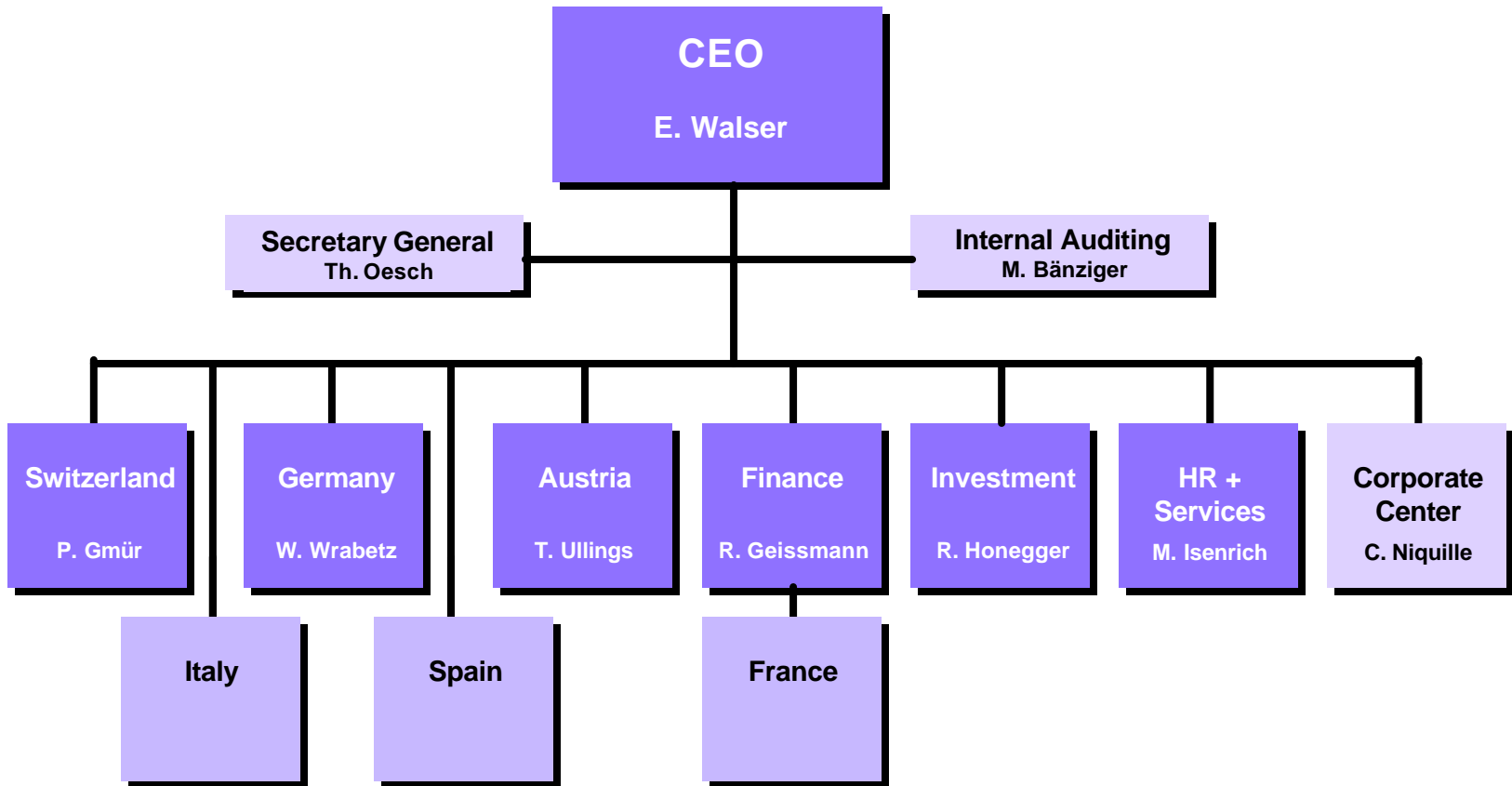
- Strengthening of risk capacity and concentration on profitable business

**Just
ask
us.**



Appendix

The Management of Helvetia Patria Group



A historical overview

- 1858 Founding of Allgemeine Versicherungs-Gesellschaft Helvetia
- 1861 Founding of Helvetia Schweiz. Feuerversicherungsgesellschaft
- 1862 Establishment of branch offices in Germany
- 1878 Founding of the Mutual „Patria, Schweizerische Lebensversicherungsgesellschaft“, in Basel
- 1920-1962 Founding of branch offices and subsidiaries of Helvetia in France, Italy, Austria, Greece (sold 1997), the Netherlands (sold 1995) and Canada (sold 1999)
- 1974 Merger of Helvetia Feuer and Helvetia Allgemeine, St.Gallen
- 1986-1988 Additional Helvetia subsidiaries established in Spain, Italy and Germany
- 1992 Begin of partnership between Helvetia and Patria
- 1996 Founding of Helvetia Patria Holding in St.Gallen
- 1998 Acquisition of La Vasco Navarra (Spain);
Acquisition of the portfolio of NCD (Italy)
- 1999 Merger between the companies La Vasco Navarra and Cervantes Helvetia to Helvetia CVN, Madrid/Pamplona
- 2000 Acquisition of the Spanish insurer Previsión Española, Seville
- 2001 Acquisition of Norwich Union Vita, Milan; renamed in Helvetia Life
- 2002 Acquisition of Royal & Sun Alliance's transport portfolio in France
- 2003 Merger of subsidiaries Previsión Española and Helvetia CVN in Spain to Helvetia Previsión with Head Office in Seville



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