

# Appendix

## Financial highlights – Operating statements by business segment (unaudited)

for the nine months ended 30 September  
in USD millions

	Non-life Insurance		Life Insurance		Farmers Management Services		Other Businesses		Corporate Center		Eliminations		Total	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
<b>Revenues</b>														
Gross written premiums and policy fees	27,806	22,043	8,618	7,235	–	–	1,224	1,630	570	521	–1,175	–1,048	37,043	30,381
Net earned premiums and policy fees	19,966	14,932	8,013	6,703	–	–	1,037	1,114	134	144	–	–	29,150	22,893
Management fees	–	–	143	128	1,409	1,344	25	369	4	1	–7	–9	1,574	1,833
Net investment income	1,431	1,238	3,412	2,920	65	51	651	712	269	243	–610	–552	5,218	4,612
Net realized and unrealized capital gains/(losses) on investments and impairments	187	–53	–420	–661	–5	–18	184	226	108	–462	–	–	54	–968
Net gain on disposal of businesses	20	5	259	–	–	–	32	472	–	–14	–	–	311	463
Other income	336	289	583	341	–	–	161	–79	229	291	–182	–187	1,127	655
<b>Total revenues</b>	<b>21,940</b>	<b>16,411</b>	<b>11,990</b>	<b>9,431</b>	<b>1,469</b>	<b>1,377</b>	<b>2,090</b>	<b>2,814</b>	<b>744</b>	<b>203</b>	<b>–799</b>	<b>–748</b>	<b>37,434</b>	<b>29,488</b>
<b>Benefits, losses and expenses</b>														
Insurance benefits and losses	–14,701	–13,263	–8,320	–6,156	–	–	–1,569	–979	–184	–241	16	–	–24,758	–20,639
Policyholder dividends and participation in profits	–57	–51	300	113	–	–	–312	–282	101	–133	–	–	32	–353
Underwriting and policy acquisition costs	–3,379	–2,507	–1,073	–1,594	–	–	–247	–190	–1	–4	–	–	–4,700	–4,295
Other costs and expenses	–2,025	–1,959	–1,695	–1,754	–635	–646	–726	–1,027	–926	–1,179	783	748	–5,224	–5,817
Amortization of intangible assets	–52	–208	–125	–757	–67	–91	–11	–35	–49	–152	–	–	–304	–1,243
<b>Total benefits, losses and expenses</b>	<b>–20,214</b>	<b>–17,988</b>	<b>–10,913</b>	<b>–10,148</b>	<b>–702</b>	<b>–737</b>	<b>–2,865</b>	<b>–2,513</b>	<b>–1,059</b>	<b>–1,709</b>	<b>799</b>	<b>748</b>	<b>–34,954</b>	<b>–32,347</b>
<b>Net income/(loss) before income taxes and minority interests</b>	<b>1,726</b>	<b>–1,577</b>	<b>1,077</b>	<b>–717</b>	<b>767</b>	<b>640</b>	<b>–775</b>	<b>301</b>	<b>–315</b>	<b>–1,506</b>	<b>–</b>	<b>–</b>	<b>2,480</b>	<b>–2,859</b>
<b>Net income/(loss), after special provisions in 2002</b>	<b>1,211</b>	<b>–1,404</b>	<b>720</b>	<b>–427</b>	<b>477</b>	<b>396</b>	<b>–748</b>	<b>107</b>	<b>–258</b>	<b>–1,464</b>	<b>–</b>	<b>–</b>	<b>1,402</b>	<b>–2,792</b>
Special provisions in 2002	–	–1,533	–	–579	–	–17	–	–254	–	–385	–	–	–	–2,768
<b>Net income/(loss), before special provisions in 2002</b>	<b>1,211</b>	<b>129</b>	<b>720</b>	<b>152</b>	<b>477</b>	<b>413</b>	<b>–748</b>	<b>361</b>	<b>–258</b>	<b>–1,079</b>	<b>–</b>	<b>–</b>	<b>1,402</b>	<b>–24</b>
<b>Business operating profit</b>	<b>1,510</b>	<b>239</b>	<b>591</b>	<b>139</b>	<b>772</b>	<b>686</b>	<b>–958</b>	<b>22</b>	<b>–444</b>	<b>–596</b>	<b>–</b>	<b>–</b>	<b>1,471</b>	<b>490</b>
<b>Farmers gross operating margin</b>					<b>54.9%</b>	<b>52.0%</b>								

## Financial highlights – Balance sheets by business segment (unaudited)

in USD millions

	Non-life Insurance		Life Insurance		Farmers Management Services		Other Businesses		Corporate Center		Eliminations		Total	
	30/9/03	31/12/02	30/9/03	31/12/02	30/9/03	31/12/02	30/9/03	31/12/02	30/9/03	31/12/02	30/9/03	31/12/02	30/9/03	31/12/02
Total investments	<b>52,567</b>	42,167	<b>101,089</b>	99,301	<b>2,220</b>	1,814	<b>21,264</b>	25,145	<b>14,937</b>	11,682	<b>-22,110</b>	-16,321	<b>169,967</b>	163,788
Reinsurance assets	<b>18,338</b>	17,383	<b>4,991</b>	1,611	<b>428</b>	436	<b>6,011</b>	5,913	<b>428</b>	640	<b>-3,700</b>	-3,749	<b>26,496</b>	22,234
Deferred policy acquisition costs	<b>2,112</b>	1,895	<b>9,170</b>	9,029	–	–	<b>102</b>	185	<b>1</b>	1	<b>-2</b>	-7	<b>11,383</b>	11,103
Goodwill and other related intangible assets	<b>173</b>	160	<b>1,473</b>	1,745	<b>1,079</b>	1,110	<b>76</b>	79	<b>7</b>	8	–	–	<b>2,808</b>	3,102
Separate account (unit-linked) assets	<b>9</b>	10	<b>64,532</b>	58,049	–	–	–	–	–	–	–	–	<b>64,541</b>	58,059
Other segment assets	<b>12,265</b>	12,036	<b>10,829</b>	11,902	<b>769</b>	867	<b>4,851</b>	3,817	<b>2,158</b>	2,151	<b>-2,984</b>	-3,162	<b>27,888</b>	27,611
<b>Total segment assets after consolidation of investments in subsidiaries</b>	<b>85,464</b>	73,651	<b>192,084</b>	181,637	<b>4,496</b>	4,227	<b>32,304</b>	35,139	<b>17,531</b>	14,482	<b>-28,796</b>	-23,239	<b>303,083</b>	285,897
Reserves for losses and loss adjustment expenses, gross	<b>43,020</b>	38,035	<b>391</b>	431	–	–	<b>8,321</b>	8,366	<b>581</b>	581	<b>-2,810</b>	-2,867	<b>49,503</b>	44,546
Reserves for unearned premiums, gross	<b>14,116</b>	11,795	<b>142</b>	144	–	–	<b>530</b>	712	<b>156</b>	96	<b>-388</b>	-256	<b>14,556</b>	12,491
Future life policyholders' benefits, gross	<b>150</b>	136	<b>77,775</b>	74,302	–	–	<b>1,940</b>	1,848	<b>491</b>	502	<b>-515</b>	-526	<b>79,841</b>	76,262
Policyholders' contract deposits and other funds, gross	<b>879</b>	790	<b>19,778</b>	19,471	–	–	<b>3,329</b>	2,976	–	–	<b>-235</b>	-226	<b>23,751</b>	23,011
Insurance reserves, gross	<b>58,165</b>	50,756	<b>98,086</b>	94,348	–	–	<b>14,120</b>	13,902	<b>1,228</b>	1,179	<b>-3,948</b>	-3,875	<b>167,651</b>	156,310
Total debt	<b>7,805</b>	5,203	<b>1,088</b>	829	<b>500</b>	500	<b>6,689</b>	7,902	<b>16,363</b>	13,690	<b>-22,104</b>	-16,316	<b>10,341</b>	11,808
Separate account (unit-linked) liabilities	–	–	<b>65,651</b>	59,146	–	–	–	–	–	–	–	–	<b>65,651</b>	59,146
Other segment liabilities	<b>11,981</b>	11,150	<b>17,103</b>	16,960	<b>1,337</b>	1,350	<b>10,261</b>	10,933	<b>2,415</b>	3,276	<b>-2,744</b>	-3,048	<b>40,353</b>	40,621
<b>Total segment liabilities</b>	<b>77,951</b>	67,109	<b>181,928</b>	171,283	<b>1,837</b>	1,850	<b>31,070</b>	32,737	<b>20,006</b>	18,145	<b>-28,796</b>	-23,239	<b>283,996</b>	267,885
Minority interests	<b>163</b>	91	<b>139</b>	119	–	–	<b>174</b>	689	<b>359</b>	308	–	–	<b>835</b>	1,207
<b>Segment equity</b>	<b>7,350</b>	6,451	<b>10,017</b>	10,235	<b>2,659</b>	2,377	<b>1,060</b>	1,713	<b>-2,834</b>	-3,971	–	–	<b>18,252</b>	16,805
<b>Total liabilities and shareholders' equity</b>	<b>85,464</b>	73,651	<b>192,084</b>	181,637	<b>4,496</b>	4,227	<b>32,304</b>	35,139	<b>17,531</b>	14,482	<b>-28,796</b>	-23,239	<b>303,083</b>	285,897

## Statistical data per region – Non-life Insurance (unaudited)

for the nine months ended 30 September in USD millions	North America Corporate		North America Consumer		Continental Europe		UKISA		Rest of the World		Centrally Managed Businesses		Eliminations		Total	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
Gross written premiums and policy fees	<b>11,686</b>	10,326	<b>2,396</b>	825	<b>7,959</b>	6,001	<b>4,452</b>	3,758	<b>1,553</b>	1,335	<b>1,233</b>	996	<b>-1,473</b>	-1,198	<b>27,806</b>	22,043
Net earned premiums and policy fees	<b>6,515</b>	5,661	<b>2,393</b>	825	<b>6,012</b>	4,408	<b>3,456</b>	2,611	<b>830</b>	735	<b>760</b>	692	-	-	<b>19,966</b>	14,932
Insurance benefits and losses	<b>-4,849</b>	-4,942	<b>-1,547</b>	-579	<b>-4,456</b>	-3,714	<b>-2,589</b>	-2,144	<b>-474</b>	-482	<b>-785</b>	-1,402	<b>-1</b>	-	<b>-14,701</b>	-13,263
Policyholder dividends and participation in profits	<b>-2</b>	-8	-	-	<b>-49</b>	-41	-	-	<b>-6</b>	-1	-	-1	-	-	<b>-57</b>	-51
Total net technical expenses	<b>-1,358</b>	-1,322	<b>-807</b>	-226	<b>-1,433</b>	-1,157	<b>-783</b>	-652	<b>-307</b>	-275	<b>-170</b>	-196	<b>2</b>	-2	<b>-4,856</b>	-3,830
Net underwriting result	<b>306</b>	-611	<b>39</b>	20	<b>74</b>	-504	<b>84</b>	-185	<b>43</b>	-23	<b>-195</b>	-907	<b>1</b>	-2	<b>352</b>	-2,212
Net investment income	<b>424</b>	411	<b>54</b>	30	<b>484</b>	403	<b>291</b>	226	<b>45</b>	46	<b>135</b>	123	<b>-2</b>	-1	<b>1,431</b>	1,238
Net realized and unrealized capital gains/(losses) on investments and impairments	<b>166</b>	9	<b>-4</b>	-10	<b>49</b>	37	-	-65	<b>5</b>	-8	<b>-29</b>	-16	-	-	<b>187</b>	-53
Net non-technical result	<b>-22</b>	-170	<b>-1</b>	-	<b>-111</b>	-169	<b>-82</b>	-100	<b>5</b>	14	<b>-34</b>	-128	<b>1</b>	3	<b>-244</b>	-550
<b>Net income/(loss) before income taxes and minority interests</b>	<b>874</b>	-361	<b>88</b>	40	<b>496</b>	-233	<b>293</b>	-124	<b>98</b>	29	<b>-123</b>	-928	-	-	<b>1,726</b>	-1,577
<b>Net income/(loss), after special provisions in 2002</b>	<b>675</b>	-140	<b>77</b>	34	<b>315</b>	-289	<b>185</b>	-96	<b>75</b>	15	<b>-116</b>	-928	-	-	<b>1,211</b>	-1,404
Special provisions in 2002	-	-602	-	-	-	-279	-	-100	-	-28	-	-524	-	-	-	-1,533
<b>Net income/(loss), before special provisions in 2002</b>	<b>675</b>	462	<b>77</b>	34	<b>315</b>	-10	<b>185</b>	4	<b>75</b>	43	<b>-116</b>	-404	-	-	<b>1,211</b>	129
<b>Business operating profit</b>	<b>709</b>	465	<b>92</b>	51	<b>466</b>	60	<b>323</b>	40	<b>89</b>	60	<b>-169</b>	-437	-	-	<b>1,510</b>	239
Ratios, as % of net earned premiums and policy fees																
Net loss ratio	<b>74.4%</b>	87.3%	<b>64.7%</b>	70.2%	<b>74.1%</b>	84.3%	<b>74.9%</b>	82.1%	<b>57.1%</b>	65.7%	<b>103.3%</b>	202.7%	<b>n/a</b>	n/a	<b>73.6%</b>	88.8%
Policyholder dividends and participation in profits ratio	<b>0.0%</b>	0.1%	<b>0.0%</b>	0.0%	<b>0.8%</b>	0.9%	<b>0.0%</b>	0.0%	<b>0.7%</b>	0.2%	<b>0.0%</b>	0.2%	<b>n/a</b>	n/a	<b>0.3%</b>	0.3%
Net expense ratio	<b>20.8%</b>	23.4%	<b>33.7%</b>	27.3%	<b>23.8%</b>	26.3%	<b>22.6%</b>	25.0%	<b>37.0%</b>	37.5%	<b>22.4%</b>	28.4%	<b>n/a</b>	n/a	<b>24.3%</b>	25.7%
<b>Net combined ratio, after special provisions in 2002</b>	<b>95.2%</b>	110.8%	<b>98.4%</b>	97.5%	<b>98.7%</b>	111.5%	<b>97.5%</b>	107.1%	<b>94.8%</b>	103.4%	<b>125.7%</b>	231.3%	<b>n/a</b>	n/a	<b>98.2%</b>	114.8%
<b>Net combined ratio, before special provisions in 2002</b>	<b>95.2%</b>	98.8%	<b>98.4%</b>	97.5%	<b>98.7%</b>	105.3%	<b>97.5%</b>	103.3%	<b>94.8%</b>	99.5%	<b>125.7%</b>	155.5%	<b>n/a</b>	n/a	<b>98.2%</b>	104.1%

## Statistical data per region – Life Insurance (unaudited)

for the nine months ended 30 September  
in USD millions

	North America Consumer <sup>1</sup>		Continental Europe		UKISA		Rest of the World		Eliminations		Total	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
Gross written premiums, policy fees and insurance deposits	<b>2,158</b>	2,678	<b>6,992</b>	5,234	<b>4,774</b>	4,771	<b>1,072</b>	1,034	<b>-9</b>	-	<b>14,987</b>	13,717
Gross written premiums and policy fees	<b>891</b>	948	<b>5,915</b>	4,609	<b>1,170</b>	1,180	<b>651</b>	498	<b>-9</b>	-	<b>8,618</b>	7,235
Net earned premiums and policy fees	<b>501</b>	565	<b>5,862</b>	4,580	<b>1,046</b>	1,129	<b>604</b>	429	-	-	<b>8,013</b>	6,703
Management fees	-	-	<b>1</b>	4	<b>139</b>	121	<b>3</b>	4	-	-1	<b>143</b>	128
Net investment income	<b>497</b>	534	<b>2,075</b>	1,673	<b>740</b>	638	<b>99</b>	74	<b>1</b>	1	<b>3,412</b>	2,920
Net realized and unrealized capital gains/(losses) on investments and impairments	<b>64</b>	-48	<b>-539</b>	-15	<b>52</b>	-591	<b>3</b>	-7	-	-	<b>-420</b>	-661
Other income (incl. net gain on disposal of businesses)	<b>-106</b>	57	<b>401</b>	157	<b>482</b>	104	<b>66</b>	23	<b>-1</b>	-	<b>842</b>	341
<b>Total revenues</b>	<b>956</b>	1,108	<b>7,800</b>	6,399	<b>2,459</b>	1,401	<b>775</b>	523	-	-	<b>11,990</b>	9,431
Insurance benefits and losses	<b>-234</b>	-327	<b>-6,598</b>	-5,062	<b>-1,020</b>	-515	<b>-468</b>	-252	-	-	<b>-8,320</b>	-6,156
Policyholder dividends and participation in profits	<b>-3</b>	-3	<b>300</b>	-105	<b>18</b>	233	<b>-15</b>	-12	-	-	<b>300</b>	113
Underwriting and policy acquisition costs	<b>-172</b>	-55	<b>-437</b>	-366	<b>-345</b>	-1,031	<b>-119</b>	-142	-	-	<b>-1,073</b>	-1,594
Other operating and administrative expenses	<b>-114</b>	-179	<b>-305</b>	-404	<b>-413</b>	-508	<b>-134</b>	-76	-	-	<b>-966</b>	-1,167
Interest expense	<b>-307</b>	-323	<b>-336</b>	-198	<b>-85</b>	-65	<b>-1</b>	-1	-	-	<b>-729</b>	-587
Amortization of intangible assets	<b>-93</b>	-459	<b>-48</b>	-189	<b>20</b>	-107	<b>-4</b>	-2	-	-	<b>-125</b>	-757
<b>Total benefits, losses and expenses</b>	<b>-923</b>	-1,346	<b>-7,424</b>	-6,324	<b>-1,825</b>	-1,993	<b>-741</b>	-485	-	-	<b>-10,913</b>	-10,148
<b>Net income/(loss) before income taxes and minority interests</b>	<b>33</b>	-238	<b>376</b>	75	<b>634</b>	-592	<b>34</b>	38	-	-	<b>1,077</b>	-717
<b>Net income/(loss), after special provisions in 2002</b>	<b>19</b>	-276	<b>224</b>	11	<b>452</b>	-195	<b>25</b>	33	-	-	<b>720</b>	-427
Special provisions in 2002	-	-401	-	-178	-	-	-	-	-	-	-	-579
<b>Net income/(loss), before special provisions in 2002</b>	<b>19</b>	125	<b>224</b>	189	<b>452</b>	-195	<b>25</b>	33	-	-	<b>720</b>	152
<b>Business operating profit</b>	<b>181</b>	209	<b>155</b>	82	<b>235</b>	-187	<b>20</b>	35	-	-	<b>591</b>	139
Embedded value information												
Gross new business premiums annual premium equivalent (APE)	<b>199</b>	293	<b>575</b>	491	<b>566</b>	565	<b>214</b>	164	<b>n/a</b>	n/a	<b>1,554</b>	1,513
New business profit, after tax	<b>60</b>	40	<b>37</b>	8	<b>37</b>	39	<b>1</b>	6	<b>n/a</b>	n/a	<b>135</b>	93
New business profit margin (APE)	<b>29.9%</b>	13.7%	<b>6.5%</b>	1.6%	<b>6.6%</b>	6.9%	<b>0.7%</b>	3.8%	<b>n/a</b>	n/a	<b>8.7%</b>	6.1%

<sup>1</sup> North America Corporate is no longer active in life insurance.

## Shareholders' equity (unaudited)

for the nine months ended 30 September 2003  
in USD millions

<b>Opening balance 1 January 2003</b>	<b>16,805</b>
Changes in net unrealized gains on investments	- 155
Cumulative translation adjustment	329
Treasury stock transactions and dividends	- 24
Nominal value reduction common stock	- 105
Net income	1,402
<b>Ending balance at 30 September 2003</b>	<b>18,252</b>

## Reconciliation of net income and business operating profit (unaudited)

for the nine months ended 30 September  
in USD millions

	2003	2002
Net income/(loss) <sup>1</sup>	1,402	-2,792
<i>Adjusted for:</i>		
Special provisions	- 17	3,061
Net gain on disposal of businesses	- 311	- 463
Realized and unrealized capital (gains)/losses, including impairments, excluding capital markets and banking	17	1,211
Policyholder allocation of realized and unrealized capital (gains)/losses	- 538	- 699
Tax expense, adjusting for UK life policyholder tax	918	172
<b>Business operating profit</b>	<b>1,471</b>	490

<sup>1</sup> Net loss after special provisions in 2002

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