



NÜRNBERGER
VERSICHERUNGSGRUPPE

Quarterly Report 2/2006

NÜRNBERGER
INSURANCE GROUP

Interim Report on the First Half-Year 2006

NÜRNBERGER

Beteiligungs-Aktiengesellschaft at a glance

Life insurance	NÜRNBERGER Lebensversicherung AG NÜRNBERGER Beamten Lebensversicherung AG NÜRNBERGER Versicherung AG Austria PAX Schweizerische Lebensversicherungs-Gesellschaft (Deutschland) AG
Pension business	NÜRNBERGER Pensionskasse AG NÜRNBERGER Pensionsfonds AG
Health insurance	NÜRNBERGER Krankenversicherung AG
Property and casualty insurance	NÜRNBERGER Allgemeine Versicherungs-AG NÜRNBERGER Beamten Allgemeine Versicherung AG GARANTA Versicherungs-AG GARANTA ÖSTERREICH Versicherungs-AG (Branch) CG Car – Garantie Versicherungs-AG (included in the consolidation on a pro rata basis)
Investment consulting	Fürst Fugger Privatbank KG
Services	NÜRNBERGER Verwaltungsgesellschaft mbH Communication Center Nürnberg (CCN) GmbH EUROPÄISCHER HOF, Thermal-Sport-Hotel Badgastein Ges.m.b.H.

NÜRNBERGER

INSURANCE GROUP in figures

		Q1-2/2006	Q1-2/2005
Group revenues	EUR million	2,086.8	1,981.2
Premium income	EUR million	1,498.4	1,483.9
Investment income (including unrealized revenues from ULI ¹⁾)	EUR million	639.3	746.9
Commission income	EUR million	22.0	17.8
Claims incurred for own account	EUR million	946.7	884.1
Expenses for premium refunds	EUR million	202.7	170.2
Acquisition and administrative expenses	EUR million	357.7	359.6
Result before tax	EUR million	99.1	42.8
Group result thereof:	EUR million	65.9	26.3
– apportionable to shareholders of NÜRNBERGER Group	EUR million	29.9	25.5
– apportionable to minority interests	EUR million	36.0	0.8
Investments (incl. ULI ¹⁾)	EUR million	17,193.9	16,471.5
Shareholders' equity	EUR million	603.3	688.7
Underwriting provisions for own account	EUR million	15,480.1	14,721.0
Number of insurance policies	million	7.470	7.446
Number of employees, internal		3,681	3,778
Number of employees, field service		33,339	32,820

¹⁾ ULI: unit-linked insurance

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Supervisory Board and Executive Board

Supervisory Board

Dipl.-Kfm. Hans-Peter Schmidt
Chairman

Josef Priller*
Deputy Chairman

Dipl.-Kfm. Fritz Haberl
Deputy Chairman

Konsul Anton Wolfgang
Graf von Faber-Castell

Dr. Hans-Peter Ferslev

Helmut Hanika*

Dr. Heiner Hasford

Wolfgang Metje*

Norbert Plachta*

Dr. Bernd Rödl

Rolf Wagner*

Sven Zettelmeier*

* Employee representatives

Executive Board

Günther Riedel
Chairman,
Central Divisions
NÜRNBERGER Insurance Group

Dr. Werner Rupp
Deputy Chairman,
Spokesman of the Executive Board
NÜRNBERGER
Life and Health Insurance Group

Dipl.-Päd. Walter Bockschecker
Human Resources
NÜRNBERGER Insurance Group

Dipl.-Kfm. Henning von der Forst
Investments
NÜRNBERGER Insurance Group

Dr. Wolf-Rüdiger Knocke
Information Technology
NÜRNBERGER Insurance Group

Dr. Hans-Joachim Rauscher
Sales
NÜRNBERGER Insurance Group

Dr. Armin Zitzmann
Spokesman of the Executive Board
NÜRNBERGER
Property and Casualty Insurance Group

Business Development in the First Half of 2006

Ladies and Gentlemen,

In the present interim report we are pleased to provide you with an overview of the business development of NÜRNBERGER INSURANCE GROUP in the first half of 2006. Figures in brackets are the corresponding values for the previous year. "Net" means for own account, i.e. after reinsurance. This report was prepared in accordance with IFRS (International Financial Reporting Standards). In this context the figures for the previous year were also adjusted accordingly.

NÜRNBERGER Group

Group revenues, comprising gross premiums earned (including premiums from the provision for premium refunds), investment income (excluding unrealized gains from investments for unit-linked insurance policies) and commissions, grew by 5.3 % in the first half of 2006 relative to the same period of the previous year to reach EUR 2,086.8 (1,981.2) million.

Our premium income grew by 1.0 % to EUR 1,498.4 (1,483.9) million. New and additional premiums were boosted by a remarkable 8.2 % to EUR 301.0 (278.2) million. The number of policies as at 30 June 2006 increased to 7,470 (7,446) million. Expenses for claims incurred for net account came in higher than in the first half of 2005 at EUR 946.7 (884.1) million.

The Group's investments including the investment fund for unit-linked life and general accident insurance contracted slightly from a total of EUR 17.464 billion as at 31 December 2005 to EUR 17.194 billion. This was primarily due to price declines on equity markets, which made themselves felt in the fair-value measurement of both the securities classified as available for sale and the trading portfolios in conventional business. Investments recognized at fair value accounted for 67.6 (69.6) % of the total asset portfolio. New investments were predominantly made in financial instruments classified as available for sale. Gross income from the total investment portfolio amounted to EUR 639.3 (746.9) million. The decrease relative to the previous year was attributable to unrealized income from unit-linked insurance policies, which accounted for EUR 72.9 (267.5) million. Total investment expenses amounted to EUR 282.2 (197.0) million, including EUR 65.0 (0.8) million in unrealized expenses from unit-linked insurance policies. Net investment income consequently stood at EUR 357.1 (550.0) million. In view of the economic trend, we expect the climate on equity, capital and currency markets to improve again by year-end and hence we also anticipate a positive performance from our own asset portfolio.

The companies belonging to the NÜRNBERGER INSURANCE GROUP employed 3,681 (3,778) staff internally and 1,686 (1,647) staff in the field service as at the end of the first half-year. A total of 325 (351) young people were undergoing training. The number of full-time agents stood at 27,988 (27,567), and there were 3,665 (3,606) part-time agents.

The Group generated a profit of EUR 100.2 (43.1) million in the first half of 2006 before amortization of goodwill and taxes. Amortization of EUR 1.1 (0.3) million was taken on goodwill. The result before tax therefore totalled EUR 99.1 (42.8) million. Tax expenses amounted to EUR 33.1 (16.5) million.

Of the Group's semi-annual result totalling EUR 65.9 (26.3) million, EUR 29.9 (25.5) million was apportionable to shareholders of NÜRNBERGER Group. This is

an increase of 17.5 % compared to the previous year. An amount of EUR 36.0 (0.8) million was allocated to minority interests, primarily due to the sale of equities by a subsidiary with outside interests.

General Meeting

On 18 May 2006 the General Meeting of NÜRNBERGER Beteiligungs-Aktiengesellschaft approved a 20 % higher dividend of EUR 1.20 per no-par-value registered share for the 2005 financial year. An amount of EUR 13.8 million was distributed to the shareholders. With an attendance of 93.2 % the General Meeting approved virtually unanimously all resolutions that were put to the vote.

Employee share programme

In May 2006 we again enabled the staff of NÜRNBERGER INSURANCE GROUP to purchase employee shares of NÜRNBERGER Beteiligungs-Aktiengesellschaft at a preferential price under the employee share programme. A total of 617 members of staff participated in this year's programme, the fourth such opportunity. NÜRNBERGER assisted these share purchases by allowing a discount of up to 15 %. Employees were able to purchase a parcel of at most 12 shares each.

Shares in LEONI AG

GROGA Beteiligungsgesellschaft mbH, in which NÜRNBERGER Lebensversicherung AG holds a stake, sold its shares in the car components supplier LEONI AG, Nuremberg, to a broad group of institutional investors. The shares account for 19.92 % of the company's share capital. As part of this transaction NÜRNBERGER Lebensversicherung AG acquired an interest of 3.0 % for its directly held portfolio.

New supplementary tariffs for dentures

The compulsory health insurance funds only pay a fixed allowance for dentures. Patients often have to pay the sizeable balance themselves. This gap between the costs and the fixed allowance can now be narrowed appreciably or even closed entirely with NÜRNBERGER Krankenversicherung AG's new supplementary tariffs ZR and ZP80. The ZR ("Zahnersatz-Regelleistung" = "standard benefit for dentures") tariff doubles the fixed allowance of the compulsory health insurance fund. It also includes a bonus that the patient can obtain through annual preventive dental care. The customer's deductible can be eliminated entirely if he or she elects to have the standard level of care provided by the dentist. If the patient decides to have high-quality dentures, the difference in cost is substantially reduced. Customers receiving dentures who have taken out the ZP80 ("Zahnersatz-Privatpatient" = "dentures for private patients") tariff are treated as if they had private health insurance. NÜRNBERGER not only pays for crowns, bridges or implants, it also covers inlays and composite fillings. ZP80 meets 80 % of the costs after deduction of the fixed allowance.

General accident insurance for children

Only one in three of the roughly 1.8 million children that have an accident every year in Germany is protected by private general accident insurance. Launched on the market by NÜRNBERGER Allgemeine Versicherungs-AG to mark the thirtieth television anniversary of the "Maya the Bee" comic book character, the "Biene Maja Unfallschutz" general accident product for children offers active assistance and financial relief in the event of an accident. A new feature is the provision of immediately effective in-kind benefits and services with an equivalent value of up to EUR 120,000 that can be rendered for the affected child and his or her family. The financial future is also secure in case of long-term impacts on a child's health.

The sum insured and the benefits can be assembled according to requirements. To mark Biene Maja's birthday we are also offering customers two limited insurance packages that enable them to save up to 15 % over the entire policy period. NÜRNBERGER Aktiv-Schaden-Hilfe, which guarantees immediate assistance for a child who has an accident as well as for his or her family – even extending to transportation home from abroad – is always included.

Three additional optional modules round off the insurance protection: the "Familien-SchutzBrief" (providing family cover) takes the burden off parents and helps their child to get well again at home. The Malteser Hilfsdienst aid organization arranges help and support for the entire family, including looking after the household and handling transportation – if necessary for up to half a year. The costs are borne by NÜRNBERGER. The "Kinder-RehaPlus" module secures benefits that are no longer or are only partially covered by the compulsory health insurance funds. They include accident-related cosmetic surgery and recuperative stays at health resorts. Under the third optional module ("Invaliditäts-Schutz"), which provides protection for disability as a result of illness, children aged ten months or older receive financial assistance in case of 50 percent disability or greater as a consequence of serious diseases such as cancer or rheumatism.

The various business segments of NÜRNBERGER INSURANCE GROUP developed as follows in the first six months of the 2006 financial year:

NÜRNBERGER Life Insurance Segment

NÜRNBERGER Lebensversicherung AG
NÜRNBERGER Beamten Lebensversicherung AG
NÜRNBERGER Versicherung AG Österreich
PAX Schweizerische Lebensversicherungs-Gesellschaft (Deutschland) AG

Gross premiums from primary life insurance business increased by 2.2 % to reach EUR 965.2 (944.4) million. New premiums in the reporting period were boosted by 11.6 % to EUR 163.2 (146.3) million. The total number of life insurance policies in force as at 30 June 2006 was 3.176 (3.123) million. The sum insured of the in-force portfolio grew by 5.0 % to EUR 105.849 (100.805) billion. Insurance benefits increased by 8.1 % to EUR 830.8 (768.4) million.

State-assisted annuity products and basic pensions have now become a significant factor in new business in this segment, especially in terms of policy numbers. Unit-linked products and stand-alone disability insurance also continue to be major drivers of new business. We anticipate a sizeable increase in new business for the full 2006 financial year. The lowering of the statutory maximum actuarial interest rate with effect from 1 January 2007 may also play a role here.

NÜRNBERGER Pension Business Segment

NÜRNBERGER Pensionskasse AG
NÜRNBERGER Pensionsfonds AG

NÜRNBERGER's pension business generated gross written premium of EUR 21.3 (12.4) million in the first half of 2006. New premiums reached EUR 8.4 million, after EUR 11.9 million in the previous year. The number of annuity policies in force as at 30 June 2006 totalled 33,736 (26,121) with an annual premium of EUR 37.2 (28.3) million.

For the full financial year we expect to see another considerable rise in premium volume. As far as growth in new premiums is concerned, it is important to bear in mind that NÜRNBERGER Pensionskasse AG is competing with direct insurance products, which enjoy the same level of tax benefits. This effect has already made itself felt in the first half of 2006. Transfers of direct commitments to NÜRNBERGER Pensionsfonds AG are expected to show particularly notable growth. Overall, we consider an increase in new premiums in the pension business segment to be a realistic expectation for 2006.

NÜRNBERGER Health Insurance Segment

NÜRNBERGER Krankenversicherung AG

Gross premiums from primary health insurance grew by 12.7 % to EUR 60.9 (54.0) million. We boosted new premiums by 1.9 % to EUR 16.8 (16.5) million. The company's portfolio of in-force business as at 30 June 2006 comprised 118,205 (109,115) health insurance policies and 98,399 (95,177) international travel health insurance policies.

In the course of the current year we have credited insureds with an amount of EUR 3.7 million from the provision for premium refunds in order to reimburse premiums for claims-free policies. Each entitled insured received an average of EUR 290.

The implementation of healthcare reform will be a major factor in the development of new business. On account of the ongoing public debate customers have put off deciding on whether to purchase private health insurance. Now that the governing coalition's position paper has been published, it is clear that private health insurance will continue to play an important role in the future as part of the segmented health insurance system. We anticipate that this will lead to an upsurge in new business. As things stand, there is no immediate need for tariff adjustments. Over the coming months we expect healthy new business under comprehensive tariffs taken out in place of compulsory health insurance. Assisted by targeted campaigns in support of our new supplementary tariffs for persons with compulsory health insurance, we intend to substantially expand this product segment too in the second half of 2006.

NÜRNBERGER Property and Casualty Insurance Segment

NÜRNBERGER Allgemeine Versicherungs-AG
NÜRNBERGER Beamten Allgemeine Versicherung AG
GARANTA Versicherungs-AG
NÜRNBERGER Lebensversicherung AG
(run-off of existing general accident policies)
NÜRNBERGER Versicherung AG Österreich
GARANTA (Schweiz) Versicherungs AG (run-off of existing motor policies)
CG Car – Garantie Versicherungs-AG
(included in the consolidation on a pro rata basis)

Business in the first half-year was overshadowed by fierce competition for market shares, especially in motor insurance, as well as claims incurred as a consequence of natural perils in the second half of June. Severe storms took a particularly heavy toll on motor insurance and homeowners' comprehensive insurance. Not least thanks to our profit-oriented underwriting policy, the gross result of EUR 43.1 (40.3) million nevertheless surpassed the corresponding period of the previous year.

Written premiums in the property and casualty insurance segment amounted to EUR 481.2 (506.1) million. Gross claims expenditure decreased by EUR 20.0 million to EUR 234.5 million. The combined ratio for gross account as at 30 June 2006 stood at a very good 88.8 (90.1) %. We boosted our new and additional premiums to EUR 114.1 (102.5) million, a testament to the success of our state-of-the-art product range. Our in-force portfolio as at 30 June 2006 consisted of 4.044 (4.093) million policies. Motor insurance accounted for 44.0 % of the total portfolio.

Instantly tangible insurance protection – through additional benefits in the event of a claim – has now become an unmistakable hallmark of our product strategy in private customer business. We give our insureds a “helping hand” with prompt, professional assistance as well as a broad range of in-kind benefits and services. A further plus point for our customers: we pay the associated costs that are incurred – in addition to traditional insurance benefits. This is a strategy that we are expanding across the various lines of business.

Since its sales launch in April the innovative “Biene Maja UnfallSchutz” product has significantly reinvigorated our children’s general accident business. We offer the most family-friendly children’s general accident product on the German market. Sales of the new NÜRNBERGER “RechtsSchutz” (legal protection) cover for private customers aged 50 or over – which offers a comprehensive range of legal services at no additional premium – have also been gratifying. Since the beginning of July we have enhanced the appeal of our offerings in the commercial sector still further by adding new improved liability products. Higher limits of indemnity, a reduced premium level, new benefits as well as practical coverage concepts for many sectors will boost our sales prospects. The design of the products for specific target groups means that many extra benefits are already included with a view to avoiding any gaps in coverage. This, in turn, helps to minimize the advisor’s liability.

Financial Services Segment

The financial services segment comprises the banking business of Fürst Fugger Privatbank KG and the brokerage of investment products, especially investment funds and home savings contracts, as well as insurance intermediary services.

The portfolio volume under management by Fürst Fugger Privatbank KG as at 30 June 2006 amounted to EUR 2.419 billion, an increase of roughly 57 % or EUR 874.1 million compared to the same date last year. The portfolio volume brokered by NÜRNBERGER Investment Services GmbH, a wholly owned subsidiary of the bank, to selected investment companies has grown by 4.3 % since 30 June 2005 to EUR 455.1 million. Commission income of EUR 21.5 (24.5) million was generated in the first six months of the current year.

Investors have generated double-digit gains with equity funds over the past twelve months. The interest income on bond funds did not entirely offset the price declines on bonds from an annual perspective. Open-ended real estate funds had a stabilizing effect on customer portfolios. Against the backdrop of a fresh rise in volatility, customer demand is focused on conservative products. Offering proven asset management products that have received numerous distinctions from trade publications, Fürst Fugger Privatbank KG profited from this trend.

Outlook

Overall economic situation

The cyclical trend in Germany is receiving external stimuli from the expansion of the global economy. Demand for exports is still expected to increase by more than 10.0 (6.3) %. The domestic economy has also experienced an upturn.

With real incomes rising only minimally, private consumption is likely to grow by about 1.0 % in 2006. Inflation is currently expected to come in at around 1.5 %.

The state of the labour market will not improve significantly, despite the modest economic recovery. Although the jobless rate may fall to around 11.0 %, the number of employment relationships subject to mandatory social security contributions is expected to decrease slightly.

NÜRNBERGER Group

The brightening in the cyclical outlook for the macroeconomic environment in 2006 will not deliver any decisive impetus to growth in demand for insurance products. Nevertheless, thanks to the strategic orientation of our insurance group towards high-growth segments of the primary insurance and financial services sectors that offer consistent profitability, we expect a substantial increase in – or even a doubling of – the Group result apportionable to NÜRNBERGER shareholders compared to the previous year. In this context we are assuming stable interest rates, a sideways movement on equity markets and a moderate claims experience over the remainder of the year.

As far as its life insurance and pension business segments are concerned, NÜRNBERGER is looking to the future with optimism on account of its attractive and innovative product range. Acceptance of products for individual retirement provision is continuing to grow. In addition to new business in the areas of traditional life and annuity insurance, we expect sales of funded products for individual retirement provision to generate further growth. In disability insurance, another very important area of operations for our company, we anticipate a further rise in demand. All in all, the premium volume in our life insurance business is expected to grow by 2 %. The focus of our activities is on company pension plans, an area where we can offer considerable expertise and particularly attractive products. The positive trend in pension business is likely to be sustained, and we therefore anticipate double-digit percentage growth in gross premium income for the 2006 financial year.

The changes in the tax framework for retirement provision products have been reflected in stronger demand for private asset management. In our financial services segment we expect to see an increase in assets under management and revenues as well as a favourable effect on the result of the banking business conducted by Fürst Fugger Privatbank KG.

Private health insurance has consistently outpaced the growth of the insurance industry as a whole in recent years. As long as the status quo in public health policy is maintained, this trend should continue in 2006. Based on the good competitive position of NÜRNBERGER Krankenversicherung AG, we should be able to participate disproportionately strongly in this development. Growth will be driven first and foremost by comprehensive tariffs. Through tariff enhancements under our supplementary insurance products we are looking to boost the appeal of these offerings as well. Overall, we expect our premium growth in health insurance to exceed 10 % in 2006.

Owing to fierce price competition 2006 is proving to be a difficult year in motor insurance. The trend towards rate cuts – which we have not followed – is persisting and has compelled our sales force to step up their efforts to cultivate new business. The negative volume effects in motor insurance were not entirely offset by a positive business experience in the property, liability and general accident lines. Based on an envisaged favourable combined ratio of less than 95.0 %, we anticipate a positive overall profit contribution from the property and casualty insurance segment.

The total gross premium income generated by our insurance group in 2006 is expected to surpass EUR 3 billion.

We are enhancing our sales performance through targeted personnel enlargement of our marketing organization combined with constant optimization of structures and processes. The successful cost-cutting measures at the Group companies are being stepped up.

In the 2006 financial year, based on the proposals for appropriation of profit and the plans of the major subsidiaries and participations, we expect NÜRNBERGER Beteiligungs-Aktiengesellschaft to post a further increase in income from participating interests and to generate net income that will create further scope for upwardly oriented dividend continuity.

Insofar as we present forecasts or expectations in this quarterly report or make statements about the future, such remarks may be associated with known and unknown risks and uncertainties. Possible divergences may arise as a consequence of changes in the general economic climate, the competitive situation, movements in financial markets and exchange rates and on account of changes in the national and international legal environment.

All Group companies have a comprehensive risk management system. We counter possible risks deriving from our insurance business by means of a prudent underwriting policy and an appropriate selection of products. Investment risks are managed with the aid of suitable controlling tools and scenario simulations. Our holdings of price-sensitive securities are temporarily hedged according to the market development. Our risk management system has been coordinated with the auditors and is constantly enhanced. Detailed information in this regard is provided in our annual report.

Consolidated Balance Sheet

as at 30 June 2006
in EUR

Assets	No. in Notes		30.06.2006	31.12.2005
A. Intangible assets	1			
I. Goodwill		85,534,898		85,931,442
II. Other intangible assets		50,846,690		50,610,810
			136,381,588	136,542,252
B. Investments				
I. Land and buildings used by third parties		436,704,417		454,583,807
II. Investments in subsidiaries and associated companies		244,043,764		248,218,417
III. Financial instruments				
1. Loans	4,734,656,402			4,336,603,017
2. Held to maturity	248			2,000,248
3. Available for sale	6,958,985,916			7,536,706,591
4. Held for trading	692,519,324			710,770,084
		12,386,161,890		12,586,079,940
IV. Other investments				
1. Deposits with banks	153,910,662			257,887,086
2. Other investments	118,690			56,898
		154,029,352		257,943,984
V. Deposits retained on assumed reinsurance		3,400,294		3,515,800
			13,224,339,717	13,550,341,948
C. Investments on account and at risk of life and general accident insurance policyholders			3,969,562,137	3,913,410,369
D. Underwriting provisions, ceded			617,077,577	633,152,890
E. Other non-current assets				
I. Owner-occupied properties		177,319,345		179,233,873
II. Other non-current property, plant and equipment	2	22,097,567		23,550,821
III. Deferred tax assets		338,095,019		392,779,217
			537,511,931	595,563,911
F. Receivables	3			
I. Accounts receivable on primary insurance business		375,893,189		389,145,306
II. Accounts receivable on reinsurance business		15,225,148		13,601,073
III. Tax assets		43,546,971		20,344,610
IV. Other receivables		332,377,734		369,388,557
			767,043,042	792,479,546
G. Cash with banks, cheques and cash in hand			255,813,406	150,308,876
H. Other current assets				
I. Assets for sale at short notice		2,703,462		2,785,925
II. Inventories		3,495,669		3,744,676
III. Other current assets		60,725,394		69,680,926
			66,924,525	76,211,527
Total assets			19,574,653,923	19,848,011,319

Equity and Liabilities	No. in Notes	30.06.2006	31.12.2005
A. Shareholders' equity			
I. Issued capital	40,320,000		40,320,000
II. Capital reserve	136,382,474		136,382,474
III. Retained earnings	306,397,746		303,161,320
IV. Other reserves	60,606,945		124,040,207
V. Consolidated result attributable to NÜRNBERGER Group shareholders	29,944,177		20,945,652
VI. Adjustment item for minority interests in shareholders' equity	29,653,675		71,025,694
		603,305,017	695,875,347
B. Subordinated liabilities		186,542,641	186,400,832
C. Underwriting provisions			
I. Unearned premiums	239,992,161		173,727,267
II. Provision for future policy benefits	10,059,008,754		9,991,529,719
III. Provision for outstanding claims	886,917,092		942,939,408
IV. Provision for performance-related and non-performance-related premium refunds	923,194,056		1,038,370,168
V. Other underwriting provisions	13,387,780		12,997,685
		12,122,499,843	12,159,564,247
D. Liabilities from credited profit shares		655,142,649	685,568,365
E. Underwriting provision for life and general accident insurance where investment risk is borne by policyholders			
Provision for future policy benefits		3,974,674,564	3,918,552,442
F. Other provisions			
I. Provisions for pensions and similar obligations	205,703,041		209,257,764
II. Tax provisions	52,537,379		59,169,131
III. Deferred tax liabilities	319,408,937		387,424,553
IV. Miscellaneous provisions	34,365,021		60,197,804
		612,014,378	716,049,252
G. Liabilities			
I. Deposits retained on ceded business	327,519,733		328,249,146
II. Accounts payable on primary insurance business	4 167,772,068		215,425,080
III. Accounts payable on reinsurance business	8,924,316		13,515,967
IV. Accounts owed to banks	530,092,445		538,773,577
V. Other liabilities	372,740,211		383,338,365
		1,407,048,773	1,479,302,135
H. Deferred items		13,426,058	6,698,699
Total equity and liabilities		19,574,653,923	19,848,011,319

Consolidated Income Statement

for the period from 1 April to 30 June and 1 January to 30 June 2006
in EUR

	No. in Notes	Q2/2006	Q2/2005	Q1-2/2006	Q1-2/2005
1. Premium income	5	737,737,180	729,206,496	1,498,408,131	1,483,942,380
2. Investment income		126,476,620	441,748,224	639,302,986	746,945,162
3. Income from reinsurance business		40,452,504	39,944,491	158,480,523	166,947,656
4. Other income		40,697,647	29,321,160	79,955,734	70,290,560
Total income (1. to 4.)		945,363,951	1,240,220,371	2,376,147,374	2,468,125,758
5. Claims expenditure	-	432,580,734	826,645,192	1,351,896,981	1,590,520,859
6. Underwriting expenses	-	171,682,411	164,733,380	357,723,310	359,649,584
7. Reinsurance expenditure	-	58,160,755	57,891,234	196,698,029	189,704,406
8. Investment expenses	-	168,262,855	123,816,120	282,166,932	196,970,344
9. Finance costs	-	15,363,891	11,445,583	19,799,698	14,205,683
10. Other expenses	-	32,174,600	38,954,756	67,676,100	73,939,773
Total expenses (5. to 10.)	-	878,225,246	1,223,486,265	2,275,961,050	2,424,990,649
11. Result before amortization of goodwill		67,138,705	16,734,106	100,186,324	43,135,109
12. Amortization of goodwill	-	88,875	—	1,104,396	301,083
13. Accounting profit		67,049,830	16,734,106	99,081,928	42,834,026
14. Taxes	-	12,044,660	604,562	33,141,108	16,542,490
15. Consolidated result		55,005,170	17,338,668	65,940,820	26,291,536
thereof:					
– attributable to NÜRNBERGER Group shareholders		19,019,407	16,260,910	29,944,177	25,484,743
– attributable to minority interests		35,985,763	1,077,758	35,996,643	806,793
Earnings per share ¹		1.65	1.41	2.60	2.21

¹ Diluted and undiluted results are identical as no dilution effects occur.

Cash Flow Statement

for the period from 1 January to 30 June 2006
in EUR '000

	Q1-2/2006	Q1-2/2005
1. Consolidated result	65,941	26,292
2. Net change in underwriting provisions	35,133	709,293
3. Change in deposits retained and in accounts receivable and payable	– 6,830	1,431
4. Change in other receivables and liabilities	– 7,988	– 1,002
5. Gains and losses on the disposal of investments	– 131,733	– 66,333
6. Changes in other balance sheet items	– 162,471	– 69,430
7. Other income/expenses without impact on cash flow	316,929	– 787,705
8. Cash flows from operating activities	108,981	– 187,454
9. Inflows from the sale of consolidated companies and other business units	–	1,799
10. Outflows for the acquisition of consolidated companies and other business units	– 484	– 589
11. Inflows from the sale and maturities of other investments	2,342,758	2,503,640
12. Outflows for the acquisition of other investments	– 2,199,233	– 2,390,505
13. Inflows from the sale of unit-linked life insurance investments	122,729	175,184
14. Outflows for the acquisition of unit-linked life insurance investments	– 171,010	– 273,607
15. Other inflows	1,804	9,141
16. Other outflows	– 8,497	– 12,522
17. Cash flows from investing activities	88,067	12,541
18. Inflows from increases in capital	–	–
19. Outflows to company owners and minority interests	– 69,181	– 5,213
20. Dividend payments	– 13,824	– 11,520
21. Inflows and outflows from other financing activities	– 8,539	– 3,456
22. Cash flows from financing activities	– 91,544	– 20,189
23. Changes in the financial resources fund with impact on cash flow	105,504	– 195,102
24. Financial resources fund at the beginning of the period	150,309	408,733
25. Financial resources fund at the end of the period	255,813	213,631

The cash flow from operating activities has been presented according to the indirect method in accordance with IAS 7.20.

The Cash Flow Statement shows how the liquid funds of the NÜRNBERGER INSURANCE GROUP changed as a result of inflows and outflows during the first half of 2006. It is divided into three sections showing the payment flows arising from operating activities, investment activities and financing activities. The financial resources fund shown in the Cash Flow Statement includes current bank balances, cheques and cash in hand and consequently corresponds to the asset item G of the Consolidated Balance Sheet.

Interest yielded inflows in the amount of EUR 243,4 (249,8) million, with dividends yielding an inflow of EUR 30,8 (28,9) million. Outflows due to interest amounted to EUR 24.1 (19,9) million. Taxes on income resulted in an outflow of EUR 23.0 (51,3) million.

Segment Reporting

Consolidated Balance Sheet according to Business Segments
in EUR '000

Assets	Life		Pension Business		Health	
	30.06.2006	31.12.2005	30.06.2006	31.12.2005	30.06.2006	31.12.2005
A. Intangible assets						
I. Goodwill	287	915	—	—	—	—
II. Other intangible assets	27,174	28,078	12	4	1,831	1,565
B. Investments	11,477,880	11,871,211	38,866	24,948	272,494	246,453
C. Investments on account and at risk of life and general accident insurance policyholders	3,968,029	3,912,736	6,231	5,637	—	—
D. Underwriting provisions, ceded	324,334	327,511	135	135	—	—
E. Other non-current assets	303,780	365,070	5,105	5,052	1,935	3,541
F. Receivables	686,446	703,119	7,639	10,543	8,916	9,669
G. Cash with banks, cheques and cash in hand	202,657	105,011	475	303	265	373
H. Other current assets	57,922	31,633	13	10	—	2,478
Total segment assets	17,048,509	17,345,284	58,476	46,632	285,441	264,079
Equity and Liabilities						
A. Shareholders' equity	229,909	329,921	7,921	7,964	13,901	14,718
B. Subordinated liabilities	95,000	92,000	—	—	3,000	3,000
C. Underwriting provisions	10,945,132	11,039,636	36,474	22,354	259,013	239,266
D. Liabilities from credited profit shares	654,933	685,401	209	167	—	—
E. Underwriting provisions for life and general accident insurance where investment risk is borne by policyholders	3,967,598	3,912,335	6,231	5,637	—	—
F. Other provisions	283,246	376,894	218	281	3,393	5,670
G. Liabilities	867,744	907,745	7,410	10,229	6,134	1,425
H. Deferred items	4,947	1,352	13	—	—	—
Total segment equity and liabilities	17,048,509	17,345,284	58,476	46,632	285,441	264,079

Property and Casualty		Financial Services		Consolidation/Other		Group	
30.06.2006	31.12.2005	30.06.2006	31.12.2005	30.06.2006	31.12.2005	30.06.2006	31.12.2005
68,001	67,586	9,151	9,246	8,096	8,184	85,535	85,931
20,788	19,832	13	9	1,029	1,123	50,847	50,611
997,518	945,859	278,458	301,184	159,123	160,687	13,224,339	13,550,342
851	586	—	—	—	5,549	3,969,562	3,913,410
294,056	307,387	—	—	—	1,447	617,078	633,153
194,085	195,673	5,015	7,434	27,592	18,794	537,512	595,564
185,749	190,328	41,115	57,048	—	162,822	767,043	792,480
33,004	31,021	19,911	13,507	—	499	255,813	150,309
3,617	36,397	2,810	2,844	2,563	2,849	66,925	76,211
<u>1,797,669</u>	<u>1,794,669</u>	<u>356,473</u>	<u>391,272</u>	<u>28,086</u>	<u>6,075</u>	<u>19,574,654</u>	<u>19,848,011</u>
399,183	392,777	33,895	33,218	—	81,504	603,305	695,875
20,000	20,000	9,043	8,901	59,500	62,500	186,543	186,401
897,612	872,027	—	—	—	15,731	12,122,500	12,159,564
—	—	—	—	—	—	655,142	685,568
851	586	—	—	—	5	3,974,675	3,918,553
230,610	243,650	10,145	12,093	84,402	77,461	612,014	716,049
249,266	265,555	303,328	337,057	—	26,833	1,407,049	1,479,302
147	74	62	3	8,257	5,270	13,426	6,699
<u>1,797,669</u>	<u>1,794,669</u>	<u>356,473</u>	<u>391,272</u>	<u>28,086</u>	<u>6,075</u>	<u>19,574,654</u>	<u>19,848,011</u>

Segment Reporting

Consolidated Income Statement according to Business Segments
for the period from 1 January to 30 June 2006
in EUR '000

	Life		Pension Business		Health	
	Q1-2/2006	Q1-2/2005	Q1-2/2006	Q1-2/2005	Q1-2/2006	Q1-2/2005
1. Premium income	1,017,934	995,783	21,420	12,341	65,369	60,730
2. Investment income	589,143	705,822	580	219	6,015	4,996
3. Income from reinsurance business	20,891	22,649	—	—	28	27
4. Other income	60,591	52,813	35	4,188	85	65
Total income (1. to 4.)	1,688,559	1,777,067	22,035	16,748	71,497	65,818
5. Claims expenditure	- 1,047,378	- 1,279,260	- 15,564	- 5,027	- 57,039	- 51,589
6. Underwriting expenses	- 220,644	- 214,861	- 6,031	- 11,722	- 11,555	- 11,808
7. Reinsurance expenditure	- 32,383	- 27,032	—	—	- 155	- 105
8. Investment expenses	- 265,811	- 182,755	- 175	- 8	- 46	- 44
9. Finance costs	- 7,904	- 6,954	—	—	- 87	—
10. Other expenses	- 47,285	- 55,227	- 196	- 330	- 141	- 300
Total expenses (5. to 10.)	- 1,621,405	- 1,766,089	- 21,966	- 17,087	- 69,023	- 63,846
11. Result before amortization of goodwill	67,154	10,978	69	339	2,474	1,972
12. Amortization of goodwill	- 628	—	—	—	—	—
13. Accounting profit	66,526	10,978	69	339	2,474	1,972
14. Taxes	- 17,832	- 1,433	- 64	240	- 1,041	- 810
15. Consolidated result ¹⁾	48,694 ²⁾	9,545	5	99	1,433	1,162

¹⁾ Expenses/deficits are indicated by a minus sign (-)

²⁾ Of this sum, EUR 35,987 from the sale of shares is apportionable to minority interests.

Property and Casualty		Financial Services		Consolidation/Other		Group									
Q1-2/2006	Q1-2/2005	Q1-2/2006	Q1-2/2005	Q1-2/2006	Q1-2/2005	Q1-2/2006	Q1-2/2005								
399,165	417,811	—	—	—	5,480	—	2,723	1,498,408	1,483,942						
32,847	24,960	10,392	8,786	—	326	—	2,162	639,303	746,945						
137,568	144,273	—	—	—	7	—	1	158,480	166,948						
24,881	27,885	22,782	28,075	—	28,418	—	42,735	79,956	70,291						
594,461	614,929	33,174	36,861	—	33,579	—	43,297	2,376,147	2,468,126						
—	234,898	—	—	—	2,982	—	17	—	1,351,897	—	1,590,521				
—	120,021	—	—	—	528	—	604	—	357,723	—	359,650				
—	164,173	—	—	—	13	—	13	—	196,698	—	189,704				
—	8,261	—	5,991	—	7,149	—	1,883	—	282,167	—	196,970				
—	698	—	—	—	—	—	11,111	—	4,804	—	19,800	—	14,206		
—	36,229	—	40,034	—	21,592	—	26,974	—	37,767	—	48,925	—	67,676	—	73,940
—	564,280	—	587,843	—	27,583	—	34,123	—	28,296	—	43,997	—	2,275,961	—	2,424,991
—	30,181	—	27,086	—	5,591	—	2,738	—	5,283	—	700	—	100,186	—	43,135
—	—	—	95	—	—	—	—	—	381	—	301	—	1,104	—	301
—	30,181	—	27,086	—	5,496	—	2,738	—	5,664	—	399	—	99,082	—	42,834
—	12,244	—	12,873	—	1,970	—	307	—	10	—	1,359	—	33,141	—	16,542
—	17,937	—	14,213	—	3,526	—	2,431	—	5,654	—	960	—	65,941 ²⁾	—	26,292

Data are assigned to segments on the basis of the internal structure of the NÜRNBERGER INSURANCE GROUP which is organized into strategic business segments (primary segmenting). These business segments are: Life Insurance (excluding pension insurance fund), Pension Business (pension insurance fund and pension fund), Health Insurance, Property and Casualty Insurance and (other) Financial Services. Secondary segmenting along regional lines has not been performed on account of the minor significance of international business for the Group. The figures for the business segments are adjusted to take account of transactions within the segments. The transition to Group figures results from the data shown in the "Consolidation/Other" column, which contains the consolidation figures for transactions between segments and the data for companies and business segments which cannot be clearly assigned to the segments shown.

Statement of Changes in Shareholders' Equity

in EUR '000

	Subscribed capital	Capital reserve	Group equity generated	Revaluation surplus	Accumulated other consolidated results	
					Foreign exchange differences	Other neutral transactions
Equity on 31 December 2004	40,320	136,382	295,600	94,092	1,083	—
Issue of shares	—	—	—	—	—	—
Dividends paid	—	—	11,520	—	—	—
Change in scope of consolidation	—	—	196,265	137,996	1,441	—
Other changes	—	—	215,346	—	1,207	—
Consolidated net income for the year	—	—	20,946	—	—	—
Other consolidated results	—	—	—	167,095	—	—
Total consolidated result	—	—	20,946	167,095	—	—
Equity on 31 December 2005	40,320	136,382	324,107	123,191	849	—
Issue of shares	—	—	—	—	—	—
Dividends paid	—	—	13,824	—	—	—
Change in scope of consolidation	—	—	—	—	—	—
Other changes	—	—	1,943	—	852	—
Consolidated net income for the year	—	—	29,944	—	—	—
Other consolidated results	—	—	—	64,523	—	—
Total consolidated result	—	—	29,944	64,523	—	—
Equity on 30 June 2006	40,320	136,382	338,284	58,668	3	—

Shareholders' equity excl. minority interests	Minority interests	Accumulated other consolidated results		Shareholders' equity, minority interests	Group equity
		Foreign exchange differences	Other neutral transactions		
567,477	91,671	–	1,581	90,090	657,567
–	–	–	–	–	–
– 11,520	– 2,618	–	–	– 2,618	– 14,138
– 335,702	– 10,212	–	2,229	– 7,983	– 343,685
216,553	– 18,186	–	967	– 19,153	197,400
20,946	– 726	–	–	– 726	20,220
167,095	– 11,416	–	–	– 11,416	178,511
188,041	– 10,690	–	–	– 10,690	198,731
624,849	– 71,345	–	319	– 71,026	695,875
–	–	–	–	–	–
– 13,824	– 52,742	–	–	– 52,742	– 66,566
–	–	–	–	–	–
– 2,795	– 1,349	–	23	– 1,372	– 4,167
29,944	– 35,997	–	–	– 35,997	– 65,941
– 64,523	– 23,255	–	–	– 23,255	– 87,778
– 34,579	– 12,742	–	–	– 12,742	– 21,837
573,651	– 29,996	–	342	– 29,654	603,305

Notes to the Consolidated Financial Statements

Accounting policies

The interim report of the NÜRNBERGER INSURANCE GROUP was compiled in accordance with the International Financial Reporting Standards (IFRS), taking account of the requirements of Sec. 315a of the German Commercial Code (HGB) in conjunction with IAS 34. All standards the application of which was prescribed for the reporting period and all interpretations approved by the International Financial Reporting Interpretations Committee or its predecessor, the Standing Interpretations Committee (IFRIC and SIC) have been taken into account.

The accounting, measurement and consolidation principles correspond to those applied in the annual financial statements as at 31 December 2005.

Currency Conversion

The reporting currency of the NÜRNBERGER INSURANCE GROUP is the Euro. Amounts were converted at middle rates (reference rates), with items in the balance sheet being converted at the exchange rate prevailing on the reporting date and items in the Income Statement being converted at the average exchange rate.

The exchange rates used are as follows (values shown = EUR 1):

	Reporting date rates		Average rates	
	30 June 2006	31 Dec. 2005	Q1–2/2006	Q1–2/2005
Swiss Franc	1.5672	1.5551	1.5613	1.5438
US Dollar	1.2713	1.1797	1.2292	1.2599

Scope of consolidation

In addition to the parent company NÜRNBERGER Beteiligungs-Aktiengesellschaft, the quarterly financial statement encompassed another 54 subsidiaries. This includes eight domestic insurance companies, including a pension insurance fund, two foreign insurance companies, a pension fund, a bank and a communications services company. The remaining subsidiaries are mostly financial services, real estate and investment management companies as well as special funds. Two joint ventures, including a domestic insurance company, which we operate directly or indirectly together with another shareholder, were consolidated on a pro rata basis.

A total of 25 domestic and foreign companies over which we exercise a significant influence were valued at equity as associated companies.

One subsidiary has been recognized at amortized cost. We have not included two subsidiaries of a company consolidated on a pro rata basis in the consolidation, as they are insignificant from a Group vantage, their aggregate sales accounting for less than 1% of Group sales.

We have classified an acquired company as a non-current asset held for sale in accordance with IFRS 5 and recognized it at fair value less costs to sell.

Reconciliation account

The consolidated financial statements of NÜRNBERGER Beteiligungs-Aktiengesellschaft for 2005 were prepared in accordance with IFRS for the first time. The date of transition from accounting in accordance with German Commercial Code applied hitherto was therefore 1 January 2004. The reconciliation of Group equity as at this date is reported in the Notes to the Consolidated Financial Statements for 2005.

The reconciliation of Group equity as at 30 June 2005 is presented in the following table:

	EUR '000
Group equity as at 30 June 2005 according to German Commercial Code	610,724
Capitalization of internally generated intangible assets	32,274
Reversal of claims equalization provision and similar provisions	169,292
Revaluation of pension provisions including the recognition in liabilities of obligations owing to the benefit fund	– 138,668
Revaluation of properties	5,673
Revaluation of financial instruments	273,100
Formation of deferred taxes	– 17,129
Formation of deferred provision for premium refunds	– 277,827
Change in minority interests	30,145
Other revaluations	1,135
Group equity according to IFRS as at 30 June 2005	<u>688,719</u>

The following table presents the reconciliation of the consolidated result in the second quarter of 2005 and in quarters 1-2/2005 from German Commercial Code requirements to IFRS:

	Q2/2005	Q1-2/2005
	EUR '000	EUR '000
Consolidated result according to German Commercial Code	3,922	13,030
+ Change in pension provisions including the recognition in liabilities of obligations owing to the benefit fund	1,835	3,670
+ Reduction in amortization of goodwill	3,788	6,866
+ Change in the deferred provision for premium refunds	24,587	14,199
+ Income from recognition of deferred taxes	10,936	4,694
– Change in results of associated companies	– 4,788	– 2,205
– Revaluation of financial instruments with impact on profit or loss	– 12,809	– 20,332
– Change in gains on disposal of properties due to recognition at fair value	– 1,009	– 2,551
–/+Change in scope of consolidation	– 6,956	12,426
– Other differences	– 2,167	– 3,505
Consolidated result after tax according to IFRS	<u>17,339</u>	<u>26,292</u>

Notes to the Consolidated Balance Sheet and the Consolidated Income Statement

(1) Intangible assets

The goodwill arising from offsetting the purchase price and net assets of subsidiaries included in the consolidated financial statements developed as follows in the first half of 2006:

	EUR '000
Carrying amount at 31 December 2005	85,931
Additions	708
Disposals	—
Write-downs	— 1,104
Carrying amount at 30 June 2006	85,535

The item Other intangible assets essentially comprises purchased rights of use, software programs and licences.

(2) Other non-current property, plant and equipment

This item comprises the following partial amounts:

	30 June 2006 EUR '000	31 December 2005 EUR '000
Plant and equipment	14,880	16,153
Technical plant and machinery	594	724
Tenants' installations	6,624	6,674
Carrying amount	22,098	23,551

(3) Receivables

Receivables were recognized at the notional values less necessary general value adjustments.

The balance sheet item Accounts receivable on primary insurance business comprises receivables due from:

	30 June 2006 EUR '000	31 December 2005 EUR '000
Policyholders:		
claims due	69,427	75,369
claims not yet due	234,828	240,347
	304,255	315,716
Intermediaries	71,638	73,429
Carrying value	375,893	389,145

(4) Accounts payable on primary insurance business

Accounts payable on primary insurance business comprise accounts payable to:

	30 June 2006	31 December 2005
	EUR '000	EUR '000
Policyholders	103.342	152.476
Insurance intermediaries	64.430	62.949
Carrying amount	167.772	215.425

(5) Premium income

The following table presents a breakdown of premium income and its distribution over the individual business segments in the second quarter of 2006, quarters 1-2/2006 and the comparable periods of the previous year:

	Q2/2006	Q2/2005	Q1-2/2006	Q1-2/2005
	EUR '000	EUR '000	EUR '000	EUR '000
Gross premiums				
from primary insurance business				
Life Insurance segment	482,927	467,287	965,177	944,435
Pension Business segment	11,942	6,628	21,311	12,362
Health Insurance segment	30,779	27,383	60,878	54,036
Property and Casualty Insurance segment	137,690	140,550	476,316	503,712
Consolidation/Other	- 4,173	- 991	- 5,467	- 2,710
	659,165	640,857	1,518,215	1,511,835
Gross premiums from business assumed				
Life Insurance segment	- 170	101	- 170	105
Property and Casualty Insurance segment	2,427	2,342	4,914	2,369
Consolidation/Other	- 7	- 7	- 13	- 13
	2,250	2,436	4,731	2,461
Premium income from the provision				
for premium refunds				
Life Insurance segment	19,289	19,131	37,601	37,608
Pension Business segment	42	22	136	80
Health Insurance segment	—	—	4,425	6,632
	19,331	19,153	42,162	44,320
Change in gross unearned premiums				
Life Insurance segment	8,473	9,136	15,325	13,635
Pension Business segment	94	- 6	- 27	- 100
Health Insurance segment	- 13	- 18	66	62
Property and Casualty Insurance segment	48,437	57,648	- 82,064	- 88,271
	56,991	66,760	- 66,700	- 74,674
Total premium income shown				
in the Consolidated Income Statement	737,737	729,206	1,498,408	1,483,942

Revenues and results in the individual business segments

The business segments of the NÜRNBERGER INSURANCE GROUP generated the revenues and results shown below in the second quarter of 2006, in quarters 1-2/2006 and in the comparable periods of the previous year. Revenues are considered to include gross premiums earned (including premiums from the provision for premium refunds), investment income (not including unrealized gains from investments for unit-linked life insurance) and commissions from mediation business.

	Q2/2006 EUR '000	Q2/2005 EUR '000	Q1-2/2006 EUR '000	Q1-2/2005 EUR '000
Life insurance				
Premiums	510,520	495,655	1,017,934	995,783
Investment income	304,945	243,158	516,288	438,366
Commission income	168	203	348	416
Revenues	815,633	739,016	1,534,570	1,434,565
Result	44,905 ¹⁾	4,982	48,694 ¹⁾	9,545
Pension business				
Premiums	12,078	6,643	21,420	12,341
Investment income	297	121	541	213
Revenues	12,375	6,764	21,961	12,554
Result	- 50	- 104	5	- 99
Health insurance				
Premiums	30,766	27,365	65,369	60,730
Investment income	3,357	2,627	6,015	4,996
Revenues	34,123	29,992	71,384	65,726
Result	966	829	1,433	1,162
Property and casualty insurance				
Premiums	188,553	200,541	399,165	417,811
Investment income	16,755	13,553	32,836	24,920
Commission income	2,132	2,152	5,081	4,994
Revenues	207,440	216,246	437,082	447,725
Result	7,573	9,680	17,937	14,213
Financial services				
Investment income	5,249	4,379	10,392	8,786
Commission income	10,445	13,041	21,488	24,519
Revenues	15,694	17,420	31,880	33,305
Result	1,112	2,100	3,526	2,431

¹⁾ Of this sum, EUR 35,987,000 from the sale of shares is apportionable to minority interests.

Human resources

As at 30 June 2006, the companies belonging to the NÜRNBERGER INSURANCE GROUP employed a total of 5,367 staff in internal and field service positions as well as 325 trainees.

	30 June 2006	31 Dec. 2005	30 June 2005
Germany			
Internal	3,444	3,516	3,563
including prorated figure for proportionally consolidated companies	53	49	48
Salaried field service	1,654	1,701	1,615
including prorated figure for proportionally consolidated companies	24	23	0
International			
Internal	237	236	215
including prorated figure for proportionally consolidated companies	7	7	7
Salaried field service	32	34	32
including prorated figure for proportionally consolidated companies	10	10	10
	<u>5,367</u>	<u>5,487</u>	<u>5,425</u>
Trainees			
Germany	310	419	338
International	15	15	13
	<u>325</u>	<u>434</u>	<u>351</u>

Nuremberg, 14 August 2006

The Executive Board of NÜRNBERGER Beteiligungs-Aktiengesellschaft

Günther Riedel Dr. Werner Rupp Dipl.-Päd. Walter Bockschecker

Dipl.-Kfm. Henning von der Forst Dr. Wolf-Rüdiger Knocke

Dr. Hans-Joachim Rauscher Dr. Armin Zitzmann

The NÜRNBERGER Share

Performance

Over the past twelve months the NÜRNBERGER share has again proven to be a stable stock. With a closing price of EUR 67.82 on 30 June 2006, it listed slightly above the price of EUR 67.00 as at the end of the previous year. The trading volume of the NÜRNBERGER share increased considerably in the first half of 2006, suggesting continued strong interest among investors.

Move to General Standard

Cost considerations were the decisive factor that prompted us to request a move from the “Prime Standard” to the “General Standard” segment within the Official Market. In this way it will be possible for us to reduce our expenditure on reporting in German and English, which is disproportionately high for a company not listed on any index and principally oriented towards the German-speaking market. It goes without saying that the interests of shareholders will be safeguarded by the continued high level of transparency.

Our annual and interim reports – in both German and English – as well as the latest information on the NÜRNBERGER INSURANCE GROUP and the shares of NÜRNBERGER Beteiligungs-Aktiengesellschaft are also available online (<http://www.nuernberger.de>) under “Unternehmen/Investor Relations”.

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