



**for the
press**

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Munich Re places pandemic risks on the capital markets for the first time

Munich Re has established a bond programme amounting to US\$ 1.5bn for the transfer of extreme mortality risk to the capital markets. The first five-year series of US\$ 100m of Principal-At-Risk Variable Rate Notes issued by Nathan Ltd. ("Nathan") has now been successfully priced at LIBOR plus 1.35%. The programme is designed to protect Munich Re against large losses deriving from an exceptional rise in mortality rates after major pandemics or similar events across the United States, Canada, England and Wales, and Germany. Munich Re has structured the programme so that Nathan may issue future series of notes at short notice in response to increased capacity demand from Munich Re's reinsurance clients. The transaction was placed with investors across the Americas, Europe and the Asia-Pacific region.

The securities offered by Nathan Ltd. will not be and have not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

The **Munich Re Group** operates worldwide, turning risk into value. In the financial year 2006, it achieved a profit of €3,519m, the highest since the company was founded in 1880, on premium income of approximately €37bn. The Group operates in all lines of business, with around 37,000 employees at over 50 locations throughout the world and is characterised by particularly pronounced diversification, client focus and earnings stability. With premium income of around €22bn from reinsurance alone, it is one of the world's leading reinsurers. Its primary insurance operations are mainly concentrated in the ERGO Insurance Group. With premium income of almost €17bn, ERGO is one of the largest insurance groups in Europe and Germany. It is the market leader in Europe in health and legal expenses insurance, and 33 million clients in 25 countries place their trust in the services and security it provides. The global investments of the Munich Re Group amounting to €177bn are managed by MEAG, which also makes its competence available to private and institutional investors outside the Group.

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Disclaimer

This press release contains forward-looking statements that are based on current assumptions and forecasts of the management of Munich Re. Known and unknown risks, uncertainties and other factors could lead to material differences between the forward-looking statements given here and the actual development, in particular the results, financial situation and performance of our Company. The Company assumes no liability to update these forward-looking statements or to conform them to future events or developments.

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Munich, 20 February 2008

Munich Reinsurance Company

signed Dr. Blunck signed Dr. Lawrence