

Helvetia Group Conference Call

Monday, 1 September 2014

Half-year financial statements 2014

(The spoken word takes precedence)

Stefan Loacker, CEO of Helvetia Group

Second part:

(Slide 25) Ambition Helvetia 2015+ on track

The encouraging 2014 interim results underscore Helvetia Group's successful performance. The acquisition of Basler Austria and the announcement of the takeover with Nationale Suisse enabled us to set two special strategic milestones in the first half-year. I would therefore like to address this in more detail now.

(Slide 26): Successful takeover of Basler Austria

In May 2014 we announced the purchase of the Basler insurance company in Austria. We have since obtained all regulatory approvals and were able to successfully close the transaction.

Basler Austria generated premium volume of EUR 135 million in 2013, of which EUR 105 million was in non-life and EUR 30 million was in the life business.

The acquisition means we can increase our premium volume by more than 50% and achieve our ambitious goal of becoming one of the Top 10 Austrian insurance companies. We are extending our advisory network in both strong exclusive sales and in agency and broker sales. The consolidation of central services will lead to added professionalization, improved efficiency and, consequently, the realisation of synergies. We waited a long time to make the right purchase that would strengthen our position in the Austrian market.

Combining two companies which are very similar in terms of their business and culture is a stroke of good fortune and a special opportunity to expand Helvetia's brand presence in Austria. When the acquisition was completed we also reorganised the management team. It now consists of members from both companies and thus the best conditions have been set

for integration on an equal footing. We plan to integrate the businesses promptly and combine the two local companies in the course of the first half of 2015.

(Slide 27): Strategic realignment with Nationale Suisse

By far our most important new strategic direction was announced on 7 July 2014 with the advance notice of our takeover offer for Nationale Suisse. Nearly two months have passed since then and I would like to take this opportunity to tell you about the progress achieved and the next steps to be taken.

Right at the outset I should say that I am very pleased with what has transpired so far. The union with Nationale Suisse and the resulting new expanded Helvetia Group of the future offers convincing perspectives. Public perception is positive, and the reaction of the capital market is very gratifying. This is especially reflected in the positive price development of the Helvetia share since the announcement of the purchase and exchange offer.

Completion of the deal will result in the creation of a strong Swiss insurance group with outstanding prospects under the brand of Helvetia, based on the following three pillars:

- § The merger allows Helvetia to establish itself in the top 3 and to evolve into a leading all-sector insurer in Switzerland.
- § Attractive prospects for the new group emerge in Europe as well. In three of the largest European insurance markets – Germany, Italy and Spain – Helvetia and Nationale Suisse have previously been represented concurrently and can now combine forces.
- § Specialty Lines will combine marine/transport insurance, engineering, art and assumed reinsurance lines of Helvetia and Nationale Suisse. An interesting growth area can be selectively developed with this new business.

The employees involved from both companies have started the project work extremely enthusiastically and constructively and have already achieved considerable progress in preparing for the merger. All in all, we are off to a good start.

However, we are still at the very beginning of our shared path and so I would like to tell you now about the projected timeframe and the next steps.

(Slide 28): Transaction timetable (provisional)

Following the pre-announcement of the union with Nationale Suisse in early July 2014 we published the offer prospectus on 8 August 2014. It can be downloaded from the Helvetia Group website at helvetia.com under the Investor Relations tab.

It sets out the specifics of our announcements of 7 July and contains such items as the report of the board of directors of Nationale Suisse, which recommends that its shareholders accept the offer as well as a reference to the Fairness Opinion of Bank J. Safra Sarasin. Now it's the turn of the Nationale Suisse shareholders. They have the opportunity between 25 August and 19 September to accept Helvetia's offer and tender their shares. We are very confident that the shareholders will make use of this option in large numbers and Helvetia will thus receive the qualified majority of shares in Nationale Suisse Group. On 17 September the Helvetia shareholders at the extraordinary general meeting will decide on the necessary capital increase intended to create the new shares for the exchange component of our offer. In late September the necessary resolutions will be adopted at the extraordinary general meeting of Nationale Suisse. Settlement of the transaction is projected to take place 20 October 2014. This is the reference date on which the offer will be settled, meaning that the new Helvetia shares will be issued to the shareholders of Nationale Suisse and the cash component paid. As a result, Helvetia Group will become the new majority shareholder of Nationale Suisse and can initiate further courses of action which will enable the companies to consolidate.

It is important to understand that even after the assumption of ownership by Helvetia, Nationale Suisse Group will continue in its current form for the time being since subsequent consolidation of the legal entities cannot begin until the second or third quarter of 2015. Both companies, therefore, still have a fairly long-range assignment – to continue working successfully in our current form. We are simultaneously making internal preparations to quickly begin the integration work once the takeover is completed. The corresponding project structures are already established and the employees of both companies are highly motivated to collaborate on this forward-looking task. We are therefore certain that we can proceed expeditiously in all aspects and give you an update on good progress by our next reporting date at the financial press conference in March 2015.

Thank you for your attention. The other speakers and I will be happy to answer any questions you may have. Please introduce yourself shortly before asking your question.