

Q1 Results Reporting 2004

Financial Supplement (unaudited)¹

Financial highlights – Operating statements by business segment (unaudited)

in USD millions

for the three months ended March 31

| | General Insurance | | Life Insurance | | Farmers Management Services | | Other Businesses | | Corporate Center | | Eliminations | | Total | |
|---|-------------------|--------------|----------------|--------------|-----------------------------|------------|------------------|-------------|------------------|--------------|--------------|--------------|---------------|---------------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| Revenues | | | | | | | | | | | | | | |
| Direct written premiums and policy fees | 9,762 | 8,780 | 3,086 | 3,577 | – | – | 62 | 61 | (1) | 8 | 1 | (2) | 12,910 | 12,424 |
| Assumed written premiums | 1,330 | 976 | 8 | 22 | – | – | 372 | 367 | 260 | 184 | (573) | (480) | 1,397 | 1,069 |
| Gross written premiums and policy fees | 11,092 | 9,756 | 3,094 | 3,599 | – | – | 434 | 428 | 259 | 192 | (572) | (482) | 14,307 | 13,493 |
| Less premiums ceded to reinsurers | (1,856) | (2,134) | (227) | (200) | – | – | (68) | (55) | (255) | (186) | 572 | 482 | (1,834) | (2,093) |
| Net written premiums and policy fees | 9,236 | 7,622 | 2,867 | 3,399 | – | – | 366 | 373 | 4 | 6 | – | – | 12,473 | 11,400 |
| Net change in reserves for unearned premiums | (1,913) | (1,695) | (7) | 2 | – | – | 8 | (22) | 3 | – | – | – | (1,909) | (1,715) |
| Net earned premiums and policy fees | 7,323 | 5,927 | 2,860 | 3,401 | – | – | 374 | 351 | 7 | 6 | – | – | 10,564 | 9,685 |
| Management fees | – | – | 3 | 39 | 485 | 468 | 6 | 11 | 2 | 2 | (1) | (3) | 495 | 517 |
| Net investment income | 549 | 462 | 1,086 | 1,174 | 20 | 18 | 186 | 245 | 115 | 68 | (247) | (187) | 1,709 | 1,780 |
| Net capital gains/(losses) on investments and impairments | 88 | (79) | 46 | (1,171) | 1 | (2) | 146 | 140 | (39) | (186) | – | – | 242 | (1,298) |
| Net (loss)/gain on divestments of businesses | (34) | 6 | 32 | – | – | – | (1) | – | – | – | – | – | (3) | 6 |
| Other income | 85 | 109 | 222 | 191 | 12 | – | 67 | 38 | 68 | 75 | (113) | (51) | 341 | 362 |
| Total revenues | 8,011 | 6,425 | 4,249 | 3,634 | 518 | 484 | 778 | 785 | 153 | (35) | (361) | (241) | 13,348 | 11,052 |
| Benefits, losses and expenses | | | | | | | | | | | | | | |
| Losses and loss adjustment expenses | 5,246 | 4,357 | 21 | 22 | – | – | 101 | 112 | – | 11 | 44 | 2 | 5,412 | 4,504 |
| Life insurance death and other benefits | 26 | – | 4,472 | 2,227 | – | – | 142 | 122 | 3 | 3 | (53) | (8) | 4,590 | 2,344 |
| (Decrease)/increase in future life policyholders' benefits | 2 | 2 | (1,688) | 1,064 | – | – | 51 | 19 | 5 | 3 | 2 | 2 | (1,628) | 1,090 |
| Insurance benefits and losses | 5,274 | 4,359 | 2,805 | 3,313 | – | – | 294 | 253 | 8 | 17 | (7) | (4) | 8,374 | 7,938 |
| Policyholder dividends and participation in profits | 1 | – | 179 | (736) | – | – | 121 | 172 | – | (4) | – | – | 301 | (568) |
| Underwriting and policy acquisition costs | 1,266 | 957 | 449 | 526 | – | – | 103 | 81 | – | 1 | – | – | 1,818 | 1,565 |
| Administrative and other operating expenses | 673 | 531 | 299 | 313 | 205 | 195 | 158 | 155 | 145 | 125 | (111) | (41) | 1,369 | 1,278 |
| Amortization of intangible assets | 31 | 19 | 51 | 44 | 23 | 21 | 1 | 3 | 2 | – | – | – | 108 | 87 |
| Interest expense on debt | 47 | 45 | 9 | 12 | – | 11 | 39 | 45 | 191 | 166 | (195) | (168) | 91 | 111 |
| Interest credited to policyholders and other interest | 38 | 27 | 172 | 215 | 3 | – | 51 | 89 | 22 | 10 | (48) | (28) | 238 | 313 |
| Total benefits, losses and expenses | 7,330 | 5,938 | 3,964 | 3,687 | 231 | 227 | 767 | 798 | 368 | 315 | (361) | (241) | 12,299 | 10,724 |
| Net income/(loss) before income taxes and minority interests | 681 | 487 | 285 | (53) | 287 | 257 | 11 | (13) | (215) | (350) | – | – | 1,049 | 328 |
| Net income/(loss) | 458 | 323 | 223 | (23) | 177 | 158 | 16 | (32) | (172) | (292) | – | – | 702 | 134 |
| Business operating profit | 621 | 556 | 229 | 165 | 276 | 260 | 1 | (33) | (185) | (169) | – | – | 942 | 779 |

¹ 2003 amounts have been restated for "DIG B36" and "IFRS 2" (previously referred to as "ED 2") as published in the Annual Report 2003, and certain reclassifications have been made to 2003 amounts to conform to the 2004 presentation.

Financial highlights – Balance sheets by business segment (unaudited)

| in USD millions, as of | General Insurance | | Life Insurance | | Farmers Management Services | | Other Businesses | | Corporate Center | | Eliminations | | Total | |
|---|-------------------|----------|----------------|----------|-----------------------------|----------|------------------|----------|------------------|----------|-----------------|----------|----------------|----------|
| | 03/31/04 | 12/31/03 | 03/31/04 | 12/31/03 | 03/31/04 | 12/31/03 | 03/31/04 | 12/31/03 | 03/31/04 | 12/31/03 | 03/31/04 | 12/31/03 | 03/31/04 | 12/31/03 |
| Group investments | 58,694 | 56,778 | 101,727 | 104,663 | 1,860 | 2,219 | 21,390 | 20,761 | 15,942 | 14,644 | (24,488) | (23,098) | 175,125 | 175,967 |
| Investments held on account and at risk of life insurance policyholders | – | 6 | 74,962 | 71,930 | – | – | – | – | – | – | – | – | 74,962 | 71,936 |
| Reinsurance assets | 16,935 | 17,128 | 4,814 | 4,947 | 430 | 429 | 3,339 | 3,423 | 538 | 385 | (3,902) | (3,642) | 22,154 | 22,670 |
| Deposits made under assumed reinsurance contracts | 1,455 | 1,683 | 6 | 9 | – | – | 1,884 | 1,931 | 55 | 51 | (62) | (66) | 3,338 | 3,608 |
| Deferred policy acquisition costs | 2,250 | 2,085 | 9,717 | 9,590 | – | – | 93 | 100 | 1 | 1 | (9) | (3) | 12,052 | 11,773 |
| Goodwill | 157 | 184 | 508 | 524 | – | – | 63 | 64 | 6 | 7 | – | – | 734 | 779 |
| Other related intangible assets ¹ | – | – | 995 | 1,025 | 1,057 | 1,067 | – | – | – | – | – | – | 2,052 | 2,092 |
| Other segment assets | 13,201 | 12,570 | 12,717 | 12,097 | 744 | 767 | 3,754 | 4,432 | 1,652 | 2,196 | (2,685) | (3,261) | 29,383 | 28,801 |
| Total segment assets after consolidation of investments in subsidiaries | 92,692 | 90,434 | 205,446 | 204,785 | 4,091 | 4,482 | 30,523 | 30,711 | 18,194 | 17,284 | (31,146) | (30,070) | 319,800 | 317,626 |
| Reserves for losses and loss adjustment expenses, gross | 46,088 | 45,337 | 206 | 157 | – | – | 7,397 | 7,741 | 653 | 715 | (2,818) | (2,882) | 51,526 | 51,068 |
| Reserves for unearned premiums, gross | 15,435 | 13,470 | 131 | 131 | – | – | 470 | 481 | 211 | 115 | (446) | (253) | 15,801 | 13,944 |
| Future life policyholders' benefits, gross | 159 | 157 | 80,189 | 83,256 | – | – | 2,129 | 2,065 | 243 | 284 | (386) | (425) | 82,334 | 85,337 |
| Policyholders' contract deposits and other funds, gross | 923 | 1,058 | 18,116 | 18,271 | – | – | 3,264 | 3,194 | – | – | (375) | (373) | 21,928 | 22,150 |
| Insurance reserves, gross | 62,605 | 60,022 | 98,642 | 101,815 | – | – | 13,260 | 13,481 | 1,107 | 1,114 | (4,025) | (3,933) | 171,589 | 172,499 |
| Insurance reserves for life insurance where the investment risk is carried by policyholders | – | – | 76,242 | 73,233 | – | – | – | – | – | – | – | – | 76,242 | 73,233 |
| Debt related to capital markets and banking activities | – | – | – | – | – | – | 6,550 | 6,321 | – | – | (1,894) | (360) | 4,656 | 5,961 |
| Senior debt | 7,711 | 7,717 | 1,076 | 1,488 | – | – | 239 | 191 | 14,752 | 14,288 | (21,480) | (21,324) | 2,298 | 2,360 |
| Subordinated debt | – | – | – | – | – | 429 | – | – | 3,542 | 3,398 | (1,120) | (1,412) | 2,422 | 2,415 |
| Other segment liabilities | 13,222 | 13,048 | 17,509 | 18,095 | 1,349 | 1,379 | 9,311 | 9,836 | 2,767 | 2,088 | (2,627) | (3,041) | 41,531 | 41,405 |
| Total segment liabilities | 83,538 | 80,787 | 193,469 | 194,631 | 1,349 | 1,808 | 29,360 | 29,829 | 22,168 | 20,888 | (31,146) | (30,070) | 298,738 | 297,873 |
| Minority interests | 185 | 188 | 155 | 149 | – | – | 219 | 219 | 389 | 413 | – | – | 948 | 969 |
| Segment equity | 8,969 | 9,459 | 11,822 | 10,005 | 2,742 | 2,674 | 944 | 663 | (4,363) | (4,017) | – | – | 20,114 | 18,784 |

¹ Other related intangible assets consists of present value of acquired insurance contracts and attorney-in-fact relationship.

**Statistical data per region –
General Insurance (unaudited)**

in USD millions

for the three months ended March 31

| | North America Corporate | | North America Consumer | | Continental Europe | | UKISA | | Rest of the World | | Centrally Managed Businesses | | Eliminations | | Total | |
|---|----------------------------|-------|---------------------------|-------|-----------------------|--------|--------------|-------|----------------------|-------|------------------------------------|-------|--------------|-------|---------------|-------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| Gross written premiums and policy fees | 4,013 | 3,809 | 826 | 451 | 4,452 | 3,958 | 1,371 | 1,344 | 587 | 532 | 122 | 367 | (279) | (705) | 11,092 | 9,756 |
| Net earned premiums and policy fees | 2,494 | 2,058 | 835 | 381 | 2,178 | 1,933 | 1,384 | 1,102 | 368 | 272 | 64 | 181 | – | – | 7,323 | 5,927 |
| Insurance benefits and losses | 1,873 | 1,508 | 491 | 258 | 1,600 | 1,447 | 994 | 855 | 222 | 159 | 94 | 131 | – | 1 | 5,274 | 4,359 |
| Policyholder dividends and participation in profits | 1 | 2 | – | – | – | (3) | – | – | – | 1 | – | – | – | – | 1 | – |
| Total net technical expenses | 519 | 468 | 327 | 118 | 517 | 492 | 327 | 242 | 125 | 96 | 15 | 45 | (4) | (2) | 1,826 | 1,459 |
| Net underwriting result | 101 | 80 | 17 | 5 | 61 | (3) | 63 | 5 | 21 | 16 | (45) | 5 | 4 | 1 | 222 | 109 |
| Net investment income | 160 | 144 | 21 | 11 | 164 | 159 | 136 | 92 | 21 | 18 | 55 | 39 | (8) | (1) | 549 | 462 |
| Net capital gains/(losses) on investments and impairments | 38 | 42 | 1 | (2) | 48 | (85) | (2) | (4) | 3 | (3) | – | (27) | – | – | 88 | (79) |
| Net non-technical result | (18) | 10 | – | (1) | (111) | (54) | (24) | (4) | 9 | 2 | (38) | 42 | 4 | – | (178) | (5) |
| Net income/(loss) before income taxes and minority interests | 281 | 276 | 39 | 13 | 162 | 17 | 173 | 89 | 54 | 33 | (28) | 59 | – | – | 681 | 487 |
| Net income/(loss) | 221 | 213 | 33 | 12 | 72 | (37) | 120 | 57 | 40 | 26 | (28) | 52 | – | – | 458 | 323 |
| Business operating profit | 244 | 234 | 37 | 16 | 165 | 118 | 174 | 92 | 49 | 35 | (48) | 61 | – | – | 621 | 556 |
| Ratios, as % of net earned premiums and policy fees | | | | | | | | | | | | | | | | |
| Loss ratio | 75.1% | 73.3% | 58.8% | 67.6% | 73.5% | 74.8% | 71.8% | 77.6% | 60.3% | 58.5% | 146.4% | 72.4% | n/a | n/a | 72.0% | 73.5% |
| Expense ratio ¹ | 20.8% | 22.8% | 39.2% | 31.0% | 23.7% | 25.3% | 23.6% | 21.9% | 34.0% | 35.8% | 22.5% | 24.9% | n/a | n/a | 24.9% | 24.6% |
| Combined ratio | 95.9% | 96.1% | 98.0% | 98.6% | 97.2% | 100.1% | 95.4% | 99.5% | 94.3% | 94.3% | 168.9% | 97.3% | n/a | n/a | 96.9% | 98.1% |

¹ Including policyholder dividends and participation in profits.

**Statistical data per region – General Insurance
Continental Europe by subregion (unaudited)**

| in USD millions for the three months ended March 31 | Switzerland | | Germany | | Spain | | Italy | | Rest of Europe | | Continental Europe Corporate | | Eliminations | | Total | |
|--|--------------|--------|--------------|-------|--------------|-------|--------------|-------|----------------|--------|------------------------------------|--------|--------------|-------|--------------|--------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| Gross written premiums and policy fees | 961 | 842 | 1,499 | 1,252 | 494 | 372 | 381 | 301 | 438 | 710 | 1,352 | 1,009 | (673) | (528) | 4,452 | 3,958 |
| Net earned premiums and policy fees | 402 | 374 | 530 | 473 | 246 | 209 | 318 | 251 | 235 | 290 | 447 | 336 | – | – | 2,178 | 1,933 |
| Net underwriting result | 8 | (15) | 26 | 26 | 7 | 11 | 12 | 15 | (11) | (27) | 19 | (9) | – | (4) | 61 | (3) |
| Business operating profit | 35 | 27 | 50 | 48 | 23 | 21 | 26 | 26 | 2 | (7) | 29 | 3 | – | – | 165 | 118 |
| Ratios, as % of net earned premiums and policy fees | | | | | | | | | | | | | | | | |
| Loss ratio | 71.9% | 75.6% | 74.0% | 71.2% | 72.4% | 74.6% | 73.4% | 69.1% | 74.0% | 77.8% | 74.6% | 81.4% | n/a | n/a | 73.5% | 74.8% |
| Expense ratio ¹ | 26.1% | 28.4% | 21.2% | 23.1% | 24.8% | 20.4% | 22.8% | 25.1% | 30.6% | 31.7% | 21.1% | 21.1% | n/a | n/a | 23.7% | 25.3% |
| Combined ratio | 98.0% | 104.0% | 95.2% | 94.3% | 97.2% | 95.0% | 96.2% | 94.2% | 104.6% | 109.5% | 95.7% | 102.5% | n/a | n/a | 97.2% | 100.1% |

¹ Including policyholder dividends and participation in profits.

Statistical data per region – Life Insurance (unaudited)

in USD millions

for the three months ended March 31

| | North America Consumer ¹ | | Continental Europe | | UKISA | | Rest of the World | | Centrally Managed Businesses | | Eliminations | | Total | |
|---|--|-------|-----------------------|---------|--------------|-------|----------------------|--------|------------------------------------|------|--------------|------|--------------|---------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| Gross written premiums, policy fees and insurance deposits | 273 | 734 | 2,516 | 2,844 | 1,899 | 1,579 | 419 | 400 | 263 | – | (5) | (4) | 5,365 | 5,553 |
| Gross written premiums and policy fees | 135 | 298 | 2,277 | 2,572 | 424 | 439 | 177 | 294 | 86 | – | (5) | (4) | 3,094 | 3,599 |
| Net earned premiums and policy fees | 106 | 175 | 2,228 | 2,544 | 351 | 404 | 159 | 278 | 16 | – | – | – | 2,860 | 3,401 |
| Management fees | – | – | – | 1 | – | 35 | 3 | 3 | – | – | – | – | 3 | 39 |
| Net investment income | 87 | 173 | 693 | 693 | 267 | 282 | 30 | 26 | 9 | – | – | – | 1,086 | 1,174 |
| Net capital gains/(losses) on investments and impairments | (5) | 15 | 25 | (1,045) | 13 | (139) | 9 | (2) | 4 | – | – | – | 46 | (1,171) |
| Other income (incl. net gain on divestments of businesses) | – | 20 | 120 | 109 | 106 | 45 | 32 | 18 | (4) | – | – | (1) | 254 | 191 |
| Total revenues | 188 | 383 | 3,066 | 2,302 | 737 | 627 | 233 | 323 | 25 | – | – | (1) | 4,249 | 3,634 |
| Insurance benefits and losses | 51 | 88 | 2,421 | 2,792 | 204 | 204 | 126 | 229 | 3 | – | – | – | 2,805 | 3,313 |
| Policyholder dividends and participation in profits | – | 1 | 174 | (744) | 1 | – | 4 | 7 | – | – | – | – | 179 | (736) |
| Underwriting and policy acquisition costs | 22 | 26 | 156 | 130 | 228 | 330 | 34 | 40 | 9 | – | – | – | 449 | 526 |
| Administrative and other operating expenses | 16 | 53 | 88 | 91 | 139 | 122 | 51 | 48 | 5 | – | – | (1) | 299 | 313 |
| Amortization of intangible assets | 5 | 19 | 21 | 19 | 24 | 5 | 1 | 1 | – | – | – | – | 51 | 44 |
| Interest expense on debt and other interest | 44 | 108 | 104 | 90 | 29 | 30 | 1 | (1) | 3 | – | – | – | 181 | 227 |
| Total benefits, losses and expenses | 138 | 295 | 2,964 | 2,378 | 625 | 691 | 217 | 324 | 20 | – | – | (1) | 3,964 | 3,687 |
| Net income/(loss) before income taxes and minority interests | 50 | 88 | 102 | (76) | 112 | (64) | 16 | (1) | 5 | – | – | – | 285 | (53) |
| Net income/(loss) | 32 | 62 | 87 | (63) | 92 | (19) | 10 | (3) | 2 | – | – | – | 223 | (23) |
| Business operating profit | 55 | 73 | 64 | 69 | 102 | 24 | 3 | (1) | 5 | – | – | – | 229 | 165 |
| Embedded value information | | | | | | | | | | | | | | |
| Gross new business annual premiums equivalent (APE) | 25 | 67 | 200 | 179 | 247 | 184 | 42 | 73 | n/a | n/a | n/a | n/a | 514 | 503 |
| New business profit, after tax | 17 | 16 | 17 | 7 | 18 | 13 | (2) | (4) | n/a | n/a | n/a | n/a | 50 | 32 |
| New business profit margin (in % of APE) | 67.8% | 23.8% | 8.4% | 4.2% | 7.5% | 7.0% | (4.4%) | (6.0%) | n/a | n/a | n/a | n/a | 9.8% | 6.3% |

¹ North America Corporate is no longer active in life insurance.

**Statistical data per region – Life Insurance
Continental Europe by subregion (unaudited)**

in USD millions

for the three months ended March 31

| | Switzerland | | Germany | | Spain | | Italy | | Rest of Europe | | Eliminations | | Total | |
|--|--------------|-------|------------|------|-----------|------|------------|------|----------------|------|--------------|------|--------------|-------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| Gross written premiums and policy fees | 1,134 | 1,503 | 909 | 800 | 73 | 52 | 106 | 77 | 55 | 140 | – | – | 2,277 | 2,572 |
| Net earned premiums and policy fees | 1,125 | 1,498 | 887 | 790 | 63 | 46 | 108 | 85 | 45 | 125 | – | – | 2,228 | 2,544 |
| Net investment income | 217 | 210 | 372 | 330 | 37 | 32 | 42 | 38 | 25 | 83 | – | – | 693 | 693 |
| Business operating profit | 33 | 61 | 11 | (18) | 9 | 4 | 2 | 9 | 9 | 13 | – | – | 64 | 69 |

Centre contribution to operating statements (summarized, unaudited)

| in USD millions, for the three months ended March 31 | 2004 | 2003 |
|---|------------|-------------|
| Revenues | | |
| Net earned premiums and policy fees | 300 | 304 |
| Net investment income | 79 | 149 |
| Net capital gains on investments and impairments | 84 | 54 |
| Other income | 48 | 34 |
| Total revenues | 511 | 541 |
| Benefits, losses and expenses | | |
| Insurance benefits and losses | 250 | 224 |
| Policyholder dividends and participation in profits | 71 | 146 |
| Underwriting and policy acquisition costs | 103 | 82 |
| Other expenses | 82 | 118 |
| Total benefits, losses and expenses | 506 | 570 |
| Net income/(loss) before income taxes and minority interests | 5 | (29) |
| Net income/(loss) | 6 | (35) |
| Business operating profit | (6) | (46) |

Centre contribution to balance sheets (summarized, unaudited)

| in USD millions, as of | 03/31/04 | 12/31/03 |
|--|---------------|---------------|
| Group investments | 8,942 | 8,480 |
| Reinsurance assets | 613 | 618 |
| Deposits made under assumed reinsurance contracts | 1,298 | 1,310 |
| Other segment assets | 1,034 | 982 |
| Total segment assets after consolidation of investments in subsidiaries | 11,887 | 11,390 |
| Insurance reserves, gross | 8,077 | 8,190 |
| Total debt | 817 | 597 |
| Other segment liabilities | 2,734 | 2,451 |
| Total segment liabilities | 11,628 | 11,238 |
| Minority interests | 7 | 7 |
| Segment equity | 252 | 145 |

Principal exchange rates

| USD per foreign currency unit | Balance sheets as of | | Operating statements and cash flows three months ended | |
|-------------------------------|-------------------------|----------|--|----------|
| | 03/31/04 | 12/31/03 | 03/31/04 | 03/31/03 |
| Euro | 1.2314 | 1.2594 | 1.2506 | 1.0786 |
| Swiss franc | 0.7900 | 0.8072 | 0.7977 | 0.7341 |
| British pound sterling | 1.8453 | 1.7858 | 1.8372 | 1.5820 |

Foreign exchange impact on key financial figures – General Insurance (unaudited)

| for the three months ended March 31, 2004 variance over three months ended March 31, 2003 | % change in local currency | FX impact | % change in USD |
|--|----------------------------------|--------------|--------------------|
| Gross written premiums and policy fees | 6% | 8% | 14% |
| Net investment income | 9% | 10% | 19% |
| Net capital gains/(losses) on investments and impairments | 210% | 1% | 211% |
| Insurance benefits and losses | 13% | 8% | 21% |

Foreign exchange impact on key financial figures – Life Insurance (unaudited)

| for the three months ended March 31, 2004 variance over three months ended March 31, 2003 | % change in local currency | FX impact | % change in USD |
|--|----------------------------------|--------------|--------------------|
| Gross written premiums, policy fees and insurance deposits | (14%) | 11% | (3%) |
| Insurance deposits | 2% | 14% | 16% |
| Gross written premiums and policy fees | (23%) | 9% | (14%) |
| Net investment income | (18%) | 11% | (7%) |
| Net capital gains/(losses) on investments and impairments | 103% | 1% | 104% |
| Insurance benefits and losses | (25%) | 10% | (15%) |

Divestment information (unaudited)

The following transactions were closed in the three months ended March 31, 2004

- McMillan Shakespeare Australia Pty Limited
- General insurance (consumer and small commercial lines) and life insurance (consumer and commercial lines) operations in Belgium

The approximate net cash proceeds from these transactions were USD 137 million.

The following transaction was announced in the three months ended March 31, 2004

- Zürich Krankenversicherung AG (Deutschland) and the Group's total share of GLOBALE Krankenversicherungs AG

The approximate net cash proceeds expected from this transaction are USD 37 million.

For the three months ended March 31, 2004, the Group recognized a net loss of USD (3) million before tax for divestments of businesses.

Breakdown of Group investments (unaudited)

| | 03/31/04 | | 12/31/03 | |
|--|----------------|---------------|----------------|---------------|
| | USD millions | % of total | USD millions | % of total |
| Debt securities | 115,917 | 66.2% | 113,002 | 64.2% |
| <i>Equity securities:</i> | | | | |
| • Common stocks, including equity unit trusts | 9,447 | 5.4% | 11,319 | 6.4% |
| • Unit trusts (debt securities, real estate, short-term investments) | 2,474 | 1.4% | 2,270 | 1.4% |
| • Common stock portfolios backing the participating with-profit policyholder contracts | 1,667 | 1.0% | 1,599 | 0.9% |
| • Trading equity portfolios in capital markets and banking activities | 4,094 | 2.3% | 4,303 | 2.4% |
| Investments in associates | 965 | 0.5% | 991 | 0.6% |
| Investments held by investment companies | 1,728 | 1.0% | 1,576 | 0.9% |
| Real estate held for investment | 7,113 | 4.1% | 7,462 | 4.2% |
| Mortgage loans | 10,319 | 5.9% | 11,283 | 6.4% |
| Policyholders' collateral and other loans | 8,907 | 5.1% | 7,479 | 4.3% |
| Short-term investments | 1,291 | 0.7% | 998 | 0.6% |
| Other | 144 | 0.1% | 149 | 0.1% |
| Cash and cash equivalents | 11,059 | 6.3% | 13,536 | 7.6% |
| Total Group investments | 175,125 | 100.0% | 175,967 | 100.0% |

Reconciliation of net income and business operating profit by business segment (unaudited)

in USD millions
for the three months ended March 31

| | General Insurance | | Life Insurance | | Farmers Management Services | | Other Businesses | | Corporate Center | | Total | |
|--|-------------------|------|----------------|-------|-----------------------------|------|------------------|------|------------------|-------|--------------|-------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| Net income/(loss) | 458 | 323 | 223 | (23) | 177 | 158 | 16 | (32) | (172) | (292) | 702 | 134 |
| <i>Adjusted for:</i> | | | | | | | | | | | | |
| Realized (gain) on sale of non-operating assets | - | - | - | - | (10) | - | - | - | - | - | (10) | - |
| Net loss/(gain) on divestments of businesses | 34 | (6) | (32) | - | - | - | 1 | - | - | - | 3 | (6) |
| Net capital (gains)/losses on investments and impairments, excluding capital markets and banking activities | (88) | 79 | (46) | 1,171 | (1) | 2 | (84) | (52) | 39 | 186 | (180) | 1,386 |
| Policyholder allocation of net capital gains/(losses) | - | - | 6 | (987) | - | - | 73 | 39 | - | - | 79 | (948) |
| Tax expense/(benefit), adjusting for life policyholder tax | 217 | 160 | 78 | 4 | 110 | 100 | (5) | 12 | (52) | (63) | 348 | 213 |
| Business operating profit | 621 | 556 | 229 | 165 | 276 | 260 | 1 | (33) | (185) | (169) | 942 | 779 |