

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

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ST PAUL COMPANIES INC /MN/

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest
event reported): January 24, 1994

THE ST. PAUL COMPANIES, INC.

(Exact name of Registrant as specified in its charter)

Minnesota

0-3021

41-0518860

(State of
Incorporation)

(Commission File
Number)

(I.R.S. Employer
Identification No.)

385 Washington St., St. Paul, MN

55102

(Address of principal
executive offices)

(Zip Code)

(612) 221-7911

(Registrant's telephone number,
including area code)

(Former name or former address, if changed since last
report)

Item 5. Other Events.

Filed herewith are statements derived from a press release dated January 24, 1994, of the registrant relating to its results for the year ended December 31, 1993, which will be superseded by the registrant's Annual Report on Form 10-K for such period.

Item 7. Financial Statements, Pro Forma Financial
Information and Exhibits.

An Exhibit Index is set forth as the next page in this report.

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.

THE ST. PAUL COMPANIES, INC.

By /s/ Bruce A. Backberg

Bruce A. Backberg
Vice President
and Corporate Secretary

Date: January 26, 1994

EXHIBIT INDEX

How

(99) Additional exhibits (1)

(1) Filed electronically under the EDGAR Operational Program.

January 24, 1994 - THE ST. PAUL COMPANIES REPORTS RECORD
1993 EARNINGS

St. Paul, Minn. - The St. Paul Companies (NYSE:SPC) reported record operating earnings of \$386.6 million, or \$8.55 per share, for 1993, compared with last year's operating loss of \$333.8 million, or \$8.08 per share.

"What a pleasure it is to report record operating earnings after last year's record loss," said Douglas W. Leatherdale, chairman and chief executive officer. "In 1993, we reaped the benefits of corrective actions in our underwriting and insurance brokerage operations. In fact, improvement in results was virtually across-the-board.

"In addition, 1993 was an average year in terms of catastrophic storms - nothing like 1992, which brought us Hurricane Andrew, the most expensive storm in history.

"The decrease in catastrophe losses helped turn around our reinsurance operation, which cut its losses by almost \$270 million in 1993.

"The John Nuveen Company performed exceptionally well in 1993, reporting record results last week. Based on the stock price at year-end, our 74% ownership of Nuveen was valued at \$718 million.

"1993 was notable as well for our purchase of Economy Fire & Casualty Company from Kemper Corporation. Economy is a successful personal insurance company and a good fit with our strategy - and it maintained its strong performance in 1993," Leatherdale said.

"Not surprisingly, our financial position has never been stronger. Common shareholders' equity at year-end reached a new high of \$3.0 billion, or \$70.95 per share. Our assets at year-end were \$17.1 billion. Debt comprised 17.6 percent of our total capital."

Net income for 1993 was a record \$427.6 million, or \$9.47 per share, compared with a net loss of \$156.0 million, or \$3.88 per share, for 1992. 1993 net income included after-tax realized investment gains of \$41.0 million, or \$0.92 per share. The net loss for 1992 included the cumulative effects of two accounting changes adopted in first-quarter 1992, which reduced the net loss by \$76.5

million, or \$1.81 per share, as well as after-tax realized investment gains of \$101.3 million, or \$2.39 per share, which included a \$65 million gain from the sale of a minority interest in the John Nuveen Company.

Fourth-quarter results

For the fourth quarter of 1993, operating earnings were \$79.8 million, or \$1.76 per share, compared with a loss of \$426.3 million, or \$10.20 per share (including a \$365 million write-down of Minet goodwill), for the fourth quarter of 1992. Fourth quarter operating earnings included a one-time pretax restructuring charge of \$21 million, or \$0.31 per share (after-tax), related to the company's restructuring of its U.S. underwriting operations.

Net income for the fourth quarter of 1993 was \$89.7 million, or \$1.98 per share, compared with a loss of \$417.5 million, or \$9.99 per share, for the fourth quarter of 1992. Net income for the fourth quarter of 1993 included after-tax realized investment gains of \$9.9 million, or \$0.22 per share, compared with \$8.7 million, or \$0.21 per share, in 1992.

Underwriting Operations

THE ST. PAUL COMPANIES
 TWELVE-MONTHS UNDERWRITING OPERATIONS
 HIGHLIGHTS

Twelve months ended Dec. 31	1993	1992
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Written premiums	\$3,178,545,000	\$3,142,419,000
Underwriting loss	(\$150,255,000)	(\$566,886,000)
Net investment income	\$646,396,000	\$642,301,000
Pretax operating earnings*	\$457,752,000	\$20,781,000
Statutory combined ratio	104.5	117.8

*excluding realized investment gains

THE ST. PAUL COMPANIES
 FOURTH-QUARTER UNDERWRITING OPERATIONS

HIGHLIGHTS

Three months ended Dec. 31	1993	1992
Written premiums	\$842,991,000	\$780,036,000
Underwriting loss	(\$33,397,000)	(\$212,631,000)
Net investment income	\$156,518,000	\$162,349,000
Pretax operating earnings (loss)*	\$98,422,000	(\$87,729,000)
Statutory combined ratio	104.2	127.4

*excluding realized investment gains

Insurance Brokerage Operations

The Minet Group, The St. Paul's London-based insurance brokerage operation, had a pretax loss of \$12.6 million in 1993, compared with a pretax loss of \$432.5 million in 1992. The 1992 loss included a \$365 million write-down of Minet goodwill and one-time Minet reorganization and other nonrecurring charges of \$39 million.

For the fourth quarter of 1993, Minet had pretax income of \$395,000, compared with a pretax loss of \$380.9 million, including the goodwill write-down, in the fourth quarter of 1992.

The John Nuveen Company

The St. Paul's portion of The John Nuveen Company's 1993 pretax earnings totaled \$82.6 million, compared with pretax earnings of \$82.5 million for 1992. The St. Paul's portion of Nuveen's 1993 earnings was flat when compared with 1992 due to the sale of a minority interest in May 1992. The St. Paul now owns 74 percent of Nuveen. Nuveen's pretax income was actually up 14 percent over 1992.

For fourth quarter 1993, The St. Paul's portion of Nuveen's pretax earnings was \$20.5 million, compared with \$18.6 million for the fourth-quarter 1992.

At the end of 1993, Nuveen had a record \$32.7 billion in assets under management, compared with \$27.3 billion one

year ago.

Consolidated Financial Position

Consolidated assets of The St. Paul Companies as of Dec. 31, 1993, were \$17.1 billion, compared with \$15.4 billion as of Dec. 31, 1992.

Common shareholders' equity was \$3.0 billion on Dec. 31, 1993, compared with \$2.2 billion on Dec. 31, 1992. Book value per common share on Dec. 31, 1993, was \$70.95, compared with \$52.37 on Dec. 31, 1992.

The adoption of Statement of Financial Accounting Standards (SFAS) No. 115 increased 1993 assets by about \$764 million and equity by \$497 million. SFAS No. 115 requires that the bond portfolio be reported at market value with the corresponding unrealized appreciation (net of taxes) included in shareholders' equity.

THE ST. PAUL COMPANIES 1993 RESULTS

	1993 ----	1992 ----
Revenues	\$4,460,172,000	\$4,498,692,000
Operating Earnings (Loss)	\$386,628,000	(\$333,791,000)
Per Common Share (Fully Diluted)	\$8.55	(\$8.08)
Realized Investment Gains, Net of Taxes		
Investments	\$40,981,000	\$36,436,000
Gain on Sale of Nuveen Shares	\$0	\$64,834,000
Total	\$40,981,000	\$101,270,000
Per Common Share (Fully Diluted)	\$0.92	\$2.39
Cumulative Effects of Accounting Changes	\$0	\$76,483,000
Per Common Share (Fully Diluted)	\$0	\$1.81
Net Income (Loss)*	\$427,609,000	(\$156,038,000)
Per Common Share (Fully Diluted)	\$9.47	(\$3.88)

THE ST. PAUL COMPANIES FOURTH-QUARTER RESULTS

1993	1992
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Revenues	\$1,171,831,000	\$1,101,412,000
Operating Earnings (loss)	\$79,816,000	(\$426,263,000)
Per Common Share (Fully Diluted)	\$1.76	(\$10.20)
Realized Investment Gains, Net of Taxes	\$9,877,000	\$8,718,000
Per Common Share (Fully Diluted)	\$0.22	\$0.21
Net Income (loss)*	\$89,693,000	(\$417,545,000)
Per Common Share (Fully Diluted)	\$1.98	(\$9.99)

*Primary earnings per common share are:

	Fourth Quarter		Twelve Months	
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	1993	1992	1993	1992
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Income (loss) before cumulative effects of accounting change	\$2.05	(\$9.99)	\$9.84	(\$5.69)
Cumulative effects of accounting changes	\$0	\$0	\$0	\$1.81
Net Income (Loss)	\$2.05	(\$9.99)	\$9.84	(\$3.88)