

Munich Re Group

Annual Press Conference – Preliminary figures

Changing Gear

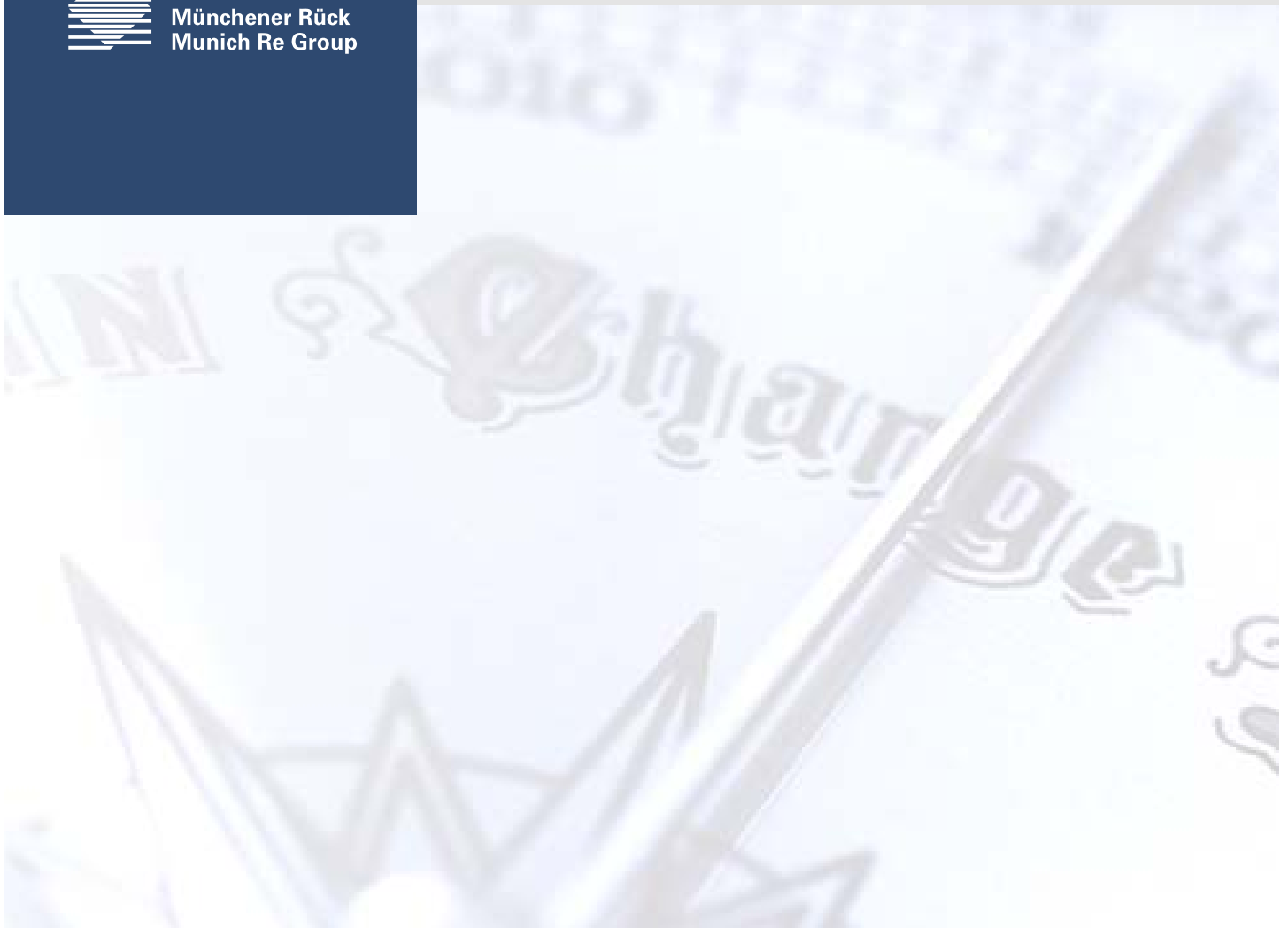
Nikolaus von Bomhard

Jörg Schneider

25 February 2008




Münchener Rück
Munich Re Group



Agenda		
Overview – 4th record result in a row	2	
Preliminary results 2007		
Munich Re Group in total	5	
Reinsurance segment	12	
Primary insurance segment	16	
Strategy and outlook	20	
Backup	28	

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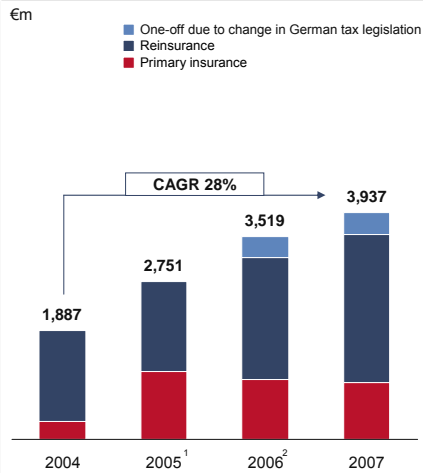
Overview – 4th record result in a row		
Changing Gear		
Success confirms strategy		
Fourth record result in a row €3.9bn	Earnings per share €17.90	Munich Re Group – Annual financial statements as at 31.12.2007 – 25 February 2008 3
Primary insurance profit €84m	Reinsurance profit €3.3bn	
Return on risk-adjusted capital (RORAC) 20.2%¹	Dividend distribution €1.1bn	
¹ Based on risk capital as at 1.1.2007.		

Overview – 4th record result in a row

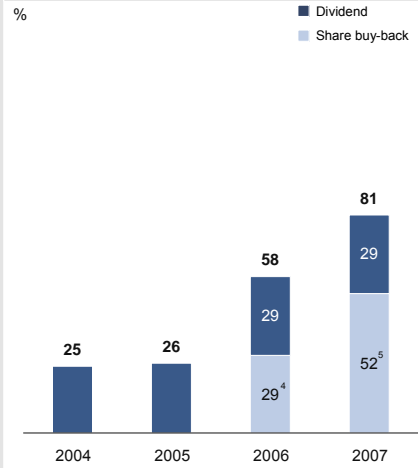


Successful business model Building a track record

Consolidated result



Payout ratio³



¹ Adjusted due to first-time application of IAS 19 (rev. 2004). ² Adjusted owing to IAS 8. ³ Dividend and share buy-back divided by consolidated result excl. minority interests. ⁴ €1bn buy-back programme partially concluded in February 2007. ⁵ €2bn buy-back programme partially concluded in January 2008.

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Preliminary results 2007 – Munich Re Group in total



Group
Overview 2007

GROUP Gross premiums written		REINSURANCE Combined ratio property-casualty		PRIMARY INSURANCE Combined ratio property-casualty	
€m		%		%	
2006	37,436	2006	92.6	2006	90.8
2007	37,262	2007	96.4	2007	93.4
Adjusted for currency 2.1% growth		Below 97% guidance – despite Kyrill		Again well below 95% guidance	


GROUP Investment result		GROUP Equity		GROUP Group result	
€m		€bn		€m	
2006	8,972	31.12.2006 ¹	26.3	2006 ¹	3,519
2007	9,272	31.12.2007	25.5	2007	3,937
Rol with strong 5.2% above expectations		Only slight decrease despite share buy-back		Increased guidance of €3.5–3.8bn exceeded	

¹ Adjusted due to IAS 8.

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Preliminary results 2007 – Munich Re Group in total



Premium development
Adjusted for currency effects 2.1% growth

€m	
Gross premiums written 2006	37,436
Foreign exchange effects	-956
Divestment/Investment	315
Organic change	467
Gross premiums written 2007	37,262

Breakdown by segment (consolidated)	Reinsurance		Primary insurance	
	Property-casualty	Life/Health	Property-casualty	Life/Health
	13,400 (36%)	5,493 (15%)	5,621 (15%)	6,329 (17%)
	(▲-2.8%)	(▲-6.0%)	(▲+9.7%)	(▲-2.7%)
		1,102 (3%)		5,317 (14%)
		(▲-3.0%)		(▲+4.2%)

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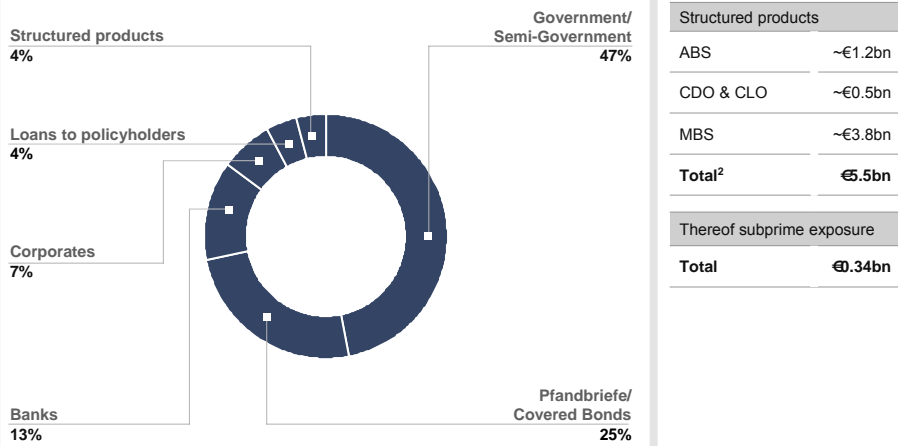
Preliminary results 2007 – Munich Re Group in total



Fixed-income exposure

Reflects conservative investment policy

Fixed-interest portfolio¹



¹ Incl. loans, parts of other securities and cash positions. Economic view – not fully comparable with IFRS figures.

² Ratings: AAA 84.3%, AA 6.6%, A 5.7%, BBB 0.8%, Sub-investment grade 2.6%. See backup for detailed split.

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Preliminary results 2007 – Munich Re Group in total

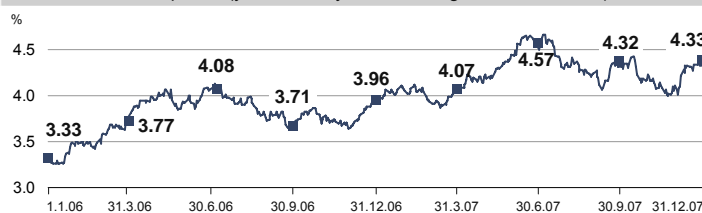


Return on investment

RoI with strong 5.2% above expectation

2007	€m	return ¹
Regular income	8,109	4.5%
Other income/expenses	-628	-0.3%
Gains/losses on the disposal of investments	2,803	1.6%
Write-downs/write-ups of investments	-1,012	-0.6%
Investment result	9,272	5.2%

Interest-rate development (yield on ten-year German government bonds)



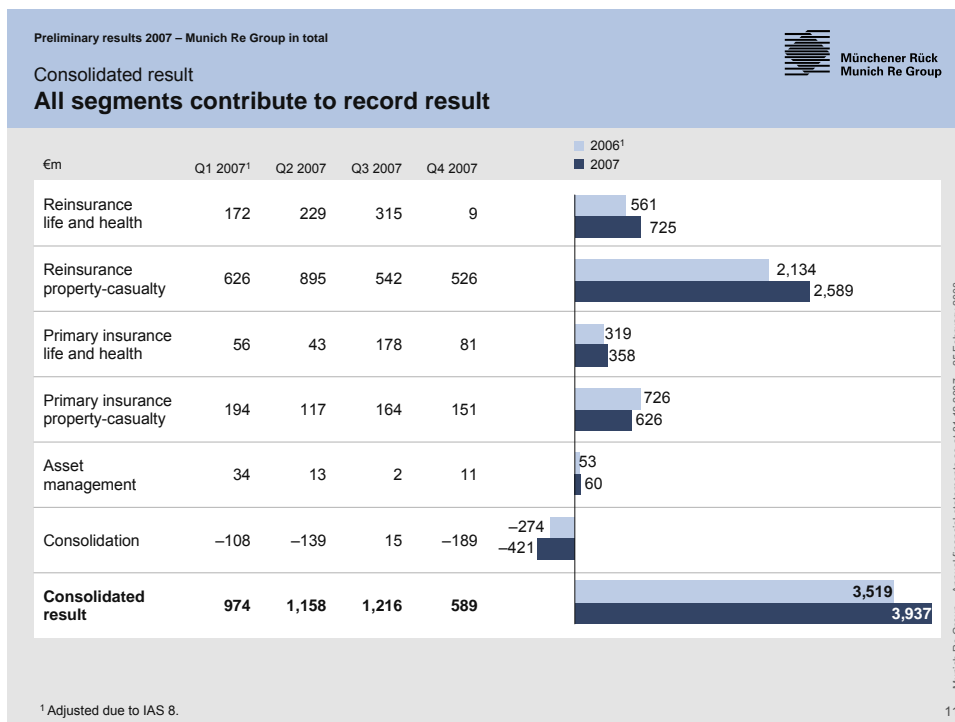
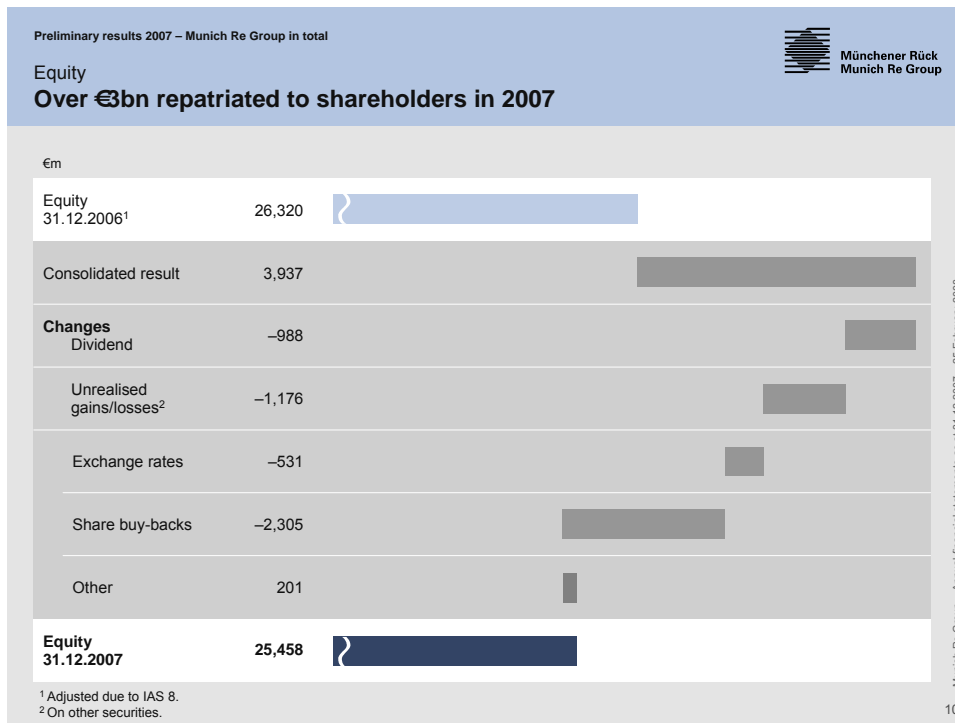
Including variation in reserves:

- Change in total reserves²: -4,061 (-2.3%)
- Total income: 5,211 (2.9%)

¹ Return on quarterly weighted investments (market values) in % p.a.

² On- and off-balance-sheet reserves.

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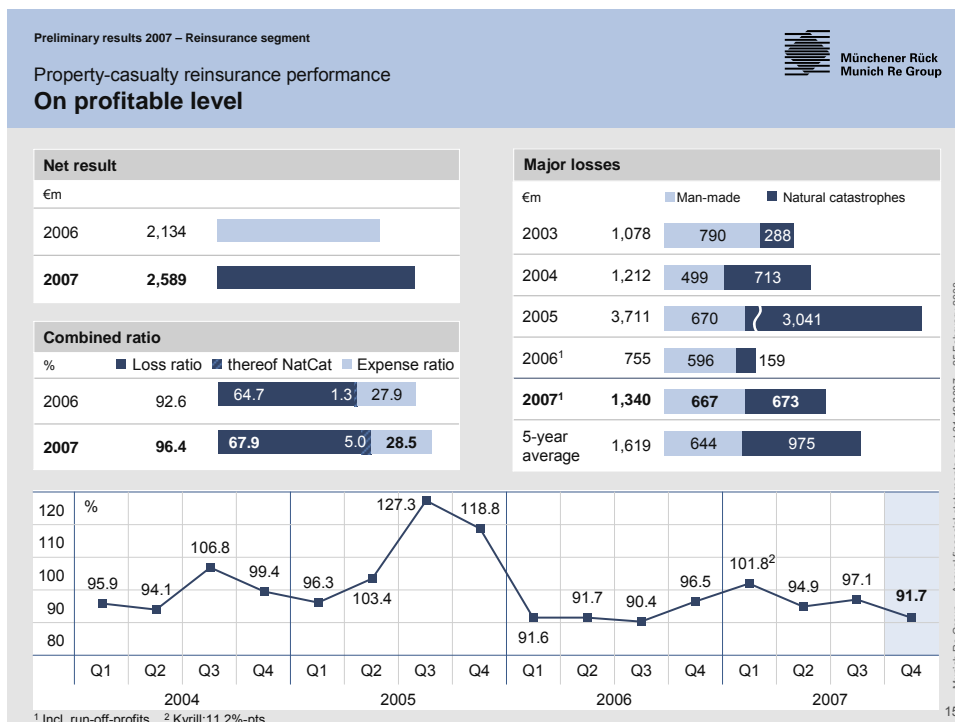
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Preliminary results 2007 – Reinsurance segment		Münchener Rück Munich Re Group
Executive summary		
Net profit increased to €3.3bn		
Gross premiums written	Combined ratio property-casualty	Investment result
€m	%	€m
2006 22,216	2006 92.6	2006 4,402
2007 21,523	2007 96.4	2007 4,327
Adjusted for currency 1.5% growth	Solid combined ratio despite high NatCat losses	5.3% RoI
European Embedded Value life	Operating EEV Earnings life	Net profit
€m	€m	€m
31.12.2006 5,962	2006 525	2006 ¹ 2,695
31.12.2007 6,662	2007 701	2007 3,314
Increase driven by €859m embedded value earnings	11.8% operating embedded value return	Strong improvement in both P-C and L&H

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¹ Adjusted due to IAS 8.



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Preliminary results 2007 – Primary insurance segment		Münchener Rück Munich Re Group
Executive summary		
Primary insurance contributes nearly €1bn net profit		
Gross premiums written	Combined ratio property-casualty ¹	Investment result
€m	%	€m
2006 16,753	2006 90.8	2006 5,085
2007 17,286	2007 93.4	2007 5,565
Driven by international business	Very good level despite Kyrill	Driven by regular income and disposals
European Embedded Value	Operating EEV Earnings	Net profit
€m	€m	€m
31.12.2006 4,154	31.12.2006 ² 742	2006 ² 1,045
31.12.2007 5,406	31.12.2007 478	2007 984
Increase also supported by lower tax rate and capital markets	11.5% operating embedded value return	Again on excellent level

¹ Incl. legal Expenses.
² Adjusted due to IAS 8.

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Preliminary results 2007 – Primary insurance segment



Premium development Driven by international business

€m

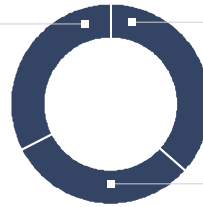
Gross premiums written 2006	16,753	
Foreign-exchange effects	21	
Divestment/Investment	280	
Organic change	232	
Gross premiums written 2007	17,286	

Breakdown by segment
(segmental, not consolidated)

Property-casualty¹
5,639 (33%)
(▲ 9.6%)

Life
6,330 (36%)
(▲ -2.7%)

Health
5,317 (31%)
(▲ 4.2%)



¹ Incl. legal expenses.

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Preliminary results 2007 – Primary insurance segment



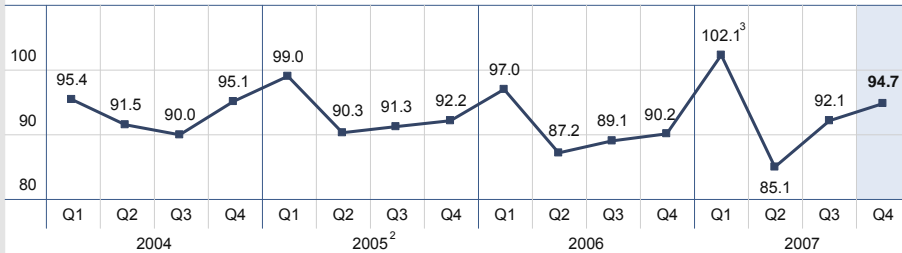
Performance property-casualty Very profitable portfolio

Combined ratio			
%		■ Loss ratio	■ Expense ratio
2006 ¹	90.8	55.8	35.0
2007	93.4	58.6	34.8

Net profit – property-casualty	
€m	
2006 ¹	726
2007	626

Combined ratio

%



¹ Incl. legal expenses.

² Adjusted due to first-time application of IAS 19 (rev. 2004).

³ Kyrill: 5.1%-pts.

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Strategy and outlook

Changing Gear

A programme for profitable growth

Munich Re Group initiatives

A
Ambitious growth targets

B
Best in class

C
Capital efficiency

Reinsurance	International health	Primary insurance
Most profitable among Top 5 global reinsurers:	Market leadership with integrated approach:	Expand into PI growth markets/segments:
A Expansion in life re VANB CAGR: 15% A Execution of 15 defined growth initiatives B Efficiency programme B Cycle management with combined C ratio 97% over the cycle	A Global health strategy with profit growth above 20% B IH-wide skills and knowledge management initiative	A Increase P-C profits with sustainable CR <95% A Foreign profit CAGR until 2010: 15% A Distribution initiative B Integrated back- and front-office initiative B German PI cost targets C Optimise ERGO capital structure

▶ EPS-target of CAGR >10% (2007 – 2010)

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Strategy and Outlook



Changing Gear
Selective M&A as consistent execution of strategy

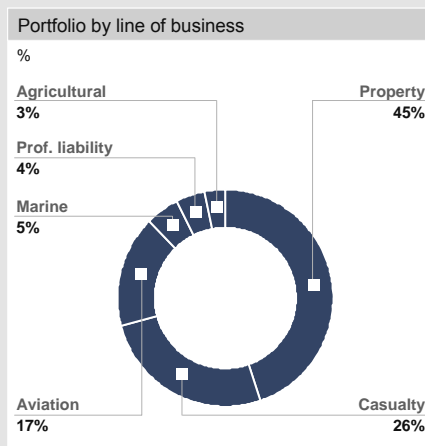
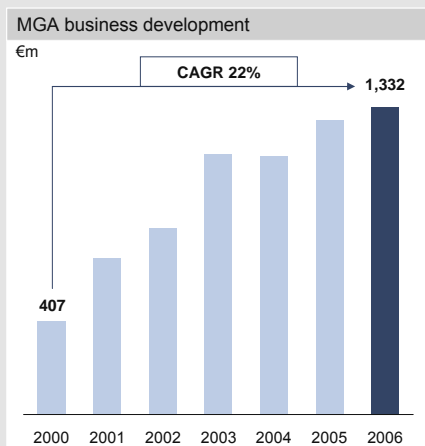
Segment	Target	Country	Share in %	Price	Remarks
Reinsurance	Bell & Clements Group	UK	100%	€49m	Managing General Agent (MGA)
	The Midland Company	USA	100%	USD 1.3bn (€0.9bn)	US specialty insurance
	MSP Underwriting Ltd.	UK	100% of MSP, 47.3% of Lloyd syndicate 318	€74.1m	Lloyd syndicate focused on international property business
	Allfinanz	Ireland	100%	€48m	Leading provider of software for life insurance companies
International Health	Cairnstone Inc.	USA	From 25% to 100%	€18m	Industry leader in US employer stop loss insurance
	Sterling Life Insurance Company	USA	100%	USD 352m (€243m)	Leading provider of health benefits to US senior market
Primary insurance	HDFC General Insurance Ltd.	India	26%	INR 235m Crores (€43m)	Non-life insurance joint venture
	Daum Direct Auto Insurance	South Korea	65%	€79.5m	Second largest direct motor insurer in South Korea

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Strategy and outlook



Changing Gear – Execution of 15 defined growth initiatives reinsurance
MGA¹ portfolio shows high growth and attractive mix



AVERAGE COMBINED RATIO
<90%²

¹ Managing general agency. ² Excluding NatCat losses Katrina, Rita, Wilma (KRW); incl. KRW: <94%.

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Changing Gear – Execution of 15 defined growth initiatives reinsurance

Special-Enterprise-Risk and Microinsurance

Special enterprise risk (SER) solutions

- Increasing implementation of Enterprise Risk Management systems at corporate clients reveals more off-strategy risks
- In addition, company-specific triggers drive actual demand (e.g. debt, M&A)
- Significant white space for expansion of business through tailor-made products
- Comprehensive worldwide Munich Re network can be leveraged to originate business
- Due to tailor-made nature and limited supply, SER business is so far not subject to insurance cycle

Microinsurance

Colombia

- Microinsurance property product
- Microinsurance life product

Further markets

South Africa, Indonesia, Philippines

Portfolio level credit insurance for Micro-finance Institutions (MFIs)

- Primary underlying risks: Catastrophe and political risks
- Reduction of earnings volatility ensures business continuity

ERGO

International Business: Annual profit growth of 15 % p.a. until 2010

Increase of international business from 1/5 to 1/3 in 2010



Focus region Europe

Focus region Asia

M&A or greenfield to enter emerging markets

Regional approach and line-of-business focus


Partner approach in distribution

Transfer of technical and administrative know-how

¹ Incl. ERGO's international health activities.

Strategy and outlook

ERGO
Distribution initiative



Sales channels	Value-based sales steering and customer focus	Market orientation
<ul style="list-style-type: none"> ▪ Growth in all sales channels ▪ Tied agents ▪ Multi-level sales ▪ Brokers ▪ Direct sales ▪ Bancassurance 	<ul style="list-style-type: none"> ▪ Optimise ERGO-wide value-based sales steering and controlling ▪ Implement ERGO-wide customer view and Customer Relationship Management ▪ Enforce strict cost management 	<ul style="list-style-type: none"> ▪ Optimise team play between sales and <ul style="list-style-type: none"> ▪ product development ▪ customer-oriented processes ▪ IT


SALES
+50%

ERGO CUSTOMER BASE
+1 million

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Key takeaways and outlook



Key takeaways

<p>Excellent operating performance in all segments</p>	<p>Dividend increased to €5.50 per share</p>	<p>Clear focus on insurance risks</p>
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Outlook 2008

<p>NET PROFIT REINSURANCE €2.7–2.9bn</p>	<p>NET PROFIT PRIMARY INSURANCE €0.6–0.8bn</p>	<p>CONSOLIDATED RESULT €3.0–3.4bn</p>
<p>COMBINED RATIO P-C REINSURANCE 98%</p>	<p>COMBINED RATIO P-C PRIMARY INSURANCE <95%</p>	<p>RETURN ON INVESTMENTS 4.5%</p>


Outlook 2010

Share buy-back >€3bn plus at least €1bn dividend per year generating EPS of >€18 in 2010


Strong commitment to at least 15% RoRaC over the cycle

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Backup: Preliminary results 2007		
Target and assumption set 2008		
RoRaC target: 15%		
	Reinsurance	Primary insurance
Gross premiums written	€21.5–22.5bn	€17.5–18.0bn
Currency environment	stable	
Normal major losses	NatCat 6.5%	NatCat n.a.
Combined ratio property-casualty	98%	below 95%
European Embedded Value Earnings	8–9%	8–9%
Return on investment	4.5%	
Tax environment	stable	
Net profit	€2.7–2.9bn	€1.6–0.8bn
Consolidated net profit for the Group	€3.0–3.4bn	

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Backup: Preliminary results 2007



Munich Re Group Quarterly figures

€m	Q1 2006 ¹	Q2 2006 ¹	Q3 2006 ¹	Q4 2006 ¹	Q1 2007 ¹	Q2 2007	Q3 2007	Q4 2007	ΔQ4 '07 / Q4 '06 in %
Gross premiums written	10,036	9,027	9,017	9,356	10,020	8,908	9,148	9,186	-1.8
Investment result	2,129	2,674	2,257	1,912	3,161	2,485	1,990	1,636	-14.4
Total income	11,438	11,970	11,406	11,656	12,367	11,953	11,311	11,692	0.3
Total expenses	9,960	10,128	10,099	10,802	11,054	10,418	10,179	10,583	-2.0
Operating result	1,478	1,842	1,307	850	1,313	1,535	1,132	1,098	29.2
Finance costs	86	78	74	72	70	79	89	95	31.9
Taxes on income	406	623	510	109	269	298	-173	414	279.8
Consolidated result	986	1,141	723	669	974	1,158	1,216	589	-12.0
Equity (balance-sheet date)	24,973	23,268	25,549	26,320	26,341	25,330	24,857	25,458	-3.3

¹ Adjusted due to IAS 8.

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Backup: Preliminary results 2007



Reinsurance segment – Life and health Quarterly figures

€m	Q1 2006	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007	Q3 2007	Q4 2007	ΔQ4 '07 / Q4 '06 in %
Gross premiums written	1,945	1,954	1,945	1,821	1,791	1,867	1,866	1,775	-2.5
Investment result	466	442	400	385	498	410	361	344	-12.5
Total income	2,352	2,342	2,301	2,197	2,202	2,307	2,237	2,193	-0.5
Total expenses	2,055	2,044	2,114	2,058	1,921	2,009	1,968	1,947	-5.8
Operating result	297	298	187	139	281	298	269	243	74.8
Finance costs	22	26	24	24	23	26	31	35	45.8
Taxes on income	93	128	61	-17	86	43	-77	199	-
Consolidated result	182	144	102	132	172	229	315	9	-93.2

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Backup: Preliminary results 2007



Reinsurance segment – Property-casualty

Quarterly figures

€m	Q1 2006	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007	Q3 2007	Q4 2007	ΔQ4 '07 / Q4 '06 in %
Gross premiums written	4,045	3,389	3,559	3,558	4,029	3,306	3,610	3,279	-7.8
Investment result	669	856	662	574	907	914	502	472	-17.8
Total income	4,286	4,399	4,148	4,274	4,503	4,477	3,930	4,095	-4.2
Total expenses	3,349	3,344	3,228	3,699	3,725	3,417	3,401	3,394	-8.2
Operating result	937	1,055	920	575	778	1,060	529	701	21.9
Finance costs	48	33	39	41	41	45	51	55	34.1
Taxes on income	230	251	378	332	111	120	-64	120	-63.9
Consolidated result	659	771	503	202	626	895	542	526	160.4
									ΔQ4/Q4 in %- pts.
Combined ratio (in %)	91.6	91.7	90.4	96.5	101.8	94.9	97.1	91.7	-4.8

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Backup: Preliminary results 2007



Primary insurance segment – Life and health

Quarterly figures

€m	Q1 2006 ¹	Q2 2006 ¹	Q3 2006 ¹	Q4 2006 ¹	Q1 2007 ¹	Q2 2007	Q3 2007	Q4 2007	ΔQ4 '07 / Q4 '06 in %
Gross premiums written	2,856	2,835	2,758	3,157	2,855	2,810	2,726	3,256	3.1
Investment result	924	1,335	1,180	961	1,668	1,256	1,100	808	-15.9
Total income	3,707	4,179	3,932	4,151	4,483	4,174	3,986	4,278	3.1
Total expenses	3,642	3,908	3,865	4,069	4,369	4,084	3,761	4,128	1.4
Operating result	65	271	67	81	114	90	225	150	85.2
Finance costs	1	-	-	-	-	1	-	-1	-
Taxes on income	55	136	47	-74	58	46	47	70	-
Consolidated result	9	135	20	155	56	43	178	81	-47.7

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¹ Adjusted due to IAS 8.

Backup: Preliminary results 2007



Primary insurance segment – Property-casualty
Quarterly figures

€m	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	ΔQ4 '07 / Q4 '06 in %
	2006	2006	2006	2006	2007	2007	2007	2007	
Gross premiums written	1,718	1,129	1,093	1,207	1,903	1,245	1,281	1,210	0.2
Investment result	200	185	85	215	295	117	76	245	14.0
Total income	1,314	1,368	1,272	1,445	1,478	1,356	1,364	1,557	7.8
Total expenses	1,140	1,085	1,146	1,248	1,276	1,152	1,276	1,376	10.3
Operating result	174	283	126	194	202	204	88	180	-7.2
Finance costs	14	19	11	5	6	6	6	5	0.0
Taxes on income	24	98	19	-139	2	81	-82	24	-
Consolidated result	136	166	96	328	194	117	164	151	-54.0
									ΔQ4/Q4 in %-pts.
Combined ratio (in %) ¹	97.0	87.2	89.1	90.2	102.1	85.1	92.1	94.7	4.5

¹ Incl. legal expenses.

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Backup: Preliminary results 2007



Consolidated financial statements
Balance sheet as at 31 December 2007 – Assets (1/2)

Assets	31.12.2007			Prev. yr. ¹	Change	
	€m	€m	€m		€m	%
A. Intangible assets						
I. Goodwill		3,135		3,229	-94	-2.9
II. Other intangible assets		1,142		1,055	87	8.2
			4,277	4,284	-7	-0.2
B. Investments						
I. Land and buildings, including buildings on third party-land		3,753		4,720	-967	-20.5
II. Investments in affiliated companies and associates		1,168		1,303	-135	-10.4
III. Loans		35,502		29,528	5,974	20.2
IV. Other securities						
1. Held to maturity	200			252	-52	-20.6
2. Available for sale	119,034			122,915	-3,881	-3.2
3. Held for trading	1,280			1,343	-63	-4.7
		120,514		124,510	-3,996	-3.2
V. Deposits retained on assumed reinsurance		8,206		11,931	-3,725	-31.2
VI. Other investments		4,833		3,060	1,773	57.9
			173,976	175,052	-1,076	-0.6

¹ Adjusted owing to IAS 8.

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Backup: Preliminary results 2007



Consolidated financial statements

Balance sheet as at 31 December 2007 – Assets (2/2)

Assets	31.12.2007			Prev. Yr. ¹	Change	
	€m	€m	€m		€m	%
C. Investments for the benefit of life insurance policyholders who bear the investment risk			2,178	1,820	358	19.7
D. Ceded share of underwriting provisions			5,626	6,593	-967	-14.7
E. Receivables						
I. Current tax assets		751		710	41	5.8
II. Other receivables		8,636		8,115	521	6.4
			9,387	8,825	562	6.4
F. Cash with banks, cheques and cash in hand			2,505	2,172	333	15.3
G. Deferred acquisition costs						
– Gross		8,388		8,298	90	1.1
– Ceded		86		108	-22	-20.4
– Net			8,302	8,190	112	1.4
H. Deferred tax assets			4,619	5,368	-749	-14.0
I. Other assets			3,383	3,541	-158	-4.5
Total assets			214,253	215,845	-1,592	-0.7

¹ Adjusted owing to IAS 8.

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Backup: Preliminary results 2007



Consolidated financial statements

Balance sheet as at 31 December 2007 – Equity & liabilities (1/2)

Equity & Liabilities	31.12.2007		Prev. year ¹	Change	
	€m	€m		€m	€m
A. Equity					
I. Issued capital and capital reserve	7,388		7,388	–	–
II. Retained earnings	9,781		9,400	381	4.1
III. Other reserves	3,934		5,629	-1,695	-30.1
IV. Consolidated result attributable to Munich Re equity holders	3,854		3,425	429	12.5
V. Minority interests	501		478	23	4.8
		25,458	26,320	-862	-3.3
B. Subordinated liabilities		4,877	3,419	1,458	42.6
C. Gross technical provisions					
I. Unearned premiums	5,719		5,870	-151	-2.6
II. Provision for future policy benefits	94,935		94,660	275	0.3
III. Provision for outstanding claims	44,564		47,076	-2,512	-5.3
IV. Other technical provisions	10,536		10,929	-393	-3.6
		155,754	158,535	-2,781	-1.8

¹ Adjusted owing to IAS 8.

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Backup: Preliminary results 2007



Consolidated financial statements

Balance sheet as at 31 December 2007 – Equity & liabilities (2/2)

Equity & Liabilities	31.12.2007		Prev. year ¹	Change	
	€m	€m		€m	€m
D. Gross underwriting provisions for life insurance policies where the investment risk is borne by the policyholders		2,308	1,930	378	19.6
E. Other accrued liabilities		2,793	2,821	-28	-1.0
F. Liabilities					
I. Notes and debentures	341		378	-37	-9.8
II. Deposits retained on ceded business	2,231		2,241	-10	-0.4
III. Current tax liabilities	2,634		2,254	380	16.9
IV. Other liabilities	10,762		9,805	957	9.8
		15,968	14,678	1,290	8.8
G. Deferred tax liabilities		7,095	8,142	-1,047	-12.9
Total equity & liabilities		214,253	215,845	-1,592	-0.7

¹ Adjusted owing to IAS 8.

Munich Re Group – Annual financial statements as at 31.12.2007 – 25 February 2008

Backup: Preliminary results 2007



Consolidated financial statements

Income statement

	2007			2006 ¹	Change	
	€m	€m	€m		€m	%
Gross premiums written	37,262			37,436	-174	-0.5
1. Earned premiums						
– Gross	37,187			37,613	-426	-1.1
– Ceded	1,512			1,899	-387	-20.4
– Net		35,675		35,714	-39	-0.1
2. Investment result		9,272		8,972	300	3.3
thereof: income from associates		264		44	220	500.0
3. Other income		2,376		1,784	592	33.2
Total income (1. bis 3.)			47,323	46,470	853	1.8
4. Expenses for claims and benefits						
– Gross	31,317			30,815	502	1.6
– Ceded	843			1,035	-192	-18.6
– Net		30,474		29,780	694	2.3
5. Operating expenses						
– Gross	9,271			9,333	-62	-0.7
– Ceded	393			499	-106	-21.2
– Net		8,878		8,834	44	0.5
6. Other expenses		2,882		2,375	507	21.3
Total expenses (4. bis 6.)			42,234	40,989	1,245	3.0
7. Result before impairment losses of goodwill			5,089	5,481	-392	-7.2
8. Impairment losses of goodwill			11	4	7	175.0
9. Operating result			5,078	5,477	-399	-7.3
10. Finance costs			333	310	23	7.4
11. Taxes on income			808	1,648	-840	-51.0
12. Consolidated result			3,937	3,519	418	11.9
Thereof:						
– attributable to Munich Re equity holders			3,854	3,425	429	12.5
– attributable to minority interests			83	94	-11	-11.7
			€	€	€	%
Earnings per share			17.90	15.05	2.85	18.9

¹ Adjusted owing to IAS 8.

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Backup: Preliminary results 2007



Consolidated financial statements
Consolidated income statement – Q4/2007

	Q4 2007			Q4 2006 ¹		Change	
	€m	€m	€m	€m	€m	%	%
Gross premiums written	9,186			9,356	-170	-1.8	
1. Earned premiums							
– Gross	9,630			9,760	-130	-1.3	
– Ceded	378			547	-169	-30.9	
– Net		9,252		9,213	39	0.4	
2. Investment result		1,636		1,912	-276	-14.4	
– Thereof: Income from associates		-6		-32	26	81.3	
3. Other income		804		531	273	51.4	
Total income (1-3)			11,692	11,656	36	0.3	
4. Expenses for claims and benefits							
– Gross	7,472			7,766	-294	-3.8	
– Ceded	269			247	22	8.9	
– Net		7,203		7,519	-316	-4.2	
5. Operating expenses							
– Gross	2,448			2,611	-163	-6.2	
– Ceded	66			172	-106	-61.6	
– Net		2,382		2,439	-57	-2.3	
6. Other expenses		998		844	154	18.2	
Total expenses (4-6)			10,583	10,802	-219	-2.0	
7. Result before amortisation and impairment losses of goodwill			1,109	854	255	29.9	
8. amortisation and impairment losses of goodwill			11	4	7	175.0	
9. Operating result			1,098	850	248	29.2	
10. Finance costs			95	72	23	31.9	
11. Taxes on income			414	109	305	279.8	
12. Consolidated result			589	669	-80	-12.0	
– Thereof:							
– Attributable to Munich Re equity holders			560	636	-76	-11.9	
– Attributable to minority interests			29	33	-4	-12.1	
Earnings per share			2.68	2.80	-0.12	-4.3	

¹ Adjusted according to IAS 8

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Backup: Preliminary results 2007



Segment reporting
Assets

€m	Reinsurance		Primary insurance		Asset management		Consolidation		Total					
	Life and health	Property-casualty	Life and health	Property-casualty	Asset management	Consolidation	Consolidation	Total	Consolidation	Total				
	31.12.07	Prev.yr. ¹	31.12.07	Prev.yr. ¹	31.12.07	Prev.yr. ¹	31.12.07	Prev.yr. ¹	31.12.07	Prev.yr. ¹				
A. Intangible Assets	338 ²	275	1,240 ²	1,202	1,666	1,730	1,024	1,082	11	10	-2	-15	4,277	4,284
B. Investments														
I. Land and buildings, including buildings on third-party land	452	585	649	766	2,501	3,189	94	114	58	67	-1	-1	3,753	4,720
II. Investments in affiliated companies and associates	2,480	2,553	3,427	3,281	559	1,063	3,132	3,290	99	106	-8,529	-8,990	1,168	1,303
III. Loans	235	181	308	215	35,130	29,362	1,720	1,585	7	104	-1,898	-1,919	35,502	29,528
IV. Other securities														
1. Held to maturity	-	-	-	-	192	242	8	10	-	-	-	-	200	252
2. Available for sale	11,146	10,932	48,009	48,339	53,655	57,383	6,197	6,254	27	34	-	-27	119,034	122,915
3. Held for trading	104	117	494	595	380	344	302	287	-	-	-	-	1,280	1,343
	11,250	11,049	48,503	48,934	54,227	57,969	6,507	6,551	27	34	-	-27	120,514	124,510
V. Deposits retained on assumed reinsurance	11,082	14,579	1,714	1,837	278	253	18	18	-	-	-4,886	-4,756	8,206	11,931
VI. Other investments	609	301	1,206	702	2,346	1,892	602	257	455	293	-385	-385	4,833	3,060
	26,108	29,248	55,807	55,735	95,041	93,728	12,073	11,815	646	604	-15,699	-16,078	173,976	175,052
C. Investments for the benefit of life insurance policyholders who bear the investment risk	-	-	-	-	2,178	1,820	-	-	-	-	-	-	2,178	1,820
D. Ceded share of underwriting provisions	764	844	3,024	3,871	6,612	6,357	1,489	1,528	-	-	-6,263	-6,007	5,626	6,593
E. Other assets	5,833	6,365	8,394	8,421	12,011	11,286	4,287	3,847	118	144	-2,447	-1,967	28,196	28,096
Total assets	33,043²	36,732	68,465²	69,229	117,508	114,921	18,873	18,272	775	758	-24,411	-24,067	214,253	215,845

¹ Adjusted owing to IAS 8.

² Changed compared with earlier announcement.

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Backup: Preliminary results 2007



Segment reporting
Equity & liabilities

€m	Reinsurance				Primary Insurance				Asset Management		Consolidation		Total	
	Life/Health		Property-Casualty		Life/Health		Property-Casualty		2007	2006 ¹	2007	2006 ¹	2007	2006 ¹
	2007	2006 ¹	2007	2006 ¹	2007	2006 ¹	2007	2006 ¹						
A. Subordinated liabilities	1,910	1,349	2,584	1,682	-	2	393	398	-	-	-10	-12	4,877	3,419
B. Gross technical provisions														
I. Unearned premiums	186	195	4,080	4,362	104	92	1,613	1,468	-	-	-264	-247	5,719	5,870
II. Provision for future policy benefits	14,668	16,706	748	738	83,958	81,561	310	267	-	-	-4,749	-4,612	94,935	94,660
III. Provision for outstanding claims	3,653	4,489	34,783	36,482	2,186	2,245	4,917	4,737	-	-	-975	-877	44,564	47,076
IV. Other technical provisions	850	1,114	274	232	9,554	9,799	122	113	-	-	-264	-329	10,536	10,929
	19,357	22,504	39,885	41,814	95,802	93,697	6,962	6,585	-	-	-6,252	-6,065	155,754	158,535
C. Gross technical provisions for life insurance policies where the investment risk is borne by the policyholders	-	-	-	-	2,308	1,930	-	-	-	-	-	-	2,308	1,930
D. Other accrued liabilities	302	272	477	559	767	664	1,287	1,366	44	37	-84	-77	2,793	2,821
E. Other segment liabilities	5,182	5,051	8,004	7,537	14,381	14,191	4,421	4,353	512	534	-9,437	-8,846	23,063	22,820
Total segment liabilities	26,751	29,176	50,950	51,592	113,258	110,484	13,063	12,702	556	571	15,783	-15,000	188,795	189,525
													Equity	25,458
													Total	214,253

¹ Adjusted owing to IAS 8.

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Backup: Preliminary results 2007



Segment reporting
Income statement

€m	Reinsurance				Primary insurance				Asset management		Consolidation		Total	
	Life and health		Prop.-casualty		Life and health		Prop.-casualty		2007	2006 ¹	2007	2006 ¹	2007	2006 ¹
	2007	2006 ¹	2007	2006 ¹	2007	2006 ¹	2007	2006 ¹						
Gross premiums written	7,299	7,665	14,224	14,551	11,647	11,606	5,639	5,147	-	-	268	391	774	1,010
from insurance transactions with other segments	704	751	824	760	1	1	18	21	-	-	-1,547	-1,533	-	-
from insurance transactions with external third parties	6,595	6,914	13,400	13,791	11,646	11,605	5,621	5,126	-	-	-	-	-37,262	37,436
1. Earned premiums														
Gross	7,292	7,667	14,281	14,805	11,641	11,600	5,484	5,060	-	-	-1,511	-1,519	37,187	37,613
Ceded	268	391	774	1,010	877	932	1,104	1,085	-	-	-1,511	-1,519	1,512	1,899
Net	7,024	7,276	13,507	13,795	10,764	10,668	4,380	3,975	-	-	-	-	35,675	35,714
2. Investment result	1,532	1,633	2,795	2,769	4,832	4,400	733	685	119	55	-739	-570	9,272	8,972
Income from associates	3	6	15	33	243	17	-15	-16	18	4	-	-	264	44
3. Other income	383	297	703	557	1325	901	642	739	317	328	-994	-1,038	2,376	1,784
Total income (1-3)	8,939	9,206	17,005	17,121	16,921	15,969	5,755	5,399	436	383	-1,733	-1,608	47,323	46,470
4. Expenses for claims and benefits														
Gross	5,611	5,932	9,618	9,526	13,969	13,593	3,263	2,864	-	-	-1,144	-1,100	31,317	30,815
Ceded	178	190	431	553	566	592	624	582	-	-	-956	-882	843	1,035
Net	5,433	5,742	9,187	8,973	13,403	13,001	2,639	2,282	-	-	-188	-218	30,474	29,780
5. Operating expenses														
Gross	2,019	2,314	4,108	4,107	1,774	1,704	1,828	1,686	-	-	-458	-478	9,271	9,333
Ceded	61	158	255	261	237	262	308	296	-	-	-468	-478	393	499
Net	1,958	2,156	3,853	3,846	1,537	1,442	1,520	1,390	-	-	10	-	8,878	8,834
6. Other expenses	454	386	897	816	1,402	1,041	921	947	340	303	-1,132	-1,118	2,882	2,375
Total expenses (4-6)	7,845	8,284	13,937	13,635	16,342	15,484	5,080	4,619	340	303	-1,310	-1,336	42,234	40,989
7. Result before amortisation and impairment losses of goodwill	1,094	922	3,068	3,486	579	485	675	780	96	80	-423	-272	5,089	5,481
8. Amortisation and impairment losses of goodwill	3	-	-	-	-	1	1	3	7	-	-	-	11	4
9. Operating result	1,091	922	3,068	3,486	579	484	674	777	89	80	-423	-272	5,078	5,477
10. Finance costs	115	96	192	161	0	1	23	49	3	4	-	-1	333	310
11. Taxes on income	251	265	287	1,191	221	164	25	2	26	23	-2	-	3	808
12. Consolidated result	725	561	2,589	2,134	358	319	626	726	60	53	-421	-274	3,937	3,519
attributable to MR equity holders	725	561	2,589	2,134	319	284	579	668	59	51	-417	-273	3,854	3,425
attributable to minority interests	-	-	-	-	39	35	47	58	1	2	-4	-1	83	94

¹ Adjusted owing to IAS 8.

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Backup: Preliminary results 2007



Explanations to Group income statement

Investment income and expenses by segment

€m ¹	Reinsurance				Primary Insurance				Asset Management		Total	
	Life/Health		Property-Casualty		Life/Health		Property-Casualty		2007	2006	2007	2006
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Regular income	1,214	1,283	2,030	1,926	4,379	4,198	374	381	112	46	8,109	7,834
Income from write-ups	189	63	814	272	206	233	16	8	0	0	1,225	576
Gains on the disposal of investments	603	357	2,586	1,560	2,237	1,674	243	255	2	3	5,671	3,849
Other income	0	0	0	0	52	119	1	2	13	2	66	123
Total	2,006	1,703	5,430	3,758	6,874	6,224	634	646	127	51	15,071	12,382
Write-downs of investments	232	88	1,193	394	723	925	81	32	8	2	2,237	1,441
Losses on the disposal of investments	352	131	1,419	550	997	558	94	51	6	0	2,868	1,290
Management expenses, interest charges and other expenses	53	36	221	162	385	393	31	81	4	7	694	679
Total	637	255	2,833	1,106	2,105	1,876	206	164	18	9	5,799	3,410

¹ After elimination of intra-Group transactions across segments.

Munich Re Group – Annual financial statements as at 31.12.2007 – 25 February 2008

Backup: Preliminary results 2007



Explanations of consolidated income statement

Expenses for claims and benefits (gross and ceded share)

in €m ¹	Reinsurance				Primary Insurance				Total	
	Life/Health		Property-casualty		Life/Health		Property-casualty		2007	2006 ²
	2007	2006	2007	2006	2007	2006 ²	2007	2006	2007	2006 ²
Gross										
Claims and benefits paid	5,452	5,752	8,875	8,340	10,057	9,538	2,986	2,875	27,370	26,505
Change in technical provisions										
– Provision for future policy benefits	408	211	23	36	1,771	1,442	38	35	2,240	1,724
– Provision for outstanding claims	-933	-720	223	719	-66	246	202	-81	-574	164
– Provision for premium refunds	-	-	-	1	2,047	2,169	21	23	2,068	2,193
Other underwriting result	1	-2	10	24	188	202	14	5	213	229
Gross expenses for claims and benefits	4,928	5,241	9,131	9,120	13,997	13,597	3,261	2,857	31,317	30,815
Ceded Share										
Claims and benefits paid	335	120	1,008	554	69	61	267	322	1,679	1,057
Change in technical provisions										
– Provision for future policy benefits	-12	3	-1	-	95	128	-	-	82	131
– Provision for outstanding claims	-128	83	-579	20	3	-7	-136	-153	-840	-57
– Provision for premium refunds	-	-	-	-	-	-	1	-	1	-
Other underwriting result	-17	-16	2	-21	-66	-59	2	-	-79	-96
Ceded share of expenses for claims and benefits	178	190	430	553	101	123	134	169	843	1,035

¹ After elimination of intra-Group transactions across segments. ² Adjusted owing to IAS 8.

Munich Re Group – Annual financial statements as at 31.12.2007 – 25 February 2008

Backup: Preliminary results 2007



Explanation of consolidated income statement

Expenses for claims and benefits (net)

in €m ¹	Reinsurance				Primary Insurance				Total	
	Life/Health		Property-casualty		Life/Health		Property-casualty		2007	2006 ²
	2007	2006	2007	2006	2007	2006 ²	2007	2006		
Net										
Claims and benefits paid	5,117	5,632	7,867	7,786	9,988	9,477	2,719	2,553	25,691	25,448
Change in technical provisions										
– Provision for future policy benefits	420	208	24	36	1,676	1,314	38	35	2,158	1,593
– Provision for outstanding claims	–805	–803	802	699	–69	253	338	72	266	221
– Provision for premium refunds	–	–	–	1	2,047	2,169	20	23	2,067	2,193
Other underwriting result	18	14	8	45	254	261	12	5	292	325
Net expenses for claims and benefits	4,750	5,051	8,701	8,567	13,896	13,474	3,127	2,688	30,474	29,780

¹ After elimination of intra-Group transactions across segments. ² Adjusted owing to IAS 8.

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Backup: Preliminary results 2007



Explanations to the consolidated income statement

Operating expenses

€m ¹	Reinsurance				Primary insurance				Total	
	Life and health		Property-casualty		Life and health		Property-casualty		2007	2006
	2007	2006	2007	2006	2007	2006	2007	2006		
Acquisition costs	1	35	–33	83	1,320	1,235	1,153	1,030	2,441	2,383
Administration expenses	250	261	835	813	424	442	668	639	2,177	2,155
Amortization of acquired insurance portfolios	5	1	–	–	22	15	–	–	27	16
Reinsurance commission and profit commission	1,556	1,791	3,045	2,958	16	19	9	11	4,626	4,779
Gross operating expenses	1,812	2,088	3,847	3,854	1,782	1,711	1,830	1,680	9,271	9,333
Ceded share of acquisition costs	9	–16	15	–12	–1	20	4	–	27	–8
Commission received on ceded business	52	174	240	273	21	8	53	52	366	507
Operating expenses										
– Ceded share	61	158	255	261	20	28	57	52	393	499
Net operating expenses	1,751	1,930	3,592	3,593	1,762	1,683	1,773	1,628	8,878	8,834

¹ After elimination of intra-group transactions across segments.

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Disclaimer



This presentation 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.