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## Proactiv Holding growing above market

- Bancassurance by Talanx: gross premiums grow by 5.1% to €2.8 billion
- The insurers specialising in life and accident assurance increase their new business by 13%
- Collaboration with Citibank, Postbank and savings banks brings in over €8 billion in new business premiums

Hilden, Germany. 16 December 2008

**As an intermediate holding company, Proactiv Holding AG, Hilden, Germany, bundles the bancassurance activities within the Talanx Group. Despite the global financial crisis, Proactiv Holding expects stable and above-market results for the 2008 financial year.**

**The premiums trend increased in the 2008 financial year to approx. €2.8 billion (previous year: €2.6 billion). This equates to an increase of 5.1%. As a result, the recorded gross premiums continue to be above market.**

**The German companies belonging to the holding company are able to record a significant increase in the area of life and accident assurance:**

Forecast for 2008 in €m APE (Annual Premium Equivalent)	Actual 2007	Forecast 2008	2008 forecast vs. 2007 ac- tual
<b>CiV Versicherungen</b> (Partner of Citibank)	179.0	175.3	-2.1%
<b>neue leben Versicherungen</b> (Partner of numerous savings banks)	87.9	101.2	+15.1%
<b>PB Versicherungen</b> (Partner of Postbank)	91.1	121.7	+33.5%
<b>Total amount life + accident</b>	<b>383.4</b>	<b>433.1</b>	<b>+13.0%</b>

**Measured against the APE, the premiums of the holding companies increased by 13% to €433 million (previous year: €383 million).**

**Despite otherwise minimal growth impulses for the German insurance industry, the life assurance companies and their partner banks achieved new business for individual life policies totalling over €8 billion in premiums paid. An important factor in the new business is the "Riester-Rente" (state-subsidised pension)**

Since the start of the Riester pension, all holding companies have focussed on the state-subsidised product and are now profiting from it: In total, the Riester pension, with a total premium of €2.9 billion, accounted for 36.6% of the positive trend in new business.

"In view of the considerable repercussions stemming from the EU Directive on Insurance Mediation and the VVG-Novelle (Insurance Contract Act), we are bucking the market trend and are very satisfied with our results", said Norbert Kox, Talanx Board member and Chairman of the Board of Proactiv Holding. "All key financial figures are in line with budget. Despite the financial crisis and the resulting necessary depreciation on capital assets, we will still reach our agreed targets for the 2008 financial year", summarises Norbert Kox.

The integration of BHW Leben into PBV Lebensversicherung AG, the brand insurer of Postbank, was completed in the record time of just four months.

For over five years now, Proactiv Holding cooperates in Hungary with the Hungarian postal service. Since 2008 there have been two additional international companies in Russia and Turkey which, in cooperation with Citibank, began business operations this year.

"We are happy to be able to transport our successful business model from Germany into two additional countries. Developing these greenfield activities with the new companies is a big challenge for our employees", stresses Norbert Kox.

### **Proactiv Holding AG**

With an increase in recorded gross premiums to €2.8 billion, Proactiv Holding grew by 5.1% in comparison to the previous year. The gross premiums thereby increased well above market.

Proactiv Holding is also able to increase its new business significantly above market. Measured against the APE, the life and accident assurance premiums increased by 13% to €433 million (previous year: €383 million).

In total premiums, the new business in force in the area of life assurance increased by 10.9% to €8 billion. The most important factors for this above-market growth are the strong sales performances of our bank partners as well as the holding companies' early focus on the state-subsidised Riester pension. In total, the Riester pension, with a total premium amounting to €2.9 billion, accounted for 36.6% of this trend. As a result, the companies profit from the last staged increase in the threshold for Riester incentives with total premiums of €1.3 billion.

The Riester portfolio increased by 6.6% to 527,450 contracts (previous year: 494,986). In 2008, the expected individual life policy market share of bancassurance life assurance companies is over 3%.

A low level of write-offs is expected because of the companies' cautious investment strategy and its minimal share ratio (3.3%). The customers will therefore profit from

the financial strength of the companies. The surplus sharing will be steadily kept at the previous year's level for all life assurance companies.

Key financial figures for Proactiv Holding AG Forecast for 2008 in €m	Actual 2007	Forecast 2008	2008 forecast vs. 2007 ac- tual
<b>Recorded gross premiums</b>	2,662.8	2,798.7	5.1%
<b>APE (Annual Premium Equivalent)</b>	383.4	433.1	13.0%
<b>New life assurance business in force in BS</b>	7,227.6	8,016.3	10.9%
<b>New accident assurance business in force(APE)</b>	11.3	35.3	211%

## Outlook

Life and pension assurances are sensible building blocks for one's own retirement provision, particularly against the backdrop of the withholding tax which takes effect on 1.1.2009. Aside from their withholding tax-free investment type and long-term stability, which is hardly attainable with other investment forms, they combine security with low expenses and a respectable yield.

"Reliability is what counts in the current capital market situation. The classical forms of life assurance and pension products will experience a renaissance because they offer customers long-term stability and security, even in uncertain times. In respect of the quality of the insurers, not only the interest rate will be a deciding factor. Following the VVG-Novelle and the transparency regulations, we expect that companies with low administrative and sales expenses will have an advantage", says Norbert Kox.

### About Talanx AG:

With a forecasted premium income of €19 billion, the Talanx Group is the third largest German insurance group. Talanx works as a multi-brand provider. Its brands include HDI; HDI Gerling; Hannover Rück, one of the world's leading reinsurance firms; Aspecta; CiV Versicherungen; PB Versicherungen; neue leben Versicherungen and the financial service provider AmpegaGerling. The Group, based in Hanover, is active in 150 countries. The rating agency Standard & Poor's has rated the financial power of Talanx as A+/stable (very good).

### About Proactiv Holding AG:

As an intermediate holding company, Proactiv Holding AG, Hilden, Germany, bundles the bancassurance activities within the Talanx Group. With an expected premium income of about €2.8 billion, the holding companies are an important factor in the success of Talanx AG. Proactiv Holding possesses three large domestic and three international bancassurance cooperations. Among the German companies involved are CiV Versicherungen as a partner of Citibank, PB Versicherungen as partner of Postbank, and neue leben Versicherungen as partner of numerous German savings banks.