

Deutsche Bank - Swiss Equities Conference

Martin Strobel, Group CEO

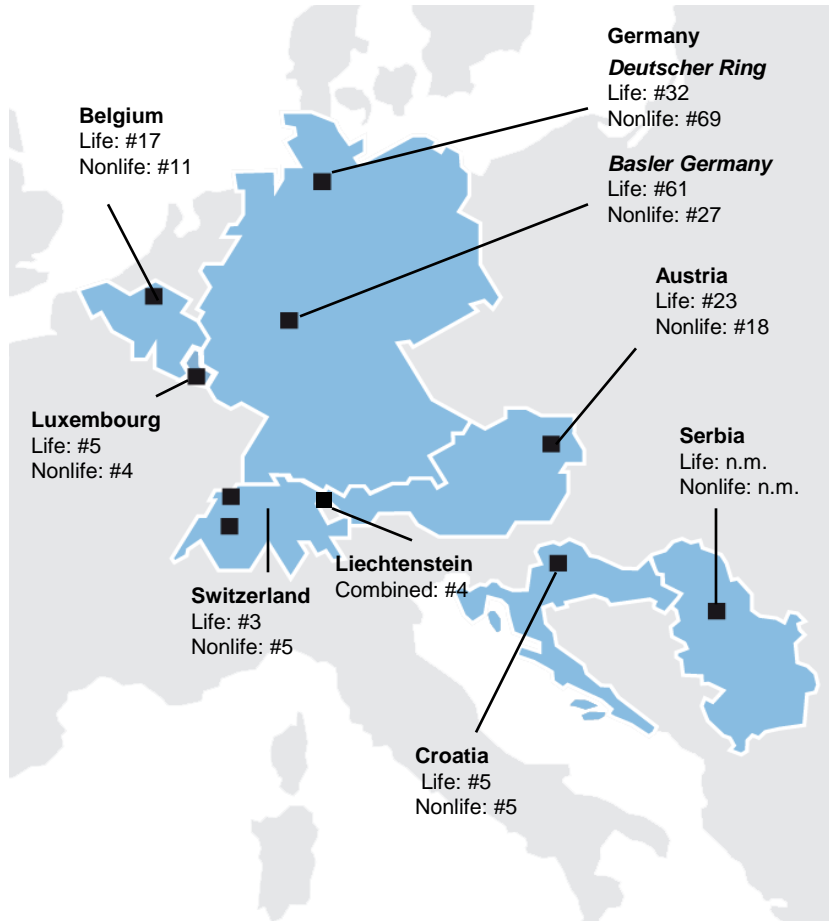
Zurich, 13 May 2009



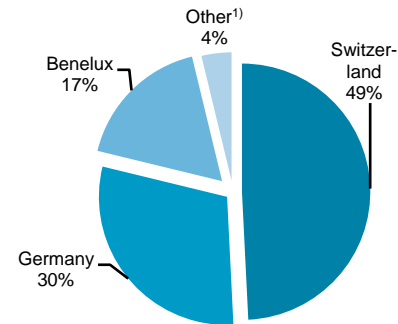
Making you safer.

The Baloise Group

Strong Diversification of Business Volume and EBIT



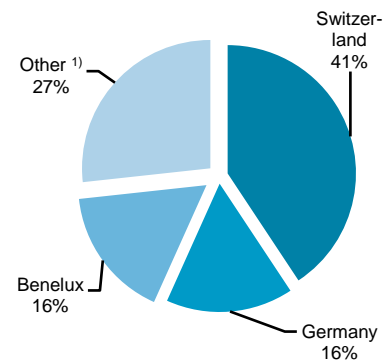
Business Volume



Total Business Volume 2008:

CHF 7'858 mn

EBIT



Total EBIT 2008:

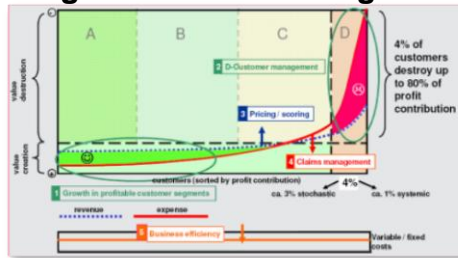
CHF 580 mn

¹⁾ Other countries (incl. Austria, Baloise Life (Liechtenstein), Croatia and Serbia)

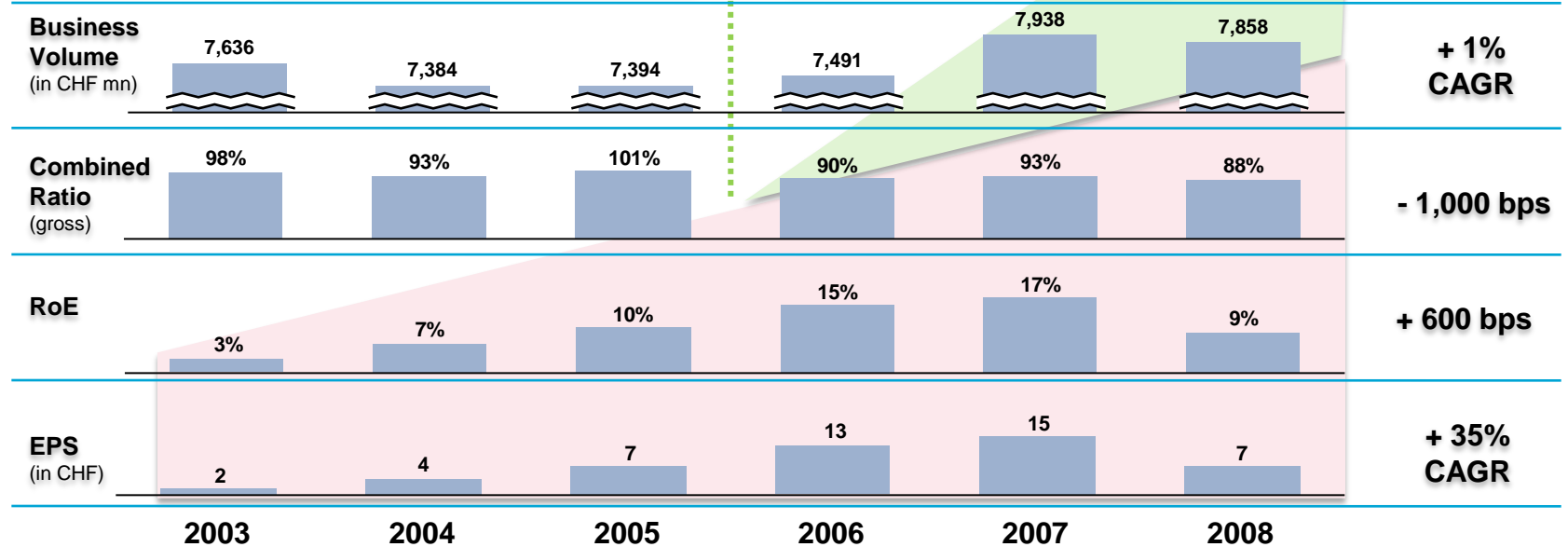
The Journey so far

Measurable success delivered

Target Customer Management



«Safety World»



Where are we going?

Positioning and strategic directions

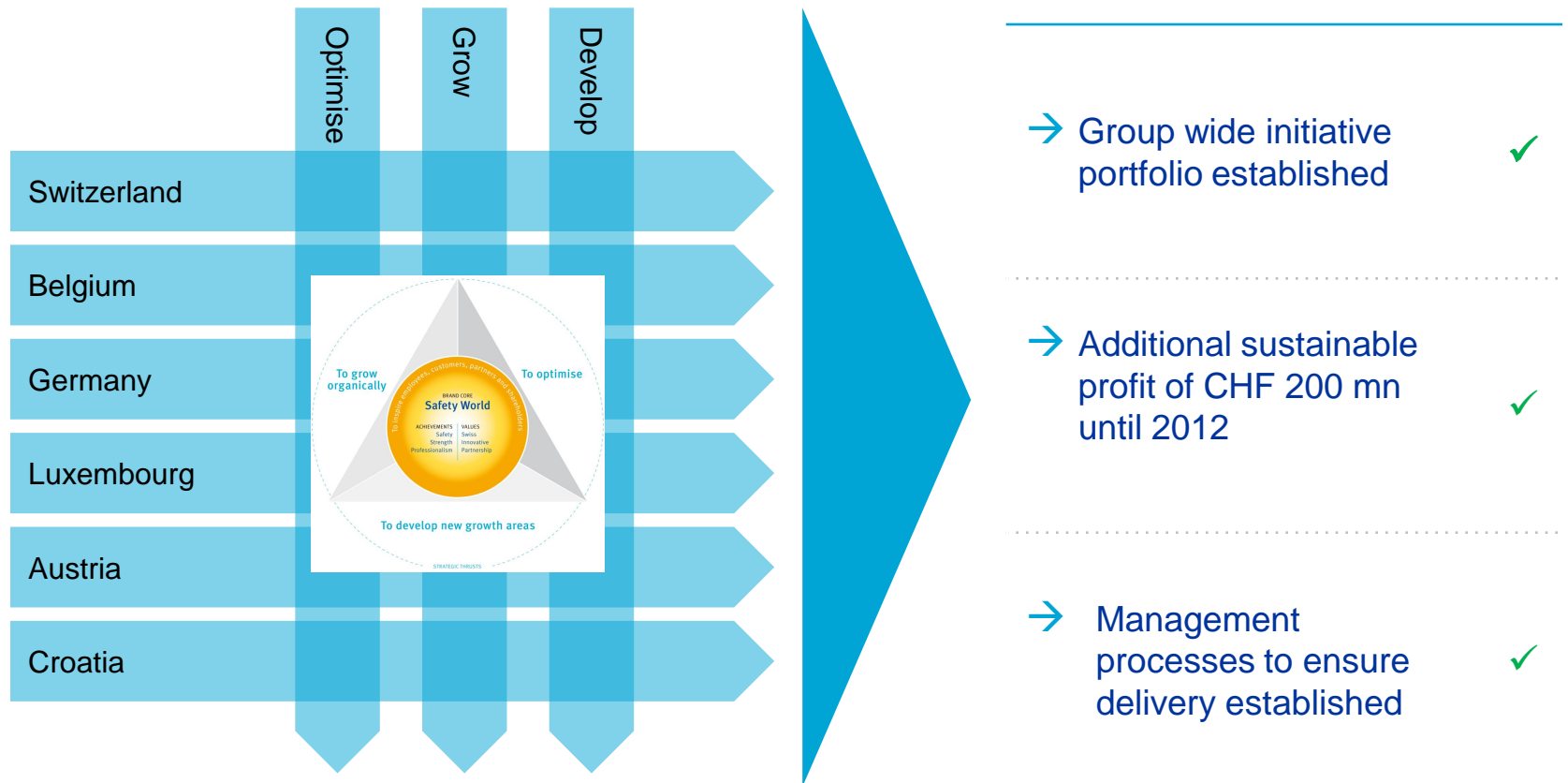
Strategic Goal:

To be one of Europe's most profitable and fastest growing insurers by 2012



«Baloise 2012»

Initiatives with additional sustainable profit potential identified



«Baloise 2012»

Implementation has started

Sample initiatives:

- Optimise:**
- Business process optimisation (e.g. GEPARD)
 - Optimisation of claims processes (e.g. closed file reviews)
 - Establishment of clear governance structures in Germany
-

- Grow:**
- Sales productivity
 - Pricing
 - Retention Management
-

- Develop:**
- New life solutions (e.g. VA)
 - Safety World
 - Further expansion with OVB
-

Financial Ambition

Remains unchanged

Financial ambition over the cycle

→ 15% Return on Equity

→ Continuous increase of EPS

→ Combined ratio well below 100%

Highlights 2008

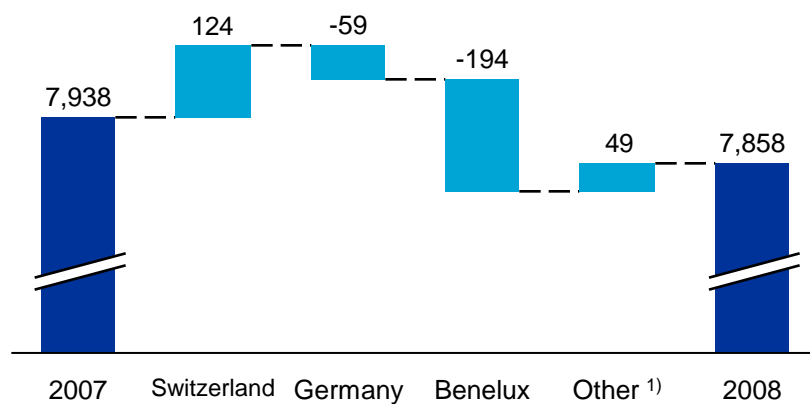
Resilient operating cash flows and strong balance sheet

- Strong operational performance leads to profit of CHF 387 mn despite crisis on financial markets
 - 0.7% growth in business volume (in CHF -1.0%), driven by nonlife growth of 2.8% (in CHF 0.8%) and growth in traditional life with gross premiums written up by 2.8% (in CHF 1.7%)
 - Resilient cash generation and excellent net combined ratio of 90.9% in nonlife
 - Solid growth in group life, launch of new VA-product in Switzerland
 - High recurring investment income assures the coverage of guarantees
 - Strong balance sheet with a high group solvency of 196%
 - Stable dividend of CHF 4.50 and continued share buy-backs resulting in 98% total payout ratio
 - Establishment of clear governance structures in Germany initiated
-

Business Volume

Sound growth

By country

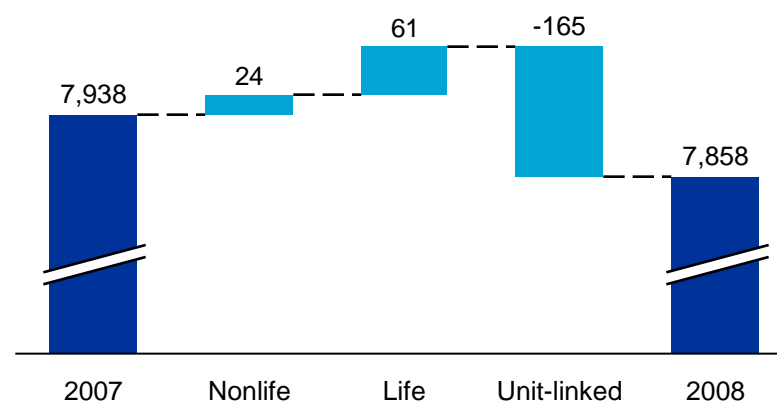


in CHF mn	2007	2008	+/-	+/- LC ²⁾
Switzerland	3,743	3,867	3.3%	3.3%
Germany	2,384	2,325	-2.5%	0.9%
Benelux	1,563	1,369	-12.5%	-9.4%
Other 1)	248	297	19.8%	22.8%
Total	7,938	7,858	-1.0%	0.7%

¹⁾ Other countries (incl. Austria, Baloise Life (Liechtenstein), Croatia and Serbia)

²⁾ Local currency (LC)

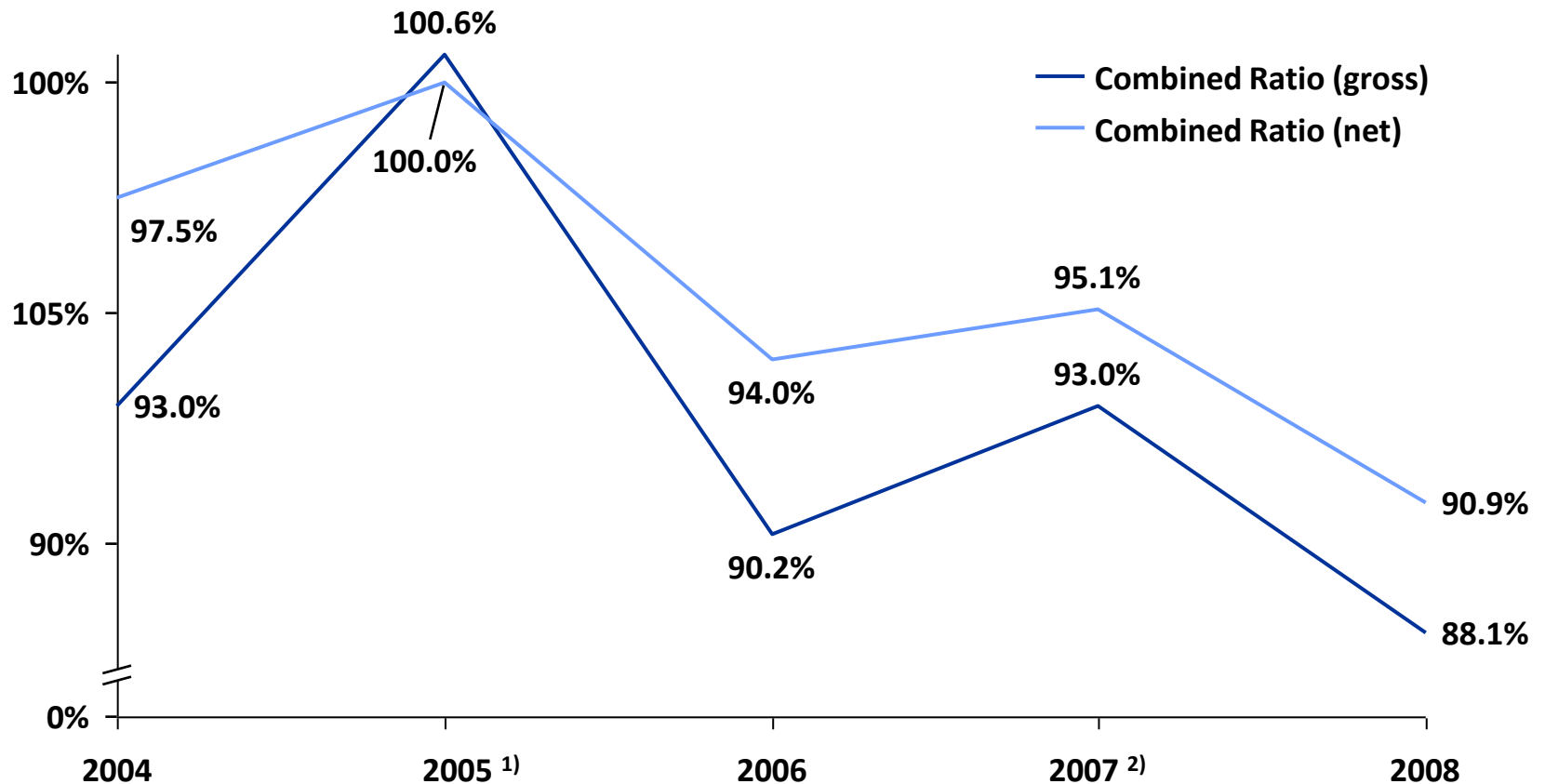
By line of business



in CHF mn	2007	2008	+/-	+/- LC ²⁾
Nonlife	3,191	3,215	0.8%	2.8%
Life	3,678	3,739	1.7%	2.8%
Unit-linked	1,069	904	-15.4%	-12.6%
Total	7,938	7,858	-1.0%	0.7%

Nonlife: High operating Cash Flows

Sustainable improvement of combined ratio



¹⁾ Incl. floods in Switzerland (Largest loss of Baloise Group since 1990)

²⁾ Incl. windstorm "Kyrill" (Second largest loss of Baloise Group since 1990)

Life: Direct Yield and Guarantees

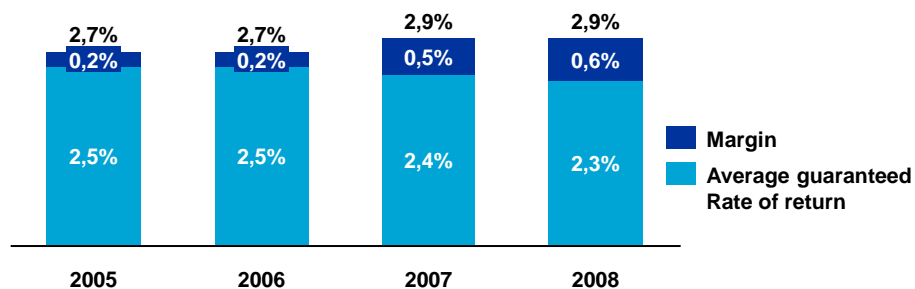
Margin improved despite financial market crisis

2008	CH	EU	Total
Direct yield ¹⁾	2.9%	4.4%	3.5%
Average guaranteed rate of return	2.3%	3.1%	2.6%
Margin	0.6%	1.3%	0.9%

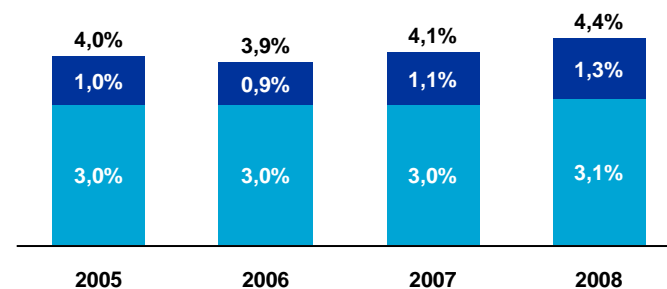
¹⁾ relative to average technical reserves, excl. realisations

Direct Yield:

Switzerland



Europe



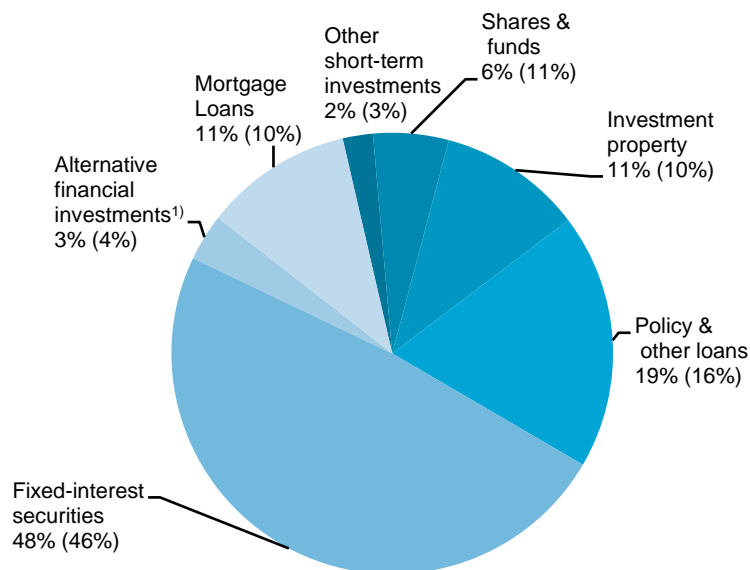
→ High recurring investment income assures the coverage of guarantees

Asset Allocation Insurance

Equity exposure reduced to 2.2%

excluding banking assets and assets from investment-type premiums

2008 (2007)



¹⁾ private equity & hedge funds

Equity & equity related investments In % total insurance assets	2008
Equities	4.5%
Hedging instruments	-2.3%
Equities after hedging	2.2%
Private Equity	1.1%
Hedge Funds (equity related)	0.8%
Other ²⁾	1.0%
Equity & equity related investments	5.1%

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

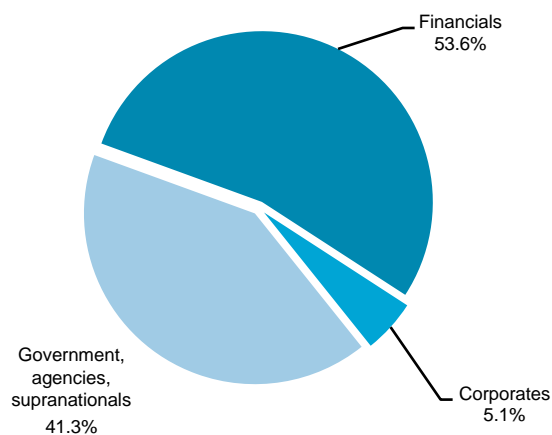
In CHF mn, %	2007	2008
Equity & equity related investments (net)	13.1%	5.1%
Total insurance assets	51,866	46,885

Bond Portfolio

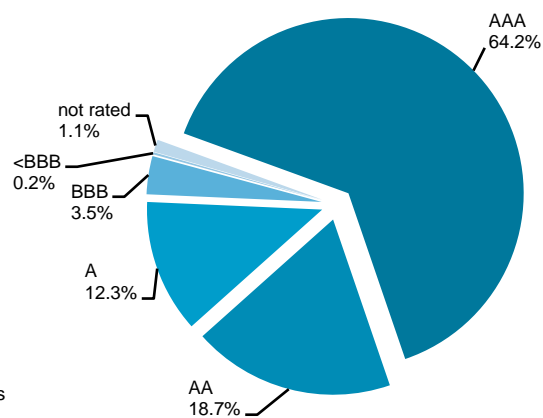
Diversified portfolio of good quality

excluding banking assets and assets from investment-type premiums

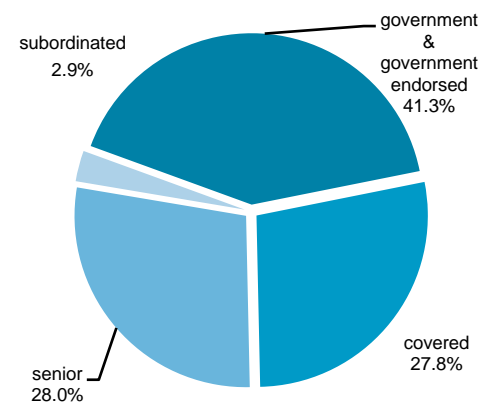
by issuer



by quality



by ordination



In CHF mn	2008
Total bond investments	22,682

Summary

→ Baloise continues its well approved strategy

→ Baloise generates high operating cash flows

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

→ Baloise has a solid and flexible balance sheet

→ The strategic programme «Baloise 2012» identified initiatives with additional sustainable profit potential of CHF 200 mn until 2012

Q&A

Reporting Agenda 2009

→ Half Year Results 2009

Thursday, 27 August 2009

→ Interim Management Statement

Thursday, 12 November 2009

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

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