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CONVERIUM HOLDING AG
Form 6-K
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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 October, 2004

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

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Converium Holding Ltd, Zug

Zug, Switzerland - October 26, 2004 - Converium today reports on its financial results for the third quarter of 2004.

Converium reports a third quarter 2004 loss of US\$ 116.3 million. This result reflects the continuing satisfactory underlying performance of its in-force book and a number of previously announced extraordinary charges. The main items are an additional reserve strengthening of US\$ 96.4 million net based on an in-depth analysis of Tillinghast's actuarial review, losses of US\$ 95.8 million from an unusual cumulation of hurricanes and typhoons and a US\$ 20.0 million expense for a retrospective stop-loss retrocession cover purchased from National Indemnity Company. Adjusted for the reserve action and natural catastrophes, Converium recorded a third quarter non-life combined ratio of 96.0%, which testifies to the favorable performance of the Company's more recent underwriting years. In addition, investment activities continued to exhibit very satisfactory results, with total investment income yield improving further to 4.9%.

Third quarter 2004 highlights

o	Operating loss:	US\$ -125
o	Impact from reserve strengthening and hurricanes/typhoons:	US\$ -192
o	Net loss:	US\$ -116
o	Gross premiums written:	US\$ 1,03
o	Non-life combined ratio:	117.3%
o	Impact from reserve strengthening and hurricanes/typhoons:	21.3%
o	Adjusted non-life combined ratio:	96.0%
o	Total investment income yield:	4.9%
o	Shareholders' equity:	US\$ 1,27
o	Cash flows:	US\$ 21.1

Overview of third quarter performance and short-term outlook

The following developments had measurable effects on Converium's third quarter 2004 financial results:

- o The business written by Converium in the underwriting years 2002, 2003, and 2004 continued to show a satisfactory performance, both for the non-life segments as well as for the Life & Health Reinsurance segment. Excluding prior years' reserves, the non-life combined ratio was 106.6% (including a 10.6% impact by hurricanes and typhoons) for the third quarter 2004, respectively 98.3% for the first nine months of 2004.
- o Following a detailed analysis of the specific conclusions in Tillinghast's actuarial study, Converium has - as anticipated on August 31, 2004 - made additional adjustments to carried reserves aggregating to a net increase of US\$ 96.4 million net in the third quarter of 2004. This amount equals 1.3% of Converium's non-life net reserves as of September 30, 2004. The reserve strengthening primarily arose from prior years' North American professional liability, umbrella, excess & surplus, workers' compensation, and non-US

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motor liability business. It added 10.7 percentage points to the quarter's non-life combined ratio.

- o Since June 30, 2004, Converium has commuted approximately US\$ 265.0 million in loss reserves related to prior years' business assumed by the Company's North American operation, Converium Reinsurance (North America) Inc. ("CRNA"), with a corresponding reduction in cash and invested assets. Currently, CRNA is in negotiations with several clients for additional offers of commutation, and is pursuing these diligently. The third quarter reserve adjustment of US\$ 96.4 million net takes into account recent commutations. In general, commutations can accelerate the realization of profit inherent in long-tail reserves by crystallizing outstanding claims reserves into payments, which are discounted to reflect the time value of money. Since commutation payments essentially reflect a discounted present value of future cash flows, future investment income earned will decline as the assets backing those reserves are liquidated to make payments.

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- o As announced on August 31, 2004, Converium has acquired a retrospective stop-loss retrocession cover from National Indemnity Company, a Standard & Poor's AAA-rated member of the Berkshire Hathaway group of insurance companies. The cost of this cover represents a one-off charge to the third quarter of 2004 of US\$ 20.0 million.
- o Net losses from Hurricanes Charley, Frances, Ivan and Jeanne and typhoons in Japan amounted to US\$ 95.8 million and added 10.6 percentage points to the quarter's non-life combined ratio.
- o In the third quarter of 2004 Converium has incurred restructuring charges of US\$ 3.4 million related to severance payments and the discontinuation of the Company's North American operations.

Against this backdrop there is a marked difference between Converium's reported results and its performance adjusted for the various extraordinary items. For the third quarter 2004 Converium reported an operating loss of US\$ 125.0 million and a net loss of US\$ 116.3 million that reflect total charges of US\$ 215.6 million due to an additional strengthening of reserves, losses from hurricanes and typhoons, the cost of a retrospective stop-loss cover and restructuring charges.

The increase in gross premiums written, net premiums written, and net premiums earned in the third quarter of 2004 (by 2.3%, 5.2% and 10.4%, respectively) reflects market conditions, new client relationships in certain key markets and the weakening of the US\$ compared to other major currencies; special terminations did not materially impact the quarter's top line.

Converium reports a non-life combined ratio of 117.3% for the third quarter of 2004. Adjusted for the additional strengthening of reserves by US\$ 96.4 million net and the losses from hurricanes and typhoons of US\$ 95.8 million, the non-life combined ratio was 96.0%, which is indicative of a continuing favorable performance of recent underwriting years.

Converium's Life & Health Reinsurance segment reported a segment income of US\$ 5.7 million, an improvement of US\$ 20.5 million compared to the same period of the previous year, when Converium recorded an adverse development of its Guaranteed Minimum Death Benefits (GMDB) book. No further reserving actions were required for GMDB in 2004.

Converium's investment results continued to improve markedly. The Company's

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net investment income increased for the three and nine months ended September 30, 2004 as compared to the same periods of 2003. This increase largely resulted from growth in invested assets over 2003, particularly in Converium's fixed-maturities portfolio, as well as income received from the transition of a fixed-income bond to a direct fixed-income investment portfolio.

The Company's average annualized net investment income yield (pre-tax) was 3.9% and 3.8% for the three and nine months ended September 30, 2004, respectively, as compared to 3.0% and 3.4% for the same periods of 2003, reflecting increasing interest rates in 2004.

Converium's average annualized total investment income yield (pre-tax) was 4.9% and 4.5% for the three and nine months ended September 30, 2004, respectively, as compared to 2.9% and 3.5% for the same periods of 2003. During the third quarter 2004, the total investment income yields were positively impacted by the increase in realized gains as well as the decline in impairment charges compared to 2003 resulting from the sale of equity securities to adjust our asset allocation to reduce investment portfolio risks.

Converium has reached an agreement in principle on the main terms of a new US\$ 1.6 billion credit facility, comprising a US\$ 1.5 billion tranche for letter-of-credit issuance and a US\$ 0.1 billion stand-by revolving credit tranche with its principal international relationship banks. The parties intend to finalize the transaction by mid-November 2004. This facility will replace the existing syndicated credit line of US\$ 0.9 billion that was signed in July 2003.

The Company believes that its "BBB+" rating from Standard & Poor's and the availability of adequate letter-of-credit facilities will support Converium's efforts to maintain its franchise in its European, Asian and Latin American target markets and to retain relationships with key clients and intermediaries in the upcoming January 2005 renewals.

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Financial highlights: Income statement, return on equity	Three months ended September 30		Nine mont ended September
In US\$ million, unless noted	2004	2003	2004
Gross premiums written	1,033.3	1,009.6	3,444.5
- growth (%)	+2.3%		+6.9%
Net premiums written	933.8	887.4	3,181.2
- growth (%)	+5.2%		+7.1%
Net premiums earned	1,013.9	918.6	3,016.8
- growth (%)	+10.4%		+11.1%
Non-life loss ratio ¹	91.9%	69.2%	92.7%
- change in percentage points	+22.7pts		+20.6pts
- impact of hurricanes/typhoons	10.6%		3.6%
- impact of reserve strengthening ²	10.7%		19.6%
Non-life underwriting expense ratio ³	20.9%	22.5%	21.2%
- change in percentage points	-1.6pts		-0.4pts

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Non-life administration expense ratio ⁴	4.5%	4.0%	4.0%
- change in percentage points	+0.5pts		-
Non-life combined ratio ⁵	117.3%	95.7%	117.9%
- change in percentage points	+21.6pts		+20.2pts
- impact of hurricanes/typhoons	10.6%		3.6%
- impact of reserve strengthening	10.7%		19.6%
Non-life combined ratio ⁵ excluding hurricanes/typhoons and reserve strengthening ²	96.0%		94.7%
Life & Health technical result ⁶	5.2	-12.6	13.8
- growth (%)	n.m.		n.m.
Total investment results ⁷	97.3	52.9	266.8
- growth (%)	+83.9%		+45.5%
Total investment income yield ⁸	4.9%	2.9%	4.5%
- change in percentage points	+2.0 pts		+1.0pt
Total investment return ⁹	6.4%	3.5%	3.7%
- growth (%)	+2.9pts		-2.0pts
Operating income ¹⁰	-125.0	56.4	-348.2
- change (%)	n.m.		n.m.
Net (loss) income	-116.3	44.3	-710.6
- change (%)	n.m.		n.m.

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- 1 Non-life loss ratio is defined as losses and loss adjustment expenses divided by net premiums earned.
 - 2 US\$ 96.4 million net of prior years' reserve strengthening in the third quarter of 2004.
 - 3 Non-life underwriting expense ratio is defined as underwriting acquisition costs divided by net premiums earned.
 - 4 Non-life administration expense ratio is defined as other operating and administration expenses divided by net premiums written.
 - 5 Non-life combined ratio is defined as non-life loss ratio (to premiums earned) plus non-life underwriting expense ratio (to premiums earned) plus non-life administration expense ratio (to premiums written).
 - 6 Life & Health technical result is defined as net premiums earned minus losses, loss adjustment expenses and life benefits minus underwriting acquisition costs plus technical interests.
 - 7 Total investment results are defined as net investment income plus net realized capital gains (losses).
 - 8 Total investment income yield is defined as net investment income plus net realized capital gains (losses) divided by average total invested assets (including cash and cash equivalents), pre-tax and annualized.
 - 9 Total investment return is defined as net investment income plus net

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realized capital gains (losses) plus change in net unrealized capital gains (losses) divided by average total invested assets (including cash and cash equivalents), pre-tax and annualized.

- 10 Operating income is defined as pre-tax income excluding pre-tax net realized capital gains (losses), impairment of goodwill and restructuring costs.

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Financial highlights: Income statement, return on equity	Three months ended September 30		Nine months ended September 30
in US\$ million, unless noted			
	2004	2003	2004
(Loss) earnings per share (US\$)	-2.91	1.12	-17.83
- growth (%)	n.m.		n.m.
Adjusted (loss) earnings per share ¹¹ (US\$)	-0.79		-4.84
Return on equity ¹²	-22.3%	10.2%	-45.5%
- change in percentage points	-32.5pts		-55.4pts

Financial highlights: Balance sheet	September 30, 2004	September 30, 2003
In US\$ million, unless noted		
Total invested assets plus cash	7,965.1	7,965.1
- growth (%)	-0.5%	-0.5%
Claims supporting capital ¹³	1,665.9	1,665.9
- growth (%)	-4.3%	-4.3%
Shareholders' equity	1,275.1	1,275.1
- growth (%)	-5.5%	-5.5%
Total tangible equity ¹⁴	1,250.7	1,250.7
- growth (%)	-5.5%	-5.5%
Book value per share (US\$)	31.99	31.99
- growth (%)	-5.6%	-5.6%
Book value per share (CHF)	39.95	39.95
- growth (%)	-5.9%	-5.9%

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Adjusted book value per share ¹¹ (US\$)	11.52
Adjusted book value per share ¹¹ (CHF)	14.39

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- 11 Adjusted for the new shares issued based on a rights offering that occurred in October 2004.
- 12 Return on equity is defined as net income or loss (after-tax) divided by shareholders' equity at the beginning of the period, annualized.
- 13 Claims supporting capital is defined as total equity plus debt.
- 14 Total tangible equity is defined as shareholders' equity less net deferred tax assets/liabilities, goodwill and other intangible assets.

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Financial highlights: Investment results in US\$ million, unless noted	Three months ended September 30	
	2004	2003
Investment income - Fixed maturities	52.3	26.3
Investment income - Equity securities	1.0	1.7
Investment income - Funds Withheld Asset	18.2	20.5
Other investment income, net	5.5	5.7
Net investment income	77.0	54.2
Average annualized net investment income yield (pre-tax)	3.9%	3.0%
Net realized capital gains (losses)	20.3	-1.3
Total investment results	97.3	52.9
Average annualized total investment income yield (pre-tax)	4.9%	2.9%
Change in net unrealized gains (pre-tax)	30.9	10.9
Total investment return (pre-tax)	128.2	63.8
Average annualized total investment return (pre-tax)	6.4%	3.5%
Average total invested assets (including cash and cash equivalents)	7,945.8	7,245.4

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Business Development

The following are comments on the development of Converium's three main business segments and the Corporate Center. Reference is made to the tables attached to this press release.

Standard Property & Casualty Reinsurance represented approximately 38.7% of total net premiums written in the third quarter of 2004. For this period of time Converium's Standard Property & Casualty Reinsurance segment reported a segment income of US\$ 18.9 million, a decline of US\$ 31.9 million compared to the same period of the previous year.

In the third quarter of 2004 gross premiums written increased by 6.3% to US\$ 407.4 million, net premiums written increased by 6.6% to US\$ 361.2 million, and net premiums earned decreased by 0.2% to US\$ 422.1 million. The Standard Property & Casualty Reinsurance segment's non-life combined ratio was 105.0% for the third quarter of 2004 (compared to 93.7% for the third quarter of 2003). The results were substantially influenced by hurricanes Charley, Frances, Ivan and Jeanne and Japanese typhoons which generated losses of US\$ 95.8 million and added 22.7 percentage points to the segment's third quarter loss ratio.

For the third quarter of 2004, the Standard Property & Casualty Reinsurance segment recorded a positive reserve development of US\$31.8 million. This favorable development primarily related to property (US\$ 31.5 million) and general third party liability (US\$ 45.6 million) and was partially offset by reserve strengthening, mainly for motor outside the United States (US\$ 45.8 million).

For the nine months ended September 30, 2004, gross premiums written increased 7.2% to US\$ 1,483.5 million, net premiums written increased 5.5% to US\$ 1,349.7 million and net premiums earned increased 6.0% to US\$ 1,282.3 million.

For the nine months ended September 30, 2004, net premiums written growth in the Standard Property & Casualty Reinsurance segment by lines of business included:

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- o Motor (increased by 17.1% or US\$ 66.3 million to US\$ 454.0 million), which grew as a result of the expansion of motor business in Western Europe;
- o Personal accident non-life (increased by 15.5% or US\$ 4.1 million to US\$ 30.7 million), which expanded on the back of new or extended relationships with cedents in Italy and a number of other European countries; and
- o General third party liability (increased by 18.1% or US\$ 48.8 million to US\$ 317.9 million), which grew mainly due to continuing rate increases and new business.

These increases were partially offset by a decrease in net premiums written within the property line of business. Property contracted by 8.3% or US\$ 49.3 million to US\$ 547.1 million, which was primarily driven by the softening of property rates and a consequent non-renewal of several large contracts in North America, and by reduced premium writings with cedents in Asia and Latin America.

Specialty Lines represented approximately 49.1% of total net premiums

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written in the third quarter of 2004. For this period of time Converium's Specialty Lines segment reported a segment loss of US\$ 81.2 million. In the third quarter of 2004, gross premiums written decreased by 6.7% to US\$ 506.9 million, and net premiums written decreased by 3.5% to US\$ 458.3 million; net premiums earned increased by 17.2% to US\$ 478.3 million. These developments reflect the strict underwriting discipline and cycle management applied by Converium. The Specialty Lines segment's non-life combined ratio was 128.2% for the third quarter of 2004.

Specialty Lines reported a segment loss which was primarily attributable to reserve additions. In the third quarter of 2004, US\$ 128.2 million of reserve strengthening were recorded, which added 26.8 percentage points to the segment's loss ratio. The strengthening arose mainly from workers' compensation (US\$ 26.9 million) and from the professional liability & other special liability lines, in particular umbrella, professional liability and excess & surplus lines of business in the United States (US\$ 101.9 million).

For the nine months ended September 30, 2004, gross premiums written increased 2.9% to US\$ 1,577.3 million, net premiums written increased 4.9% to US\$ 1,473.9 million and net premiums earned increased 13.3% to US\$ 1,395.2 million.

For the nine months ended September 30, 2004, the Specialty Lines segment exhibited the following growth dynamics:

- o Professional liability and other special liability (increased by 7.0% or US\$ 34.4 million to US\$ 528.6 million), which grew as a result of new business written and an increase in premium volume for Converium's Medical Defence Union (MDU) business;
- o Agribusiness (increased by 34.2% or US\$ 22.4 million to US\$ 88.0 million), which expanded as new business was written as well as return premium received on a specific contract due to favorable technical results; and
- o Aviation & space (increased by 8.6% or US\$ 23.0 million to US\$ 289.7 million), which grew as a result of an increased net retention in the business underwritten by Global Aerospace Underwriting Managers Ltd.

Life & Health Reinsurance represented approximately 12.2% of total net premiums written in the third quarter of 2004. For this period of time Converium's Life & Health Reinsurance segment reported a segment income of US\$ 5.7 million, an increase of US\$ 20.5 million compared to the same period of the previous year.

In the third quarter of 2004 gross premiums written increased by 43.9% to US\$ 119.0 million, net premiums written increased by 54.9% to US\$ 114.3 million, and net premiums earned increased by 29.7% to US\$ 113.5 million.

Life & Health Reinsurance reported a segment income for the nine months ended September 30, 2004 as compared to a segment loss for the same period in 2003. The technical result increased from minus US\$ 12.6 million to US\$ 5.2 million for the same period. The increases in 2004 were primarily attributable to:

- o Strong growth in premium volume driven by the expansion of existing financing reinsurance transactions in Continental Europe and increased shares of current business; and
- o The development of Converium's GMDB book during the first nine months of 2004 as compared to 2003. Whereas in the first nine months of 2003 reserves were strengthened by US\$ 22.6 million, no actions were required in 2004.

For the nine months ended September 30, 2004, gross premiums written increased 25.6% to US\$ 383.7 million, net premiums written increased 25.0% to US\$ 357.6 million and net premiums earned increased 24.0% to US\$ 339.3 million. Converium continues to build its Life & Health Reinsurance operations in order to further reduce the volatility of the Company's net income, because life and health reinsurance has a low correlation to property and casualty risk and can therefore improve risk diversification.

The Corporate Center carries certain administration expenses such as the costs of the Board of Directors, the Global Executive Committee, and other global functions. In the third quarter of 2004 other operating and administration expenses were US\$ 8.2 million (an increase of 1.2% as compared to the same period in 2003).

Rights Offering

In October 2004, Converium's share capital was increased by CHF 533,416,225 by issuing 106,683,245 shares at CHF 5.00 each. The capital increase (and reduction of the nominal value) was recorded, in the Commercial Register of the Canton of Zug (Switzerland) on October 12, 2004. After the registration of the share capital increase in the Commercial Register of the Canton of Zug, Converium's issued outstanding share capital is now CHF 733,447,310, divided into 146,689,462 shares with a nominal value of CHF 5.00. The capital increase brings Converium's total tangible capital close to the level of December 31, 2003.

After the reduction of the nominal value from CHF 10 to CHF 5 for each of Converium's shares, its conditional capital is now CHF 20,000,000 pursuant to which up to 4,000,000 shares can be issued upon exercise of conversion or option rights allotted in connection with bonds and other financial market instruments. Similarly, Converium's authorized capital is now CHF 20,000,000 pursuant to which the Board is authorized to issue up to 4,000,000 shares.

* * * * *

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 perspectives on its value drivers, its strategic initiatives and those factors critical to understanding its business and operating environment.

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About Converium

Converium is an independent international multi-line reinsurer known for its innovation, professionalism and service. Today Converium employs more than 800 people in 20 offices around the globe and is organized into three business segments: Standard Property & Casualty Reinsurance, Specialty Lines and Life & Health Reinsurance. Converium Ltd, Converium Ruckversicherung (Deutschland) AG and Converium Insurance (UK) Ltd. have a "BBB+" rating (outlook stable) from Standard & Poor's. Converium Ltd. has a "B++" (outlook stable) rating from A.M. Best Company.

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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 reinsurance market, the outcome of insurance regulatory reviews, the Company's operating results, the rating environment and the prospect for improving results, the amount of capital required and impact of its capital improvement measures, including the restructuring of our U.S. business and its reserve position. 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; the outcome of our regular quarterly reserve review, our ability to raise capital and the success of our capital improvement measures, the ability to obtain applicable regulatory approval for our capital improvement measures, 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.

This document does not constitute or form part of an offer or solicitation of an offer, an invitation to subscribe for or purchase any securities. In addition, the securities of the company to be issued in any share offering have not and will not be registered under the United States securities laws and may not be offered, sold or delivered within the United States or to US persons absent registration under or an exemption from the registration requirements of the United States securities laws.

In the United Kingdom this announcement is directed only at persons who have professional experience in matters relating to investments or are high net worth companies, unincorporated associations etc, for the purposes of Article 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (all such persons together being referred to as "relevant persons"). This

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announcement must not be acted upon or relied on by persons who are not relevant persons. Any investment or investment activity to which this announcement relates is available only to relevant persons and will be engaged in only with relevant persons.

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Consolidated statements of income (Unaudited) In US\$ million, unless noted	Three months ended September 30,		Change	Nine months September
	2004	2003	(%)	2004
Revenues				
Gross premiums written	1,033.3	1,009.6	+2.3%	3,444.5
Less ceded premiums written	-99.5	-122.2	-18.6%	-263.3
Net premiums written	933.8	887.4	+5.2%	3,181.2
Net change in unearned premiums	80.1	31.2	n.m.	-164.4
Net premiums earned	1,013.9	918.6	+10.4%	3,016.8
Net investment income	77.0	54.2	+42.1%	224.8
Net realized capital gains (losses)	20.3	-1.3	n.m.	42.0
Other (loss) income	-31.7	-	n.m.	-28.8
Total revenues	1,079.5	971.5	+11.1%	3,254.8
Benefits, losses and expenses				
Losses, loss adjustment expenses and life benefits	-914.2	-662.2	+38.1%	-2,738.9
Underwriting acquisition costs	-211.2	-201.8	+4.7%	-642.4
Other operating and administration expenses	-50.6	-45.5	+11.2%	-154.9
Interest expense	-8.2	-6.9	+18.8%	-24.8
Impairment of goodwill	-	-	n.m.	-94.0
Restructuring costs	-3.4	-	n.m.	-3.4
Total benefits, losses and expenses	-1,187.6	-916.4	+29.6%	-3,658.4
(Loss) Income before taxes	-108.1	55.1	n.m.	-403.6
(Loss) income tax (expense)	-8.2	-10.8	-24.1%	-307.0
Net (loss) income	-116.3	44.3	n.m.	-710.6
Basic (loss) earnings per share (US\$)	-2.91	1.12	n.m.	-17.83

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Diluted (loss) earnings per share (US\$)	-2.87	1.10	n.m.	-17.56
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Consolidated balance sheets				September
In US\$ million, unless noted				20
				(unaudited)
Invested assets				
Held-to-maturity securities:				
Fixed maturities				
Available-for-sale securities:				
Fixed maturities				4
Equity securities				
Other investments				
Short-term investments				
Total investments				6
Funds Withheld Asset				1
Total invested assets				7
Other assets				
Cash and cash equivalents				
Premiums receivables:				
Current				
Accrued				1
Reinsurance assets:				
Underwriting reserves				1
Insurance balances receivable, net				
Funds held by reinsureds				1
Deferred policy acquisition costs				
Deferred income taxes				
Other assets				
Total assets				14
Liabilities				
Losses and loss adjustment expenses, gross				8

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Unearned premiums, gross	1
Future life benefits, gross	
Other reinsurance liabilities	1
Funds held under reinsurance contracts	
Deferred income taxes	
Accrued expenses and other liabilities	
Debt	
Total liabilities	13
Equity	
Common stock	
Additional paid-in capital	1
Treasury stock	
Unearned stock compensation	
Accumulated other comprehensive income:	
Net unrealized gains on investments, net of taxes	
Cumulative translation adjustments	
Total accumulated other comprehensive income	
Retained (deficit) earnings	
Total equity	1
Total liabilities and equity	14

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Consolidated statements of cash flows (Unaudited)	Ni
In US\$ million, unless noted	2
Net income	-
Net realized capital gains on investments	
Amortization of premium/discount	
Depreciation and amortization	
Impairment of goodwill and deferred tax assets	

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 Total adjustments

Deferred policy acquisition costs
 Reinsurance assets
 Funds held by reinsureds
 Funds Withheld Asset
 Premiums receivables
 Unearned premiums, gross
 Losses and loss adjustment expenses, gross
 Future life benefits, gross
 Funds held under reinsurance contracts
 Other reinsurance liabilities
 Income taxes, net
 Net change in all other operational assets and liabilities

 Total changes in operational assets and liabilities

Cash provided by operating activities

Purchases of fixed maturities held-to-maturity
 Proceeds from sales and maturities of fixed maturities available-for-sale
 Purchases of fixed maturities available-for-sale

 Cash flows from investing activities (fixed maturities)

Proceeds from sales of equity securities
 Purchases of equity securities

 Cash flows from investing activities (equity securities)

Net (increase) decrease in short-term investments
 Proceeds from sales of other assets
 Purchases of other assets

 Cash flows from investing activities (other)

Net cash used in investing activities

Net purchases of common shares

Dividends to shareholders

 Net cash used in financing activities

Effect of exchange rate changes on cash and cash equivalents

Change in cash and cash equivalents

Cash and cash equivalents as of January 1

 Cash and cash equivalents as of September 30

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Segments (Unaudited) In US\$ million, unless noted	Three months ended September 30,		Change (%)	Nine months September 2004
	2004	2003		
<hr/> Standard Property & Casualty Reinsurance <hr/>				
Gross premiums written	407.4	383.4	+6.3%	1,483.5
Net premiums written	361.2	338.9	+6.6%	1,349.7
Net premiums earned	422.1	422.9	-0.2%	1,282.3
Non-life loss ratio ¹⁵	76.5%	66.2%	+10.3pts	78.6%
Non-life underwriting expense ratio ¹⁶	23.2%	23.5%	-0.3pts	22.6%
Non-life administration expense ratio ¹⁷	5.3%	4.0%	+1.3pts	4.5%
Non-life combined ratio ¹⁸	105.0%	93.7%	+11.3pts	105.7%
Total investment results ¹⁹	37.0	20.9	+77.0%	104.2
Segment income	18.9	50.8	-62.8%	27.8
Retention ratio ²⁰	88.7%	88.4%	+0.3pts	91.0%
<hr/> Specialty Lines <hr/>				
Gross premiums written	506.9	543.5	-6.7%	1,577.3
Net premiums written	458.3	474.7	-3.5%	1,473.9
Net premiums earned	478.3	408.2	+17.2%	1,395.2
Non-life loss ratio ¹⁵	105.4%	72.3%	+33.1pts	105.7%
Non-life underwriting expense ratio ¹⁶	18.9%	21.5%	-2.6pts	20.0%
Non-life administration expense ratio ¹⁷	3.9%	4.0%	-0.1pts	3.5%
Non-life combined ratio ¹⁸	128.2%	97.8%	+30.4pts	129.2%
Total investment results ¹⁹	52.7	28.0	+88.2%	142.8
Segment (loss) income	-81.2	34.1	n.m.	-266.9
Retention ratio ²⁰	90.4%	87.3%	+3.1pts	93.4%
<hr/> Life & Health Reinsurance <hr/>				
Gross premiums written	119.0	82.7	+43.9%	383.7
Net premiums written	114.3	73.8	+54.9%	357.6
Net premiums earned	113.5	87.5	+29.7%	339.3
Underwriting expense ratio Life & Health ²¹	20.1%	16.8%	+3.3pts	21.9%
Administration expense ratio Life & Health ²²	4.9%	6.4%	-1.5pts	4.6%
Total investment results ¹⁹	7.6	4.0	+90.0%	19.8
Segment income (loss)	5.7	-14.8	n.m.	11.6
Retention ratio ²⁰	96.1%	89.2%	+6.9pts	93.2%
<hr/> Corporate Center <hr/>				
Operating and administration expenses	-8.2	-8.1	+1.2%	-25.1

15 Non-life loss ratio is defined as losses and loss adjustment expenses divided by net premiums earned.

16 Non-life underwriting expense ratio is defined as underwriting acquisition costs divided by net premiums earned.

17 Non-life administration expense ratio is defined as other operating and administration expenses divided by net premiums written.

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- 18 The non-life combined ratio is defined as non-life loss ratio (to premiums earned) plus non-life underwriting expense ratio (to premiums earned) plus non-life administration expense ratio (to premiums written).
- 19 Total investment results are defined as net investment income plus net realized capital gains (losses).
- 20 Retention ratio is defined as net premiums written divided by gross premiums written.
- 21 Life & Health underwriting expense ratio is defined as underwriting acquisition costs divided by net premiums earned.
- 22 Life & Health administration expense ratio is defined as other operating and administration expenses divided by net premiums written.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CONVERIUM HOLDING AG

By: /s/ Dirk Lohmann
Name: Dirk Lohmann
Title: CEO

By: /s/ Christian Felderer
Name: Christian Felderer
Title: General Legal Counsel

Date: October 29, 2004

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