QUARTERLY FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2009

Media telephone conference

5 November 2009

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Munich RE

Agenda

Munich RE

Overview

Good earnings generation sustained

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Munich Re (Group)

Net profit of €1,789m in Q1–3 2009 (RoRaC 14%)[1]

Resilient underwriting and good investment result; €651m net profit in Q3

Shareholders' equity increased to €22.8bn

Capital strength allows consistent pursuit of strategy and resumption of share buy-back

Maintaining low-risk investment profile

Stringent capital allocation to core business with disciplined investment approach

Reinsurance

Good underwriting performance

Strong position transformed into growth while exploiting market opportunities, benign NatCat season and limited recession-induced claims

Primary insurance

Turnaround continues in Q3 2009

Stringent execution of efficiency programme while positive operating trend in life and non-life business prevails

[1] Return on equity 11.0%; (Q1–3 2008: RoRaC 9.0%, Return on equity 8.2%).

Agenda

Munich RE

- Overview
- **The Group**
- Reinsurance
- Primary insurance
- Outlook

The Group – Overview

Satisfactory consolidated result

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GROUP Gross premiums written	
€m	
Q1–3 2008	28,123
Q1–3 2009	**31,048**

Strong growth due to large deals in reinsurance and acquisitions

REINSURANCE Combined ratio property-casualty	
%	
Q1–3 2008	100.1
Q1–3 2009	**96.3**

Good combined ratio (93.4% in Q3) also due to low NatCat

PRIMARY INSURANCE Combined ratio property-casualty	
%	
Q1–3 2008	90.0
Q1–3 2009	**94.2**

Pleasingly within target – Q1–3 2008 not comparable

GROUP Investment result	
€m	
Q1–3 2008	3,923
Q1–3 2009	**5,788**

Stabilised after extraordinary year 2008

GROUP Operating result	
€m	
Q1–3 2008	2,654
Q1–3 2009	**3,318**

Higher investment result and good technical performance

GROUP Consolidated result	
€m	
Q1–3 2008	1,407
Q1–3 2009	**1,789**

Consolidated result €651m in Q3 impacted by non-recurring tax

The Group – Market environment

Index and interest rate development

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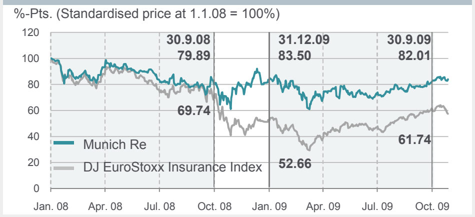
DJ EuroStoxx 50 – Price index

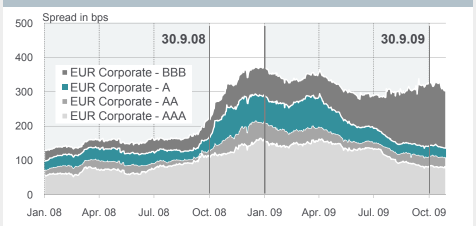
DJ Euro Stoxx Insurance Index vs. MR share price

%-Pts. (Standardised price at 1.1.08 = 100%)



Risk-free interest rate

Spreads (corporate spreads vs. government bonds in BP)



The Group – Premium development

Substantial increase from organic and external growth

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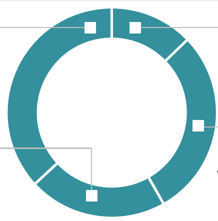
€m	
Gross premiums written Q1–3 2008	28,123
Foreign-exchange effects	145
Divestment/ Investment	1,047
Organic change	1,733
Gross premiums written Q1–3 2009	**31,048**

- Favourable exchange-rate developments
- Increase due to acquisitions in 2008 (Midland, Sterling Life, BACAV, Daum) and in Q2 2009 (HSB)
- Substantial organic growth mainly from large quota share deals in reinsurance

Breakdown by segment (consolidated)

Reinsurance Property-casualty 11,459 (37%) (▲ 6.3%)

Reinsurance Life: 4,629 (15%) (▲ 31.3%)
Health: 1,987 (6%) (▲ 74.3%)



Primary insurance Property-casualty 3,974 (13%) (▲ –0.3%)

Primary insurance Life: 4,426 (14%) (▲ 3.4%)
Total premiums: 5,664 (▲ 12.9%)
Health: 4,573 (15%) (▲ 3.6%)

The Group – Operating and consolidated result

Reinsurance business supports Group earnings

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€m — Q1–3 2008 / Q1–3 2009 / ERGO dividend[1]

€m	Operating result Q1–3 2008	Operating result Q1–3 2009	Consolidated result Q1–3 2008	Consolidated result Q1–3 2009
Reinsurance life and health	790	**857**	687	**536**
Reinsurance property-casualty	1,985	**2,138**	1,293	**1,325**
Reinsurance subtotal	2,775	**2,995**	1,980	**1,861**
Primary insurance life	240	**89**	92	**–36**
Primary insurance health	74	**129**	11	**34**
Primary insurance property-casualty	511	**288**	271	**97**
Primary insurance subtotal	825	**506**	374	**95**
Munich Re (Group)	2,654	**3,318**	1,407	**1,789**

[1] Q1–3 2008 incl. ERGO dividend of €947m (before tax), thereof RI life and health: €180m, RI property-casualty: €767m.

The Group – Investments

Low risk profile maintained

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Investment structure by asset classes (market values)

	€bn	Land and buildings %	Loans %	Fixed-interest securities[1] %	Shares, equity funds and participating interests %	Miscellaneous[2] %
31.12.2006	179	3.6	16.4	54.9	14.6	10.5
31.12.2007	176	2.8	19.4	54.2	13.8	9.8
31.12.2008	177	2.8	23.2	61.8	3.6	8.6
31.3.2009	179	2.8	24.1	62.1	2.6	8.4
30.6.2009	179	2.8	24.7	61.4	2.8	8.3
30.9.2009	**185**	**2.7**	**25.4**	**60.3**	**3.0**[3]	**8.6**

RoI expected to be slightly above 4% in 2009
Phase of low interest rates will reduce earnings in 2010

[1] Categories "available for sale", "held to maturity" and "at fair value".
[2] Deposits retained on assumed reinsurance, investments for unit-linked life, deposits with banks, investment funds (bond, property).
[3] After taking equity derivatives into account: 2.1%.

The Group – Investment result

Higher investment result due to lower write-downs and increased unit-linked contribution

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- Significantly improved result from write-ups/write-downs and substantially reduced equity exposure as main driver for strong improvement of investment result ...
- ... compensating for lower regular income while balance of gains/losses on the disposal of investments remains largely unchanged
- Major change in other income/expenses based on improved result of unrealised gains/losses for unit-linked life insurance not contributing to net income

Overall higher RoI[1] of 4.3% (Q3 2009: 4.9%)

	€m	Q1–3 2009	Return[1]	€m	Q1–3 2008	Return[1]
Regular income	**5,689**		**4.2%**	6,015		4.7%
Write-ups/write-downs of investments	**–835**		**–0.6%**	–2,334		–1.8%
Gains/losses on the disposal of investments	**1,071**		**0.8%**	1,142		0.9%
Other income/expenses	**–137**		**–0.1%**	–900		–0.7%
Investment result	**5,788**		**4.3%[2]**	**3,923**		**3.1%[2]**

[1] Return on quarterly weighted investments (market values) in % p.a.
[2] Incl. change in on- and off-balance-sheet reserves 7.3% in Q1–3 2009 and –1.4% in Q1–3 2008.

The Group – Capitalisation

Strong increase in shareholders' equity in Q3

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€m	Q1–3		Change Q3
Equity 31.12.2008	21,249		–
Consolidated result	1,789		651
Changes			
Dividend	–1,073		–
Unrealised gains/losses[1]	1,147		1,209
Exchange rates	–255		–308
Share buy-backs	–57		–
Other	7		–16
Equity 30.9.2009	**22,807**		1,536

Well-balanced investments strengthen valuation reserves

Capital strength allows further share buy-back (€176m by end of October)

[1] On other securities.

Agenda

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- Overview
- The Group
- **Reinsurance**
- Primary Insurance
- Outlook

Reinsurance – Overview

Satisfactory underwriting

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Gross premiums written

€m	
Q1–3 2008	16,217
Q1–3 2009	**18,730**

Strong organic growth and positive effect of acquisitions

Technical result

€m	
Q1–3 2008	1,169
Q1–3 2009	**1,262**

Slight increase despite higher major man-made losses

Combined ratio property-casualty

%	
Q1–3 2008	100.1
Q1–3 2009	**96.3**

Good combined ratio (93.4% in Q3) also due to low NatCat

Investment result

€m		
Q1–3 2008	2,031	947
Q1–3 2009	**2,891**	

Reduced write-downs on equities

Operating result

€m		
Q1–3 2008	1,828	947
Q1–3 2009	**2,995**	

Consolidated result

€m		
Q1–3 2008	1,033	947[1]
Q1–3 2009	**1,861**	

Adjusted to eliminate special dividend: Growth to very good result level

ERGO dividend

[1] Without taking into consideration tax effects on dividend in 2008.

Reinsurance – Premium development

Opportunities arising from financial strength seized for large treaties

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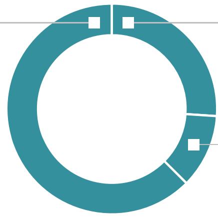
€m	
Gross premiums written Q1–3 2008	16,217
Foreign-exchange effects	370
Divestment/ Investment	706
Organic change	1,437
Gross premiums written Q1–3 2009	**18,730**

- Notable contribution from acquisitions: Midland[1] (€202m in P-C), Sterling Life[1] (€184m in health), HSB[2] (€320m in P-C)
- Contribution from quota share deals: >€1.1bn

Breakdown by segment (segmental, not consolidated)



[1] First-time consolidation in Q2 2008. [2] First-time consolidation in Q2 2009.

Reinsurance – Combined ratio property-casualty

Higher man-made losses

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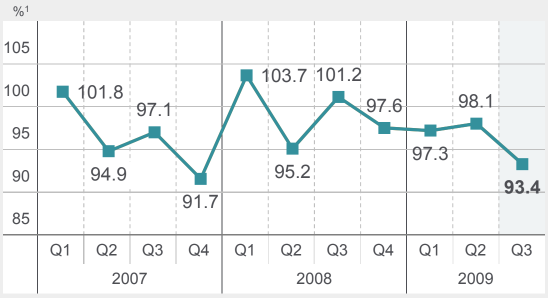
%	Combined ratio	Loss ratio	Thereof NatCat	Thereof man-made	Expense ratio
2007	96.4	67.9	4.7	3.5	28.5
2008	99.4	69.6	6.2	5.0	29.8
Q1–3 2007	98.0	69.8	6.9	1.2	28.2
Q1–3 2008	100.1	71.4	7.8	4.7	28.7
Q1–3 2009	**96.3**	**67.8**	**2.5**	**6.1**	**28.5**



- Major losses in Q1–3 2009 (€910m) below 5-year average (€1,030m)
- While NatCat losses (€270m) remain well below 5-year average (€623m) …
- … man-made losses (€640m) clearly exceed 5-year average (€407m)
- Only moderate additional recession-related claims (e.g. LoB credit) in Q3

[1] Incl. credit and overhead costs.

Reinsurance – Value proposition and brand

Munich Re well positioned for future challenges

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New global brand

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Munich Re's three cornerstones

1 A high level of security and individual solutions

- Efficient reinsurance of standard risks
- Customised solutions for risk and balance sheet management
- Consulting on Solvency II/ ALM, enterprise risk management
- Risk transfer to capital markets

2 (Re)insurance of complex and new risks

- Expanding the limits of insurability by developing new coverage concepts
- First-class modelling
- High investment in actuarial and underwriting skills

3 Tapping into new client groups

- Highly specialised primary insurance niche business; cooperation with MGAs
- Public-private partnerships
- Insurance pools

Clear positioning as a comprehensive service reinsurer

Reinsurance – Summary

Exploiting opportunities – Discipline in basic business

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Strong earnings in reinsurance
despite recession-induced losses

Outlook for renewals at 1 January 2010

- Prices for capital-intensive natural catastrophe business expected to stabilise at a high level or even rise further
- Further price increases in fields of business with higher losses (credit and surety, aviation)
- In most other segments, sideways development of prices to be expected

Discipline and innovation capacity secures earnings strength

Agenda

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Primary insurance – Overview

Primary segment confirms turnaround to profit in Q3

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Gross premiums written

€m	
Q1–3 2008	12,706
Q1–3 2009	**12,983**

International expansion supports premium growth

Technical result

€m	
Q1–3 2008	1,105
Q1–3 2009	**655**

Decrease reflects aftermath of financial crisis

Combined ratio property-casualty

%	
Q1–3 2008	90.0
Q1–3 2009	**94.2**

Satisfactory (93.3% in Q3) despite higher claims expenses

Investment result[1]

€m	
Q1–3 2008	2,103
Q1–3 2009	**3,288**

Improved result for own account and in unit-linked business

Operating result

€m	
Q1–3 2008	825
Q1–3 2009	**506**

Consolidated result

€m	
Q1–3 2008	374
Q1–3 2009	**95**

Bottom-line still affected by market crisis – positive consolidated result of €89m in Q3 confirms turnaround

[1] Investment result incl. unrealised gains/losses from investments in unit-linked life insurance; excl. unit-linked business: €2,935m in Q1–3 2009 (€2,459m in Q1–3 2008).

Primary insurance – Premium development

Growth burdened by exchange rate development

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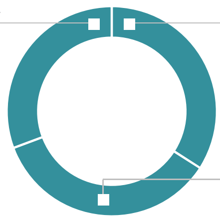
€m	
Gross premiums written Q1–3 2008	12,706
Foreign-exchange effects	–208
Divestment/ Investment	341
Organic change	144
Gross premiums written Q1–3 2009	**12,983**

- Negative exchange rate developments especially in Poland and Turkey dampen good international performance
- German business with mixed picture: Life ▲ –4.7%[1], health ▲ 1.9%, property-casualty stable

Breakdown by segment (segmental, not consolidated)



Life statutory premiums:

- IFRS premiums €4,426m (▲ 3.2%)
- Investment-oriented products €1,238m (▲ 69.1%)
- **Total €5,664m (▲ 12.9%)**

[1] Total premiums German life Q1–3: €4,240m, +1.3%.

Primary insurance – New business (Statutory premiums)

ERGO new business life insurance

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Total

€m	Total	Regular premium	Single premium	APE[1]
Q1–3 2008	1,277	438	839	522
Q1–3 2009	**1,804**	**344**	**1,460**	**490**
Δ	**41.3%**	–21.4%	73.9%	–6.1%

Comments

Germany
- Lower regular premiums mainly due to previous year's Riester stage (adjusted –12.7%); High single premiums via banks, brokers and direct selling channels
- Total new business growth of 12.1% (adjusted for Riester effect 21.0%)

International
- Strong organic growth of new business at BACAV: +14.1% (APE €54.2m)[2]
- Belgian ERGO Life's new business up 46.2%

Germany

€m	Total	Regular premium	Single premium	APE[1]
Q1–3 2008	1,044	337	707	408
Q1–3 2009	**1,171**	**228**	**943**	**322**
Δ	**12.1%**	–32.4%	33.4%	–21.0%

International

€m	Total	Regular premium	Single premium	APE[1]
Q1–3 2008	233	101	132	114
Q1–3 2009	**633**	**116**	**517**	**168**
Δ	**172.0%**	15.4%	291.3%	47.4 %

[1] Annual premium equivalent. [2] BACAV Q1–3 2008: APE €47.5m (regular premium €27.9m and single premium €195.2m). Rounding differences.

Primary insurance – Combined ratio property-casualty

Satisfactory combined ratio – clearly within target of 95%

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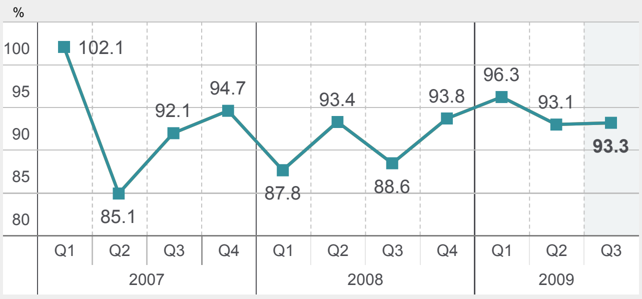
%		Loss ratio	Expense ratio
2007	93.4	58.6	34.8
2008	90.9	58.4	32.5
Q1–3 2007	92.9	58.9	34.0
Q1–3 2008	90.0	57.2	32.8
Q1–3 2009	**94.2**	**61.7**	**32.5**



- Favourable combined ratio in Germany (89.7%) compensates increase in claims payments abroad
- Cost efficiency efforts pay off
- Q1–3 2008 positively influenced by one-off change in calculation of claims provisions

Primary insurance – Summary

Turnaround in result achieved

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After strains during the capital market crisis:
Clear profits in Q3 demonstrate earnings turnaround

German business:
Economic development with moderate burdens – and opportunities

International business:
Burden from currency effects – Economic environment with impact on loss ratio

Positive result development to continue – Environment is difficult

Agenda

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Overview

The Group

Reinsurance

Primary insurance

Outlook

Outlook

Comparative performance of our shares

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- Long-term comparison shows attractiveness for investors
- Munich Re shares outperform all the relevant indices in a multi-year comparison
- Share price performance very resilient with good long-term potential

Outlook

Earnings resilience through the crisis – Well positioned to seize opportunities going forward

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EuroStoxx 50 since 1 January 2009

	Q1 2009 31.12.08 **2,448**	Q2 2009	Q3 2009 30.9.09 **2,873**
Results	Prudent risk management providing earnings resilience …	... as improving investment results support earnings ...	… enabling strong growth of net profit
Capital base	Sound capital position according to all measures …	… proving stable despite dividend payment …	… allowing for continuation of share buy-back
Risk profile	Consistent de-risking of investment portfolio …	… while consciously maintaining low-risk profile …	… proving disciplined investment approach
Re-insurance	Financial strength allowing opportunities to be taken …	… as portfolio diversification compensates for recession-related claims …	… while benign NatCat season supports good underwriting result
Primary insurance	Crisis with significant accounting impact …	… while efficiency programme and positive earnings trend …	… facilitate a continued turnaround

Healthy balance sheet provides strong basis for exploiting market opportunities and predictability of earnings

Outlook

Clear focus on reliable earnings generation

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Outlook 2009

GROSS PREMIUMS WRITTEN **€40–42bn**[1]	CONSOLIDATED RESULT **€2.2–2.5bn**[2]
COMBINED RATIO Reinsurance approx. 97%	COMBINED RATIO Primary insurance <95%
RETURN ON INVESTMENTS RoI expected to be slightly above **4%**	SHARE BUY-BACK Up to €1bn by AGM 2010

First indication 2010

RETURN ON INVESTMENTS Based on the strategic decision to maintain a low-risk portfolio and given a low interest rate environment, RoI expected to be noticeably **below 4%** in 2010	RORAC Even though more ambitious, target of achieving **15% after tax over the cycle to stand**, while less impact of volatile investment results expected to further increase sustainability of earnings

[1] Thereof €24–25bn in reinsurance and €17–17.5bn in primary insurance (both on basis of segmental figures).
[2] Thereof €2.3–2.5bn in reinsurance and €0.2–0.4bn in primary insurance (both on basis of segmental figures).

Disclaimer

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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.

Note regarding the presentation of the previous year's figures

- For the new reporting format in connection with the first-time application of IFRS 8 "Operating Segments" as at 1 January 2009, several prior-year figures have been adjusted in the income statement.
- For the sake of better comprehensibility and readability, we have refrained from adding the footnote "Previous year's figures adjusted owing to first-time application of IFRS 8" to every slide.
- For details and background information on IFRS 8, please read the presentation "How does Munich Re apply the accounting standard IFRS 8 'Operating Segments'?" on Munich Re's website (http://www.munichre.com/de/ir/contact_and_service/faq/default.aspx).
- On 30 September 2008, through its subsidiary ERGO Austria International AG, Munich Re increased its stake in Bank Austria Creditanstalt Versicherung AG (BACAV) and included it in the consolidated group. The figures disclosed at the time of first consolidation were of a provisional nature. Therefore, several previous year figures have been adjusted in order to complete the initial accounting for a business combination (IFRS 3.62).