

CONVERIUM HOLDING AG

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Table of Contents

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

For the month of February 2003

CONVERIUM HOLDING AG

(Translation of registrant's name into English)

Baarerstrasse 8
CH-6300 Zug
Switzerland

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If Yes is marked, indicate the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- Not Applicable

TABLE OF CONTENTS

Converium Holding Ltd, Zug

Investor information

Investor information

Selected financial and other data

Management's discussion and analysis of financial condition and results of operations

Converium Group

Report of the Group auditors

Consolidated and historical combined statements of income

Consolidated balance sheets

Consolidated and historical combined statements of cash flows

Consolidated and historical combined statements of changes in equity

Notes to the consolidated and historical combined financial statements

Converium Holding Ltd

Report of the statutory auditors

Principal activity and review of the year

Statements of income

Balance sheets

Notes to the financial statements

Proposed appropriation of available earnings

Directors' and officers' compensation and audit fees

SIGNATURES

Table of Contents

Converium Holding Ltd, Zug

Zug, Switzerland February 11, 2003 Converium Group, one of the world's leading reinsurers, today reports on its successful 2003 renewal and on its financial results for the fourth quarter 2002 as well as for the full year 2002. Converium has been listed on the SWX Swiss Exchange (SWX: CHRN) and New York Stock Exchange (NYSE: CHR) since December 2001.

Successful 2003 renewals in a hard reinsurance market Substantial improvement of underlying performance continues

Net premiums written 2002: US\$3,322 million (plus 33.8%)
Non-life combined ratio 2002: 104.2% (2001: 129.0%)
Adjusted non-life combined ratio 2002¹: 99.3% (2001: 108.8%)
Operating income 2002: US\$67.7 million
Net income 2002: US\$106.8 million
Cash flow from operating activities 2002: US\$870.4 million (plus 179%)
Shareholders' equity as per December 31, 2002: US\$1,738 million (plus 10.6%)
Book value per share as per December 31, 2002: US\$43.55 (plus 10.9%)
Proposed dividend for 2002: CHF 1.00 per share

Successful 2003 renewals in a hard reinsurance market

Converium continues to strengthen its position as a global leading professional reinsurer, particularly in specialty lines. At January 1, 2003, approximately two thirds of our non-life premium was up for renewal, the remaining third will be renewed later in the year. We renewed almost 70%² of our non-life premium volume that was renewable at January 1, 2003 and experienced combined increases in rates and shares of almost 30%³ on the renewed business. We chose to non-renew about 30%² of the renewable premium volume because the underlying business did not meet our stringent performance standards or because the treaties were restructured from a proportional to a non-proportional basis. However, the non-renewed premium volume was more than offset by new business. The aggregate impact of improved rates, increased shares and new business, offset by cancellations, resulted in premium growth of more than 20%² on renewable premiums.

Converium emerging as a winner in the reshuffling of the reinsurance market

Market unrest in the reinsurance industry creates new opportunities for Converium. The exit or repositioning of several major reinsurance competitors have expanded the possibilities for Converium to successfully execute its strategy in 2003.

¹ Excluding prior years' developments and September 11, 2001, but including Enron and European floods.

² Based on 100% that reflects the total non-life premium that was up for renewal on January 1, 2003.

³ Based on 100% that reflects the total non-life premium we renewed on January 1, 2003.

Table of Contents

The withdrawal or reorganization of several reinsurers has led to a significant reduction in reinsurance supply. The addition of new capacity, mainly through new Bermuda formations brought some relief to some markets, most particularly in the international catastrophe arena and markets such as the US and the UK. This was due to the fact that many of the start-ups were still establishing their infrastructure, their distribution channels, and recruiting specialists required to properly manage a reinsurance company. As a consequence, their focus was on broker distribution and traditionally intermediated reinsurance such as the low frequency/high severity catastrophe covers.

Nevertheless, the influence of these new markets in traditionally direct markets (such as Continental Europe) and in the specialty lines of business has been very limited. Converium Group has emerged as one of the few players with the required local presence, intimate market and specialty knowledge to address the needs in these market segments.

Substantial improvement of underlying performance continues

For the year ended December 31, 2002, Converium Group reported pre-tax operating income⁴ of US\$67.7 million. This represents an increase of US\$528.8 million compared to the pre-tax operating loss⁴ of US\$461.1 million for the year 2001. Net income (after tax) increased US\$474.2 million to US\$106.8 million for the year ended December 31, 2002, compared to a net loss of US\$367.4 million for the year ended December 31, 2001.

For the three months ended December 31, 2002, Converium Group reported a pre-tax operating income⁴ of US\$35.1 million, compared to a pre-tax operating loss⁴ of US\$90.3 million for the same period in 2001. For the fourth quarter of 2002, the net income (after-tax) of US\$80.8 million compares to a net loss of US\$7.5 for the fourth quarter of 2001, an increase of US\$88.3 million.

Converium's financial results for calendar year 2002 were driven by (1) the very strong performance in non-life underwriting, and by (2) the recognition of reserve developments of prior years.

(1) Very Strong Performance in Non-life Underwriting

The re-underwriting of the non-life book and the restructuring of the underwriting process resulted in a continued substantial improvement of the underlying performance. Net premiums written by our non-life operations grew 34.7% to US\$3,154.2 million for the full year 2002. The non-life combined ratio excluding prior years' developments and September 11, 2001, but including Enron-related losses and the European floods decreased 9.5 percentage points to 99.3% for the year ended December 31, 2002 compared to 108.8% for the year ended December 31, 2001.

⁴ The pre-tax operating income (loss) is defined as pre-tax income or loss excluding pre-tax net realized capital gains or losses, amortization of goodwill and restructuring costs.

Table of Contents

Table: Substantial improvement of underlying performance continues

Year ended December 31 (in US\$ million, except ratios)	Converium Zurich		Converium North America		Converium Cologne		Converium Non-life	
	2002	2001	2002	2001	2002	2001	2002	2001
	Net premiums written	1,670.5	1,185.0	1,193.9	898.4	289.8	257.8	3,154.2
Non-life loss ratio	69.9%	101.4%	84.0%	94.9%	96.2%	108.8%	77.8%	99.7%
Adjusted non-life loss ratio ⁵	71.2%	88.4%	72.0%	67.4%	85.3%	90.5%	72.9%	80.0%
Non-life underwriting expense ratio	17.9%	20.0%	25.0%	28.5%	22.5%	17.8%	21.1%	23.2%
Non-life administration expense ratio	4.8%	4.6%	5.9%	8.0%	5.3%	5.9%	5.3%	6.1%
Non-life combined ratio	92.6%	126.0%	114.9%	131.4%	124.0%	132.5%	104.2%	129.0%
Adjusted non-life combined ratio ⁵	93.9%	113.0%	102.9%	102.7%	113.1%	114.2%	99.3%	108.8%

The performance of our non-life book substantially improved throughout the year 2002 since an increasing portion of the net premiums earned related to business written in underwriting year 2002. In addition to that, the ratios were positively impacted by the technical result⁶ of our aviation and space line of business recorded in the fourth quarter of 2002.

Table: Substantial improvement of our non-life book throughout 2002

(in US\$ million, except ratios) three months ended	Converium Non-life			
	March 31, 2002	June 30, 2002	Sept. 30, 2002	Dec. 31, 2002
Net premiums earned	670.5	761.5	726.4	842.7
Non-life loss ratio	75.9%	69.7%	89.4%	76.8%
Adjusted non-life loss ratio ⁵	75.9%	66.5%	81.2%	69.1%
Non-life underwriting expense ratio	21.6%	25.0%	16.7%	20.9%
Non-life administration expense ratio	4.9%	5.2%	6.6%	4.6%
Non-life combined ratio	102.4%	99.9%	112.7%	102.3%
Adjusted non-life combined ratio ⁵	102.4%	96.7%	104.5%	94.6%
Ratio-impact of European floods			6.9%	0.5%
Adjusted non-life combined ratio ⁵ excluding European floods	102.4%	96.7%	97.6%	94.1%

Due to the favorable developments in the terms of trade of the aviation and space reinsurance markets, and the absence of major airline losses in accident year 2002, Converium Group reported net premiums written of

⁵ Excluding prior years developments and September 11, 2001, but including Enron and European floods.

⁶ Technical result is defined as net premiums earned minus losses and loss adjustment expenses and minus underwriting acquisition costs.

Table of Contents

US\$370.2 million for 2002 (2001: US\$181.0 million) and a technical result⁷ for its aviation and space line of business of US\$64.3 million for 2002 (2001: negative US\$167.9 million), respectively US\$56.0 million for the fourth quarter 2002 (fourth quarter 2001: negative US\$1.3 million).

A substantial portion of our property catastrophe business is written on an excess of loss basis. Related to this business, in 2002, 2001 and 2000 we respectively wrote gross premiums written of US\$172.9 million (net premiums written 2002: US\$137.9 million), US\$148.1 million, and US\$100.6 million, and a net technical result⁷ of US \$60.4 million, US\$29.8 million, and US\$ minus 46.6 million. Included in the net technical result⁷ are the following large natural catastrophe losses, defined as those in excess of US\$10.0 million or more of net incurred losses to us: the European floods in 2002 (US\$51.1 million), the El Salvador earthquake in 2001 (US\$14.2 million) and development from the 1999 European storms booked in 2000 (US\$19.6 million).

(2) Recognition of reserve developments of prior years

After years of reporting significant net reserve releases, many primary US insurance companies are now confronted with reserve insufficiencies relating to the soft market period of 1997 to 2000. In recent quarters, the recognition of prior years' reserve development on the side of primary insurance companies has put pressure on the reinsurance industry.

During the fourth quarter 2002, the recognition of net reserve developments of US\$70.3 million has led to prior years' reserve strengthening of total US\$148.5 million net for our non-life business in 2002, of which US\$137.2 million was recorded by Converium North America, US\$31.1 million by Converium Cologne, partially offset by positive reserve development of US\$19.8 million recorded by Converium Zurich.

Table: Reserve developments 2000-2002

Year ended December 31 (in US\$ million)	2000	2001	2002	Total 2000-2002
Converium Zurich	-41.0	-81.7	-19.8	-142.5
Converium North America	81.0	164.0	137.2	382.2
Converium Cologne	25.4	41.3	31.1	97.8
Total Converium Non-life	65.4	123.6	148.5	337.5

Converium Group reported a reserve increase on a closed block of long-term variable annuity business. The variable annuity losses arise from guaranteed minimum death benefit contracts, whereby the minimum benefit is determined by the development of investment results from the capital markets. Following the ongoing downturn of the international equity markets, reserve strengthening of US\$15.6 million, of which US\$14.4 million was recorded in the fourth quarter, was required in order to align the reserves to the expected future benefits. In addition to that, claims in the amount of US\$12.5 million (2001: US\$3.3 million) were paid in the year 2002 against net premiums earned of US\$8.1 million (2001: US\$4.5 million) regarding this closed block of long-term variable annuity business.

⁷ Technical result is defined as net premiums earned minus losses and loss adjustment expenses and minus underwriting acquisition costs.

Table of Contents

Substantial cash flow from operating activities drives 24%-growth of invested assets

Converium Group reported a cash flow from operating activities of US\$870.4 million for the year ended December 31, 2002 compared to US\$311.5 million for the year ended December 31, 2001 (plus 179.4%).

This substantial growth in the cash flow from operating activities contributed to a significant increase of our invested assets by 24.4% to US\$6,117.3 million as of December 31, 2002, compared to year-end 2001.

Positive investment result despite turmoil in capital markets

Despite turmoil in capital markets Converium Group was able to achieve a favorable total investment result of US\$241.5 million and an average annualized total investment yield (pre-tax) of 4.1% for the year ended December 31, 2002, respectively US\$81.0 million and 5.4% for the fourth quarter 2002.

Early in the year Converium Group adopted a passive asset-management approach, leading to a restructuring of its investment portfolios. The restructuring of the fixed income portfolios resulted in net realized gains of US\$62.9 million for the year ended December 31, 2002 (fourth quarter 2002: US\$10.0 million), the restructuring of the equities portfolios resulted in net realized capital losses of US\$48.2 million for the year ended December 31, 2002 (fourth quarter 2002: US\$15.5 million).

Converium Group reported US\$48.3 million of impairment charges for the year ended December 31, 2002 compared to US\$82.5 million for the year ended December 31, 2001 and, US\$17.6 million of impairment charges in the fourth quarter 2002 compared to US\$11.2 million for the fourth quarter 2001. Our strict impairment policy requires us to record as realized capital losses, declines in value that exceed 20% over a period of six months, or in excess of 50.0% regardless of the period of the decline. At management's judgment, we impair additional securities based on prevailing market conditions. In total, Converium Group reported net realized capital losses for the year ended December 31, 2002 of US\$10.3 million, and net realized capital gains of US\$21.2 million for the fourth quarter 2002.

Converium Group's shareholders' equity increased by 10.6% to US\$1,738.0 million as per December 31, 2002 compared to year-end 2001; the book value per share increased by 10.9% to US\$43.55 as per December 31, 2002 compared to US\$39.27 as per year-end 2001.

Table of Contents**Converium Group: Financial Results as per December 31, 2002**

	Three months ended December 31 (US\$ million, except ratios)		Year ended December 31 (US\$ million, except ratios)	
	2002	2001	2002	2001
Gross premiums written	1,017.1		3,535.8	
- growth (%)	56.2%	651.2	22.7%	2,881.2
Net premiums written	933.3		3,322.2	
- growth (%)	63.4%	571.1	33.8%	2,482.6
Net premiums earned	893.5		3,165.5	
- growth (%)	52.3%	586.5	37.9%	2,295.2
Operating income (loss) ⁸	35.1	-90.3	67.7	-461.1
Net income (loss)	80.8	-7.5	106.8	-367.4
Income (loss) per share (US\$)	2.03	-0.18	2.68	-9.18
Non-life loss ratio	76.8%	87.4%	77.8%	99.7%
Adjusted non-life loss ratio ⁹	69.1%	85.4%	72.9%	80.0%
Non-life underwriting expense ratio	20.9%	28.5%	21.1%	23.2%
Non-life administration expense ratio	4.6%	7.3%	5.3%	6.1%
Non-life combined ratio	102.3%	123.2%	104.2%	129.0%
Adjusted non-life combined ratio ⁹	94.6%	121.2%	99.3%	108.8%
Total assets	12,051.0	9,706.5	12,051.0	9,706.5
Shareholders' equity	1,738.0	1,570.8	1,738.0	1,570.8
Book value per share (US\$)	43.55	39.27	43.55	39.27

⁸ The pre-tax operating income (loss) is defined as pre-tax income (loss) excluding pre-tax net realized capital gains or losses, amortization of goodwill and restructuring costs.

⁹ Excluding prior years' developments and September 11, 2001, but including Enron and European floods.

Table of Contents

Highlights of Converium Group's financial results 2002

Strong growth of the non-life business Today, Converium Group is established as an independent leading global reinsurer. Gross premiums written grew 22.7% to US\$3,535.8 million, net premiums written grew 33.8% to US\$3,322.2 million, net premiums earned grew 37.9% to US\$3,165.5 million for the year ended December 31, 2002.

Significant performance in non-life underwriting The re-underwriting and the restructuring of the underwriting process pay off. The non-life combined ratio was 104.2%, the adjusted non-life combined ratio was 99.3% for the year ended December 31, 2002 (2001: 129.0%, respectively 108.8%).

Continued impressive performance of Converium Zurich Converium Zurich increased its net premiums written 41.0% to US\$1,670.5 million for 2002 and reported a non-life combined ratio of 92.6% for the full year 2002, respectively 87.5% for the fourth quarter 2002. Aviation and Space (net premiums written 2002: plus 104.5% to US\$370.2 million) contributed with a non-life combined ratio of 82.3% for the full year 2002, respectively 52.5% for the fourth quarter 2002.

Flood losses in Eastern Europe stable Property catastrophe book profitable Gross incurred loss from the European floods is estimated to be US\$54.2 million. Compared to peers, Converium's European flood losses are relatively modest. Due to insufficient pricing, we decided during the 2001-renewals to curtail writings of property cat-business in Germany. The flood losses added 1.8 percentage points to the non-life combined ratio for the full year of 2002. For 2002, we reported gross premiums written of US\$172.9 million, net premiums written of US\$137.9 million and a technical result¹⁰ of US\$60.4 million for our excess of loss property catastrophe book (2001: gross premiums written US\$148.1, net premiums written of US\$132.9 million, respectively a technical result¹⁰ of US\$29.8 million).

Reserve development of prior years In the fourth quarter 2002 Converium recorded reserve developments of US\$70.3 million net related to Converium North America, respectively US\$148.5 million net for Converium non-life for the full year 2002.

Life business We realigned our life operations to more properly implement the Group strategy culminating with the appointment of a new Chief Underwriter Life on September 1, 2002. Guaranteed minimum death benefit contracts required an increase in Converium Life's reserves of US\$15.6 million.

Investment result: US\$241.5 million (plus 14.8%) Net investment result was impacted by the ongoing turmoil in the capital markets and the restructuring of our investment portfolio. Total investment results including impairments of US\$48.3 million were US\$241.5 million for the year ended December 31, 2002. The average annualized total investment yield (pre-tax) was 4.1% for 2002. Converium's impairment policy is fully compliant with emerging standards.

Cost of options fully charged Converium continued to fully charge the costs of options to operating expense (SFAS 123) and recorded US\$5.8 million in the full year 2002.

Pre-tax operating income: US\$67.7 million Converium reported a pre-tax operating income¹¹ of US\$67.7 million for the full year of 2002 (2001: net loss of US\$461.1 million), and a pre-tax operating income of US\$35.1 million for the fourth quarter 2001 (fourth quarter 2001: net loss of US\$90.3 million).

¹⁰ Technical result is defined as net premiums earned minus losses and loss adjustment expenses minus underwriting acquisition costs.

¹¹ The pre-tax operating income (loss) is defined as pre-tax income (loss) excluding pre-tax net realized capital gains or losses, amortization of goodwill and restructuring costs.

Table of Contents

Net income: US\$106.8 million Converium reported a net income of US\$106.8 million for 2002 (2001: net loss of 367.4 million), and a net income of US\$80.8 million for the fourth quarter of 2002 (fourth quarter 2001: net loss of US\$7.5 million).

Cash flow: US\$870.4 million (plus 179.4%) Driven by the substantially improved operating performance, Converium increased the cash flow from operating activities by 179.4% to US\$870.4 million for the full year of 2002 (2001: US\$311.5 million), respectively by 402.9% to US\$258.1 million for the fourth quarter of 2002 (fourth quarter 2001: negative US\$85.2 million).

Shareholders equity increased by 10.6% Since year-end 2001, the shareholders equity increased by 10.6% to US\$1,738.0 million as per December 31, 2002.

Book value per share: plus 10.9% Book value per share increased by 10.9% to US\$43.55 as per December 31, 2002 compared to US\$39.27 as per year-end 2001.

Proposed dividend for 2002: CHF 1.00 per share Based on the positive result achieved by Converium Group, the Board of Directors proposed a dividend of CHF 1.00 per share.

Dirk Lohmann, CEO Converium said:

Our industry has seen considerable turmoil during 2002 with several involuntary exits and restructurings of major players in our industry having been announced. Our expectation is that this trend will continue on into 2003. Converium, with its strong balance sheet and clear positioning as a leading independent reinsurer, is emerging as a winner from this industry shakeout.

In an industry where people matter, Converium's focus on enhancing its skill base with underwriting specialists and strong analytical capabilities paid dividends in 2002. This can be witnessed in our strong growth and the improved core profitability of our underlying business. It can also be seen in our successful penetration of several Continental European markets in 2003 where relationships and own distribution capabilities matter.

January's renewals continued to benefit from a robust pricing environment for reinsurers. Terms and conditions, particularly commissions for pro rata business, continued to improve in reinsurers' favor. The strong growth experienced by Converium on January 1 should, in the absence of major catastrophes, bode well for a continuation of the profitability trend observed in late 2002.

Martin Kauer, CFO Converium said:

Our NYSE-listing enabled us to issue US\$200 million Guaranteed Subordinated Notes in the domestic US fixed income market in mid-December 2002. We entered the 2003-renewals with claims supporting capital that exceeds US\$2.1 billion.

It is our clear strategy to focus on business where our underwriting skills matter and where our expertise is a competitive advantage in the reinsurance market. This strategy continues to pay off: specialty lines, such as aviation and space, professional liability, accident and health and engineering, drove the profitable growth we experienced in 2002. The substantial enhancement of the core profitability of our non-life book as a result of our re-underwriting effort is fully reflected in the strong improvement of the adjusted non-life combined ratio down to 99.3%, less than 100%, for 2002.

Table of Contents

Our balance sheet is set up to weather the adverse investment climate. We substantially reduced our exposure to the global equity markets, we enhanced the quality of our fixed maturity portfolio – currently more than 80% of our bond are AAA-rated – and reduced its duration.

The strong improvement of the underlying profitability and the positive investment result led to a return on equity of 6.8% despite the turmoil in the capital market and the reserve developments of US\$148.5 million net.

We are driven by best practice and best of breed; therefore we substantially enhanced the information disclosed in our annual report 2002. Among many other items, we improved the investment section and provide currency splits of our income statement and our balance sheet.

The company has made it a policy not to provide any quarterly or annual earnings guidance and it will not update any past outlook for full year earnings. It will however provide investors with perspective on its value drivers, its strategic initiatives and those factors critical to understanding its business and operating environment.

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Table of Contents**Overview Business Segments****Business Development**

Converium's financial results reflect the continued improvement of non-life underwriting as well as the reserve development of prior years. The hardening of the markets, a consistent implementation of our business strategy and new opportunities from independence all led to a profitable growth of our non-life operations and an adjusted non-life combined ratio of 99.3%. Converium re-evaluated its existing life activities and instituted changes in order to ensure a closer alignment with the long-term strategic objective of building a leading life reinsurance business.

Converium Zurich

(US\$ millions)

Year ended December 31	2002	2001	2000
Gross premiums written	1,802.2	1,440.3	1,020.0
Net premiums written	1,670.5	1,185.0	818.3
Net premiums earned	1,571.3	1,012.4	715.9
Segment income (loss)	225.9	-178.7	10.8
Non-life loss ratio	69.9%	101.4%	79.5%
Adjusted non-life loss ratio ¹²	71.2%	88.4%	85.2%
Non-life underwriting expense ratio	17.9%	20.0%	21.0%
Non-life administration expense ratio	4.8%	4.6%	5.5%
Non-life combined ratio	92.6%	126.0%	106.0%
Adjusted non-life combined ratio ¹²	93.9%	113.0%	111.7%
Retention rate ¹³	92.7%	82.3%	80.2%

Converium Zurich reported a segment income of US\$225.9 million in 2002 compared to a segment loss of US\$178.7 million in 2001, and segment income of US\$10.8 million in 2000. The improvement of US\$404.6 million in 2002 was primarily attributable to a large increase in net premiums earned, and a reduction of the loss ratio from 101.4% in 2001 to 69.9% in 2002. Losses in 2001 were primarily attributable to the September 11, 2001, terrorist attacks that contributed US\$210.0 million of losses as well as US\$27.7 million related to the Enron reorganization, offset by positive reserve development of US\$81.7 million.

In 2002, gross premiums written increased US\$361.9 million, or 25.1%, net premiums written increased US\$485.5 million, or 41.0%, and net premiums earned increased US\$558.9 million, or 55.2%. The growth was spread across most lines of business and regions and primarily resulted from increased rates and increasing our share of clients' business upon renewing existing business or writing new business.

¹² Excluding prior years' developments and September 11, 2001, but including Enron and European floods.

¹³ Retention rate is defined as net premiums written divided by gross premiums written.

Table of Contents

During 2002, Converium Zurich's largest growth regions included:

the United Kingdom (net premiums written in 2002 increased 50.7% to US\$901.2 million),

North America (net premiums written in 2002 increased 61.9% to US\$197.4 million),

Latin America (net premiums written in 2002 increased 29.2% to US\$156.6 million),

the Far East/Pacific Rim (net premiums written in 2002 increased 26.3% to US\$147.8 million), and

France (net premiums written in 2002 increased 87.2% to US\$78.4 million).

The largest growth lines included such specialty lines as:

liability (net premiums written in 2002 increased 68.3% to US\$381.4 million),

aviation and space (net premiums written in 2002 increased 104.5% to US\$370.2 million), and

credit and surety (net premiums written in 2002 increased 27.8% to US\$145.8 million).

Converium Zurich's combined ratio was 92.6% in 2002, 126.0% in 2001, and 106.0% in 2000. The 2001 combined ratio reflected significant loss events described above. The adjusted combined ratio was 93.9% in 2002, 113.0% in 2001, and 111.7% in 2000. The decrease in the combined ratio is due to increased premiums in the aviation and space and property catastrophe lines, which were written at more favorable terms during the 2002 renewal cycle, and where no major loss events were experienced, and to the substantial improvement of the profitability of Converium Zurich's in-force book as a result of the re-underwriting efforts and the restructuring of the underwriting process.

Converium North America

(US\$ millions)

<u>Year ended December 31</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Gross premiums written	1,243.5	1,150.9	1,295.5
Net premiums written	1,193.9	898.4	844.7
Net premiums earned	1,145.0	882.4	815.4
Segment loss	-57.0	-197.9	-28.7
Non-life loss ratio	84.0%	94.9%	88.7%
Adjusted non-life loss ratio ¹⁴	72.0%	67.4%	78.8%
Non-life underwriting expense ratio	25.0%	28.5%	25.5%
Non-life administration expense ratio	5.9%	8.0%	7.7%
Non-life combined ratio	114.9%	131.4%	121.9%
Adjusted non-life combined ratio ¹⁴	102.9%	102.7%	111.9%
Retention rate ¹⁵	96.0%	78.1%	65.2%

Converium North America reported a segment loss of US\$57.0 million in 2002, compared to a segment loss of US\$197.9 million in 2001, an improvement of US\$140.9 million.

¹⁴ Excluding prior years' developments and September 11, 2001, but including Enron and European floods.

¹⁵ Retention rate is defined as net premiums written divided by gross premiums written.

Table of Contents

This improvement was due to several factors including:

Prior period loss reserve development was US\$137.2 million in 2002 as compared to US\$164.0 million in 2001.

In 2001 net losses were incurred related to the September 11, 2001 event and the Enron reorganization of US\$58.2 million and US\$39.3 million, respectively.

Imputed premiums of US\$24.3 million for the Zurich Stop Loss treaty were expensed in 2001.

Investment income and realized gains were higher by US\$16.6 million in 2002 as compared to 2001. This improvement was the result of net realized gains, less equity impairments, being higher in 2002 than 2001 by US\$34.7 million. This increase was offset by reduced investment income reflecting the lower interest rate environment.

Other income was higher by US\$19.9 million in 2002 as compared to 2001. This was primarily driven by US\$12.2 million in reduced losses from certain private equity investments and US\$7.2 million in interest income received as a result of a dispute settlement. During 2002, Converium North America engaged in an in-depth actuarial reserve analysis, which resulted in the recording of additional provisions for losses in the amount of US\$137.2 million. These provisions primarily relate to underwriting years 1997 to 2000 on its commercial umbrella, miscellaneous casualty, medical errors and omissions liability, motor liability, and workers compensation lines of business. This compares to US\$164.0 million of additional reserves recorded in 2001 relating to underwriting years 2000 and prior.

In 2002, gross premiums written increased US\$92.6 million, or 8.0%, net premiums written increased US\$295.5 million, or 32.9%, and net premiums earned increased US\$262.6 million, or 29.8%. In 2002, Converium North America's net written premium growth was driven by specialty lines, including:

structured/finite (net premiums written in 2002 increased 20.1% to US\$373.9 million),

professional liability (net premiums written in 2002 increased 71.7% to US\$214.7 million), and

accident & health business (net premiums written in 2002 increased 121.1% to US\$84.6 million).

This premium growth was partially offset by the non-renewal of a workers compensation program, which reduced premiums by US\$39.6 million compared to 2001. Net premiums written grew more substantially than gross premiums written due to retrocessional premium charges of US\$123.0 million in 2001 for an aggregate excess treaty and Zurich Stop Loss coverages that were not incurred in 2002.

Converium North America's combined ratio was 114.9% in 2002, 131.4% in 2001 and 121.9% in 2000. The combined ratio in 2002 included US\$137.2 million in adverse loss development. The combined ratio in 2001 was primarily driven by reserve development related to prior accident years, the September 11, 2001 terrorist attacks and the Enron reorganization. The substantial improvement of the adjusted combined ratio¹⁶ since 2000 is due to the re-underwriting and the restructuring of the underwriting process.

¹⁶ Excluding prior years' developments and September 11, 2001, but including Enron and European floods.

Table of Contents**Converium Cologne**

(US\$ millions)

Year ended December 31	2002	2001	2000
Gross premiums written	303.4	299.9	241.3
Net premiums written	289.8	257.8	218.6
Net premiums earned	284.8	275.3	224.2
Segment loss	-64.4	-71.6	-16.8
Non-life loss ratio	96.2%	108.8%	101.4%
Adjusted non-life loss ratio ¹⁷	85.3%	90.5%	90.1%
- impact of European floods	17.4%		
Non-life underwriting expense ratio	22.5%	17.8%	27.8%
Non-life administration expense ratio	5.3%	5.9%	5.1%
Non-life combined ratio	124.0%	132.5%	134.3%
Adjusted non-life combined ratio ¹⁷	113.1%	114.2%	122.9%
- impact of European floods	17.4%		
Retention rate ¹⁸	95.5%	86.0%	90.6%

Converium Cologne reported a segment loss of US\$64.4 million in 2002 compared to a segment loss of US\$71.6 million in 2001 and a segment loss of US\$16.8 million in 2000. In 2002, Converium Cologne had losses of US\$49.5 million related to the European floods and approximately US\$31.1 million in net adverse loss reserve development. In addition, investment results declined US\$9.8 million. In 2001, Converium Cologne recognized US\$9.0 million in net losses arising from the September 11, 2001 terrorist attacks, US\$32.6 million from other large losses and US\$41.3 million in net adverse loss reserve development. In addition, Converium Cologne had a significant decrease in 2001 of US\$42.4 million in investment results, primarily due to lower realized capital gains and impairment losses on its equity portfolio.

In 2002, gross premiums written increased US\$3.5 million, or 1.2%, net premiums written increased US\$32.0 million, or 12.4%, and net premiums earned increased US\$9.5 million, or 3.5%. During 2002, Converium Cologne's largest growth regions in terms of premium volume were:

Germany (net premiums written in 2002 increased 9.5% to US\$101.2 million),

Europe, excluding Germany (net premiums written in 2002 increased 9.5% to US\$118.4 million), and

the Middle East and North Africa (net premiums written in 2002 increased 15.8% to US\$70.5 million).

Net premiums earned in 2002 increased at a lower rate than net premiums written due to a high amount of earned premium in 2001 from 2000 contracts which were not renewed.

Converium Cologne's combined ratio was 124.0% in 2002, 132.5% in 2001 and 134.3% in 2000. In 2002, Converium Cologne booked US\$49.5 million in losses for the European floods and US\$31.1 million in loss development on prior years' business. In 2001, the increase in the loss ratio was due to the recognition of US\$9.0 million in net losses arising from the September 11, 2001 terrorist attacks, US\$32.6 million from other large losses and US\$41.3 million in net adverse loss reserve development. The decrease in the underwriting expense ratio in 2001 was due to both, the non-renewal of proportional contracts with high ceding commissions as well as generally lower commission rates due to the hardening reinsurance market conditions. The adjusted combined ratio¹⁷ was 113.1% in 2002, 114.2% in 2001, and 122.9% in 2000. The significant enhancement of the

¹⁷ Excluding prior years' developments and September 11, 2001, but including Enron and European floods.

¹⁸ Retention rate is defined as net premiums written divided by gross premiums written.

Table of Contents

underlying profitability was disturbed by the impact of the European floods, that added 17.4 percentage points to both, the combined ratio and the adjusted combined ratio¹⁹.

Converium Life

(US\$ millions)

Year ended December 31	2002	2001	2000
Gross premiums written	199.0	164.8	120.5
Net premiums written	168.0	141.4	114.4
Net premiums earned	164.4	125.1	106.0
Segment loss	-19.4	-7.1	10.3
Underwriting expense ratio life	21.0%	4.5%	32.5%
Administration expense ratio life	4.2%	3.7%	3.5%
Retention rate ²⁰	84.4%	85.8%	94.9%

Converium Life reported a segment loss of US\$19.4 million in 2002, compared to a segment loss of US\$7.1 million in 2001 and segment income of US\$10.3 million in 2000. The segment losses in 2002 and 2001 are primarily driven by net incurred losses of US\$20.1 million in 2002 and US\$12.4 million in 2001 on a closed block of long-term variable annuity business. The variable annuity losses arise from guaranteed minimum death benefit contracts, whereby the minimum benefit is determined by the development of investment results from the capital markets. Following the ongoing downturn of the international equity markets, reserve strengthening of US\$15.6 million for the year ended December 31, 2002 (2001: US\$13.4 million) was required in order to align the reserves to the expected future benefits. In addition to that, claims in the amount of US\$12.5 million (2001: US\$3.3 million) were paid in the year 2002 against net premiums earned of US\$8.1 million (2001: US\$4.5 million) regarding this closed block of long-term variable annuity business.

In 2002, gross premiums written increased US\$34.2 million, or 20.8%, net premiums written increased US\$26.6 million, or 18.8%, and net premiums earned increased US\$39.3 million, or 31.4%. The increase in premiums written in 2002 is mainly driven by growth in:

Far East/Pacific Rim and North America (net premiums written in 2002 increased 25.1% to US\$67.3 million),

Europe (net premiums written in 2002 increased more than 50.0% up to US\$45.6 million),

Milan branch office (net premiums written in 2002 increased 33.5% to US\$24.7 million), and

Paris branch office (net premiums written in 2002 more than doubled to US\$16.9 million).

This was offset by the strong decline of business written in Latin America (net premiums written in 2002 declined 64.5% to US\$5.9 million), due to the weak economic situation in South America and to a change in governmental regulation concerning the pension system in Argentina.

¹⁹ Excluding prior years development and September 11, 2001, but including Enron and European floods.

²⁰ Retention rate is defined as net premiums written divided by gross premiums written.

Table of Contents

The increase in net premiums earned in 2002 relative to net premiums written was the result of the strong premium growth experienced in late 2001, now being earned in 2002.

The underwriting expense ratio was 21.0% in 2002, 4.5% in 2001 and 32.5% in 2000. In 2001, US\$10.6 million in commission benefits were recorded from the commutation of a large contract and a refunding of commissions from our strategic retrocessions, reducing the underwriting expense ratio by 8.5%. The administration expense ratio was 4.2% in 2002, 3.7% in 2001 and 3.5% in 2000.

* * * * *

Table of Contents

IPO, Ranking and Organization

Converium is an independent top ten-reinsurance group. The company was listed on the SWX Swiss Exchange and the New York Stock Exchange on December 11, 2001. Converium's 100% flotation was earmarked as the largest reinsurance IPO ever worldwide and the largest corporate IPO in Switzerland since 1998.

Today the company ranks among the top ten professional reinsurers and employs close to 800 people in 24 offices around the globe. Converium has a strong balance sheet with an A (strong) rating from Standard & Poor's and an A (excellent) rating by AM Best Company. Converium's September 11, 2001 net losses are capped at US\$289.2 million by its former parent, Zurich Financial Services. Converium has minimal A&E exposures.

Converium is organized around four business segments consisting of our three non-life operations, Converium Zurich, Converium North America and Converium Cologne, as well as Converium Life.

Important Disclaimer

This document contains forward-looking statements as defined in the U.S. Private Securities Litigation Reform Act of 1995. It contains forward-looking statements and information relating to the Company's financial condition, results of operations, business, strategy and plans, based on currently available information. These statements are often, but not always, made through the use of words or phrases such as "expects", "should continue", "believes", "anticipates", "estimates" and "intends". The specific forward-looking statements cover, among other matters, the improvement in the reinsurance market, the expected losses related to the September 11, 2001 attack on the United States, the outcome of insurance regulatory reviews, the Company's operating results, the rating environment and the prospect for improving results. Such statements are inherently subject to certain risks and uncertainties. Actual future results and trends could differ materially from those set forth in such statements due to various factors. Such factors include general economic conditions, including in particular economic conditions; the frequency, severity and development of insured loss events arising out of catastrophes, as well as man-made disasters such as the September 11, 2001 attack on the United States; the ability to exclude and to reinsure the risk of loss from terrorism; fluctuations in interest rates; returns on and fluctuations in the value of fixed income investments, equity investments and properties; fluctuations in foreign currency exchange rates; rating agency actions; changes in laws and regulations and general competitive factors, and other risks and uncertainties, including those detailed in the Company's filings with the U.S. Securities and Exchange Commission and the SWX Swiss Exchange. The Company does not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

www.converium.com

Table of Contents

Investor information

Transfer Agent & Registrar

For American Depository Shares (ADS) traded on the New York Stock Exchange:
The Bank of New York
Corporate Trust Office
101 Barclay Street
New York, NY 10286, USA
Phone: +1 646 885 3300

Auditors

PricewaterhouseCoopers Ltd
Stampfenbachstrasse 73
PO Box 634
8035 Zurich, Switzerland
Phone: +41 1 630 1111
Fax: +41 1 630 1115

Major shareholders

In accordance with the notification requirements as set by the SWX Swiss Exchange the following interests were notified in Converium Holding Ltd:

Fidelity International Limited (Fidelity), Hamilton/Bermuda 10.06% (date of notification November 7, 2002).

Wellington Management Company (Wellington), LLP, Boston/Massachusetts, U.S.A. 7.68% (date of notification January 11, 2002)
Wellington is an investment advisor and portfolio manager having voting authority for 47 investment advisory clients, none of which individually has an individual shareholding in excess of 5%. Fidelity is an investment advisor, which provides investment advisory and management services to a number of non-U.S. investment companies or instrument trusts and certain institutional investors.

Only one shareholder, a fund managed by Fidelity (Fidelity Fund SICAV, Luxembourg 6.61%) is registered in our share register with an individual shareholding which exceeds the 5% threshold as specified in article 663c of the Swiss Code of Obligations.

Shareholders Meeting

The Annual General Meeting will be held at 10:00 a.m. local time on Tuesday, May 27, 2003 at the Casino in Zug, Switzerland.

Shareholders rights

Converium shareholders are granted rights including the right to exercise votes at Annual and Extraordinary General Meetings. The procedure for convocation of Annual and Extraordinary General Meetings is set out in the Articles of Incorporation, and all shareholders noted in Converium s shareholder register at May 19, 2003 are eligible to vote at the AGM.

Invitations to the AGM are sent out twenty days prior to the AGM. Agenda items are set by the Board of Directors and at the request of any shareholder representing a nominal amount of at least CHF 1 million.

Converium publishes quarterly, half-year and annual reports. Shareholders and others can gain access to reporting and other information about Converium at www.converium.com, or by contacting:

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Table of Contents

Contents

3	Investor information
4	Selected financial and other data
5	Management's discussion and analysis of financial condition and results of operations

Converium Group

26	Report of the Group auditors
28	Consolidated and historical combined statements of income
29	Consolidated balance sheets
30	Consolidated and historical combined statements of cash flows
31	Consolidated and historical combined statements of changes in equity
32	Notes to the consolidated and historical combined financial statements

Converium Holding Ltd

67	Report of the statutory auditors
68	Principal activity and review of the year
70	Statements of income
71	Balance sheets
72	Notes to the financial statements
75	Proposed appropriation of available earnings
76	Directors' and officers' compensation and audit fees

Table of Contents**Investor information****The Converium Share**

Insurance and reinsurance shares were very much in favor during late 2001 and early 2002 as investors anticipated strong improvements in the terms of trade for insurers following the events of September 11th. However, continuing deterioration of investment markets pressured the (re)insurance sector during the second half of the year. Despite strong increases in terms and conditions for reinsurance, enthusiasm for reinsurers' equities diminished, due to the emergence of a number of industry-wide issues. Among these were:

- concerns over reserve adequacy for asbestos and environmental (A&E) exposures following two large settlements in the US;
- significant reserve adjustments for the underwriting years 1997 to 2000, particularly for US liability;
- the substantial difference between announced incurred losses arising from the event of September 11th and the estimated total insured loss to be borne by the industry;
- the impairment of the invested assets of (re)insurers due to a continued fall in capital markets and the increasing frequency of corporate defaults;
- the reporting by several (re)insurers of results from the second and third quarter that failed to meet analysts' expectations;
- concerns relating to (re)insurer solvency, and resulting downgrades in (re)insurer financial strength ratings;
- rating agency pressure may require further capital raisings; and
- the reshuffling of the reinsurance league table.

Key Share Data for 2002

Shares registered as at December 31, 2002	40,006,217
Average shares registered in 2002	40,004,516
Swiss Stock Exchange Share Price as at December 31, 2002 in CHF	67
Year High in CHF	89.75
Year Low in CHF	54.85
Average price in 2002 in CHF	74.92
Average daily trading volume	164,757
Market capitalization as at December 31, 2002 in CHF	2,680,416,539
Earnings per share 2002 in CHF	4.15
Book value per share as at December 31, 2002 in CHF	60.43
New York Stock Exchange ADS Price as at December 31, 2002 in USD	23.95
Year High in USD	28.52
Year Low in USD	18.30

First listed December 11, 2001 on the SWX Swiss Exchange and on the New York Stock Exchange.

The performance of the Converium share reflects the Group's position as an independent leading global reinsurer with a solid balance sheet, strong underwriting capabilities, a strict underwriting and investment discipline, and limited exposure to many of the threats inherent to the insurance industry. In particular:

- Converium's A&E exposure is less than 1% of gross reserves;
- reserve adjustments have been transparent;
- Converium's September 11th exposure is capped;
- asset impairment and realized investment losses during the year were limited to 1.2% of Converium's average total investments, despite its conservative impairment policy and generally declining markets;

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profitability has been strong, as Converium reported an annual profit for 2002 of US\$ 106.8 million; and

Converium continues to maintain solvency levels equivalent to those of an AA rated reinsurer.

Substantial Outperformance of Benchmarks in 2002

Converium Ordinary Shares	-16.1%
Bloomberg European Insurance Index	-50.8%
SMI	-27.3%
Converium ADSs	-0.3%
Bloomberg US Insurance Index	-20.0%
DJ Industrial Index	-17.2%

Table of Contents**Selected financial and other data**

We have prepared our financial statements included in this annual report in accordance with accounting principles generally accepted in the United States of America, or US GAAP. The following selected financial data highlights selected information that is derived from our financial statements found later in this annual report, which have been audited by PricewaterhouseCoopers Ltd, independent auditors.

Income statement data

(US\$ million, except per share information)

Year ended December 31	2002	2001	2000	1999	1998
Revenues					
Gross premiums written	3,535.8	2,881.2	2,565.8	1,928.7	1,458.8
Less ceded premiums written	-213.6	-398.6	-569.8	-358.5	-213.7
Net premiums written	3,322.2	2,482.6	1,996.0	1,570.2	1,245.1
Net change in unearned premiums	-156.7	-187.4	-134.5	-168.7	-17.7
Net premiums earned	3,165.5	2,295.2	1,861.5	1,401.5	1,227.4
Net investment income	251.8	228.7	176.0	214.0	255.4
Net realized capital (losses) gains	-10.3	-18.4	83.7	76.3	78.9
Other (loss) income	-1.2	-5.8	29.3	22.1	24.8
Total revenues	3,405.8	2,499.7	2,150.5	1,713.9	1,586.5
Benefits, losses and expenses					
Total losses, loss adjustment expenses and life benefits	-2,492.0	-2,300.5	-1,604.5	-1,138.7	-917.3
Total costs and expenses	-856.4	-678.7	-587.5	-470.6	-484.7
Amortization of goodwill	-	-7.8	-7.3	-6.2	-6.2
Restructuring costs	-	-50.0	-	-	-
Total benefits, losses and expenses	-3,348.4	-3,037.0	-2,199.3	-1,615.5	-1,408.2
Income (loss) before taxes	57.4	-537.3	-48.8	98.4	178.3
Income tax benefit (expense)	49.4	169.9	19.5	-40.6	-62.0
Net income (loss)	106.8	-367.4	-29.3	57.8	116.3
Earnings (loss) per share					
Number of shares (millions) 1)	39.9	40.0	40.0	40.0	40.0
Basic earnings (loss) per share	2.68	-9.18	-0.73	1.45	2.91
Diluted earnings (loss) per share	2.64	-9.18	-0.73	1.45	2.91

Balance sheet data

(US\$ million)

Year ended December 31	2002	2001	2000	1999	1998
Total invested assets	6,117.3	4,915.9	4,349.7	4,232.8	3,898.1
Total assets	12,051.0	9,706.5	8,321.3	6,916.0	6,290.9
Insurance liabilities	9,454.8	7,677.9	6,486.6	5,048.9	4,409.9
Debt	390.4	197.0	196.9	196.8	196.7
Total liabilities	10,313.0	8,135.7	7,232.9	5,694.6	5,060.6
Total equity	1,738.0	1,570.8	1,088.4	1,221.4	1,230.3

Book value per share

Book value per share 1)	43.55	39.27	27.21	30.54	30.76
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Other data

(US\$ million)

Year ended December 31	2002	2001	2000	1999	1998
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Net premiums written by segment:					
Converium Zurich	1,670.5	1,185.0	818.3	569.5	439.9
Converium North America	1,193.9	898.4	844.7	677.3	533.3
Converium Cologne	289.8	257.8	218.6	238.6	209.3
Converium Life	168.0	141.4	114.4	84.8	62.6
Total net premiums written	3,322.2	2,482.6	1,996.0	1,570.2	1,245.1
Non-life combined ratio	104.2%	128.9%	116.9%	112.5%	111.8%
Adjusted non-life combined ratio 2)	99.3%	108.8%	112.8%	122.3%	132.3%

- 1) The 40,000,000 registered shares sold in the global offering in December 2001 are considered outstanding for all periods presented prior to December 11, 2001.
- 2) The adjusted non-life combined ratio excludes prior years reserve development and September 11th terrorist attacks.

Table of Contents**Management's discussion and analysis
of financial condition and results of operations**

The following discussion and analysis should be read in conjunction with our financial statements, including the related notes to those financial statements. This discussion contains forward-looking statements that involve risks and uncertainties and actual results may differ materially from the results described or implied by these forward-looking statements. See Cautionary note regarding forward-looking statements .

Overview

Converium Holding Ltd and subsidiaries (Converium Group) is a leading global professional reinsurer, which offers a full range of traditional non-life and life reinsurance products as well as innovative non-traditional solutions to help clients manage capital and risk. Our principal lines of non-life reinsurance include liability, property, motor, credit and surety, workers' compensation, aviation and space, accident and health, marine, engineering and other specialized lines. The principal life reinsurance product is ordinary life reinsurance, including quota share, surplus coverage and financing contracts.

Converium Group was formed through the restructuring and integration of substantially all of the third party assumed reinsurance business of Zurich Financial Services through a series of transactions (Transactions). On December 1, 2001, Converium Group entered into a Master Agreement with Zurich Financial Services (the Master Agreement), which set forth the terms of the separation from Zurich Financial Services. In December 2001, Zurich Financial Services sold 87.5% of its interest in Converium Group through an initial public offering (IPO), which date represented the legal separation from Zurich Financial Services. Zurich Financial Services' remaining 12.5% interest in Converium Group was sold in January 2002.

Based on calendar year 2001 third-party net premiums written, Converium Group ranks among the ten largest global reinsurers. Converium Group is rated A (Strong) by Standard & Poor's Corporation and A (Excellent) by A.M. Best Company, Inc.

Results of operations

(US\$ million)

Year ended December 31	2002	2001	2000
Pre-tax operating income (loss)	67.7	-461.1	-125.2
Pre-tax income (loss)	57.4	-537.3	-48.8
Net income (loss)	106.8	-367.4	-29.3

We reported pre-tax operating income (defined as pre-tax income or loss excluding pre-tax net realized capital gains or losses, amortization of goodwill and restructuring costs) of US\$ 67.7 million for the year ended December 31, 2002, an improvement of US\$ 528.8 million as compared to the pre-tax operating loss of US\$ 461.1 million for 2001. The improvement in operating results was due to significant premium growth and an overall lower non-life combined ratio. Net income improved by US\$ 474.2 million to US\$ 106.8 million for the year ended December 31, 2002.

Our 2002 results were impacted by the recognition of a US\$ 148.5 million provision for net reserve development on prior years' business, representing a movement of 3.6% of the net non-life reserves at December 31, 2001. Converium North America recorded reserve development of US\$ 137.2 million, and Converium Cologne recorded an additional US\$ 31.1 million in reserves related to prior years' business. This was partially offset by positive reserve development of US\$ 19.8 million in Converium Zurich. In addition, our results were also impacted by losses from the August 2002 European floods of US\$ 51.1 million (net of reinstatement premiums of US\$ 3.1 million), primarily from reinsurance contracts written in Germany, the Czech Republic, Austria and Italy.

Our net investment income increased 10.1% to US\$ 251.8 million for the year ended December 31, 2002 as compared to the same period for 2001. Our net realized capital losses were less than 2001. We recorded US\$ 10.3 million of pre-tax net realized capital losses on our investment portfolio, which included US\$ 48.3 million of impairment charges on our equity portfolio, as compared to US\$ 18.4 million of pre-tax net realized capital losses, including US\$ 82.5 million of impairment charges in 20