



PRELIMINARY KEY FIGURES 2009 AND RENEWALS

Media telephone conference

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Munich RE 

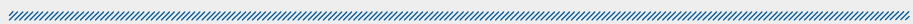
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Overview

Good consolidated results and sound capitalisation allow increase in dividend



Munich Re (Group)		
<p>Preliminary consolidated result €2.56bn</p> <p>RORAC target met (~15.1%) Proposed dividend for 2009 €5.75 per share (prev. €5.50)</p>	<p>Shareholders' equity of €22.3bn as at Dec. 2009</p> <p>Slight decrease in Q4 due to share buy-back, acquisition of ERGO shares</p>	<p>Improved investment result</p> <p>RoI 4.3%, benefiting from substantial gains on disposals and lower write-downs</p>
<p>Reinsurance</p> <p>Strong underwriting performance</p> <p>Low NatCat losses more than compensating for recession-induced claims Improved combined ratio: 95.3%</p>	<p>Primary insurance</p> <p>Turnaround accelerates in Q4 2009</p> <p>Net result of €0.38bn confirms upward operating trend throughout 2009; combined ratio well within target of 95%</p>	

Overview

Consolidated result slightly up on November forecast



€bn	FYE 2009	FYE 2008	Q4 2009	Q4 2008
Gross premiums written	41.4	37.8	10.4	9.7
Thereof reinsurance ¹	24.8	21.9	6.1	5.7
Thereof primary insurance ¹	17.5	17.0	4.5	4.3
Combined ratio reinsurance (%) ²	95.3	99.4	92.5	97.6
Combined ratio primary insurance (%)	93.1	90.9	90.0	93.8
Investment result	7.9	5.9	2.1	1.9
Consolidated result	2.56	1.58	0.78	0.11
Thereof reinsurance ¹	2.56	2.40	0.70	0.36
Thereof primary insurance ¹	0.38	0.16	0.28	-0.22
Dividend per shares (€)	5.75	5.50		
Shareholders' equity (as per balance-sheet date) ³	22.3	21.1		
Total investments (as per balance-sheet date)	182.2	174.9		

¹ Segmental figures, before elimination of intra-Group transactions across segments.

² Thereof NatCat Q1-4 2009 1.4% after run-off gains on prior years NatCat events of ~1.0%

(2008: 6.2%; five-year average: 6.5%) and man-made Q1-4 2009 : 6.8% (2008: 5.0%; five-year average: 4.5%). In total approx. €0.5bn recession-related losses in 2009, thereof €0.2bn in Q4 2009.

³ Main changes in Q4 2009: Share-buyback (-€0.3bn, -€0.4bn in Q1-4 2009), acquisition of ERGO shares (-€0.3bn) and decrease of unrealised gains/losses on fixed-interest securities (-€0.4bn).

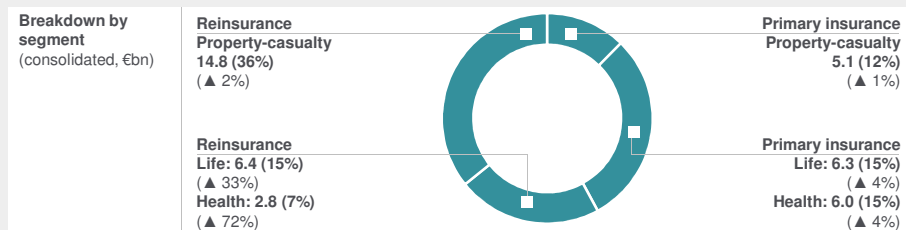
The Group - Premium development

Substantial increase from organic growth and recent acquisitions



€bn	
Gross premiums written Q1-4 2008	37.8
Foreign-exchange effects	-0.2
Divestment/Investment	1.2
Organic change	2.6
Gross premiums written Q1-4 2009	41.4

- Slightly negative exchange-rate developments
- Increase due to acquisitions (HSB, Midland, Sterling Life, BACAV, Daum)
- Substantial organic growth mainly from large quota share deals in reinsurance L/H



Significantly improved investment result

- Regular income: Reinvestments with lower yields and less dividends following de-risking
- Significantly improved result from write-ups/write-downs due to lower impairments on equities as main driver for strong improvement of investment result ...
- ... more than compensating for lower balance of gains/losses on the disposal of investments (significant gains on derivative instruments in 2008, gains on equities remain on high level in 2009)
- Major change in other income/expenses based on improved result of unrealised gains/losses for unit-linked life insurance (without impact on net income)
- Given a low-interest environment as well as the assumed absence of larger disposal gains, return on investment expected to be noticeably below 4% in 2010

Overall higher RoI¹ of 4.3% (Q1–4 2008: 3.4%, Q4 2009: 4.5%)

	€bn	Q1–4 2009	€bn	Q1–4 2008
Regular income	7.6		7.9	
Write-ups/write-downs of investments	-1.1		-2.9	
Gains/losses on the disposal of investments	1.6		2.2	
Other income/expenses	-0.2		-1.3	
Investment result	7.9		5.9	

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

Overall more competitive market environment after recovery of financial markets

Market environment

- Faster than expected recovery of financial markets led to strengthening of (re)insurers balance sheets
- Slightly decreasing price development on primary as well as reinsurance markets globally
- Negotiations significantly influenced by recent loss experience in individual segments and markets

Competitors Supply ↑

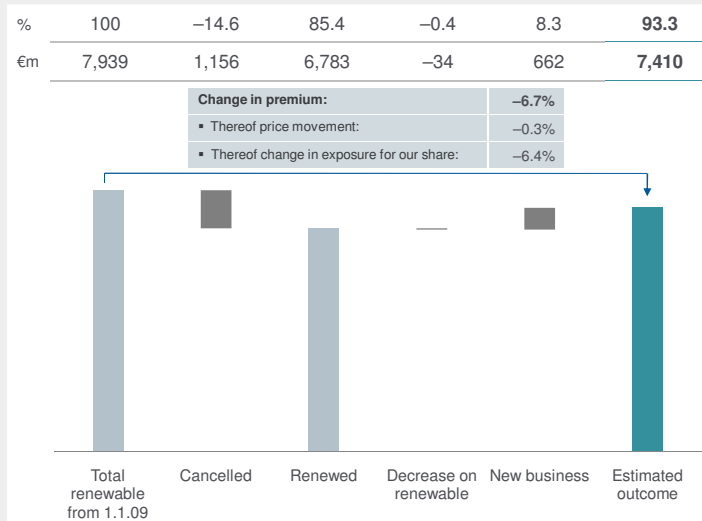
- Increasing capacity and thus no constraints in all lines of business
- Ancillary decrease in available business leads to increased level of competition. However, in general reasonable behaviour of reinsurers
- In some segments, reinsurers with lower security aimed to increase shares or get lead positions

Clients Demand ↓

- Cost pressure on primary insurers also affects reinsurance budgets and buying behaviour driving overall market trends
- Security of reinsurers still not adequately reflected, few exceptions with respect to solvency relief business

Renewals in property-casualty reinsurance

Total book – Stable price development due to disciplined underwriting approach in softening market



Munich Re portfolio

- €7.9bn treaty business up for renewal
- Overall premium decrease (-6.7%) as decline in unprofitable segments not fully compensated by new strategic business
- NatCat portion of total business unchanged; budgets for peak scenarios not fully deployed

Renewals in property-casualty reinsurance

Concrete initiatives – Successful active portfolio management



Decrease	Examples		
Strict cancellation of unprofitable business	Motor (proportional) mainly in Eastern Europe, China and Germany	-€194m	Partly compensated by selective growth
	Credit	-€32m	Termination of loss affected sub-segments (structured trade credit)
	US casualty (non-proportional)	-€25m	Equally split between third-party liability and workers' compensation
Selective growth	Examples		
Strategic growth	UK motor (proportional)	+€83m	Strong price increases in recovering markets
	Short-tail niche business (casualty and fire)	+€59m	Good price momentum
Opportunistic growth	Motor (proportional) in Asia and USA	+€38m	Solvency relief deals

Summary



Summary

Substantial increase of net earnings in challenging environment due to resilient technical result and significantly improved investment result

Solid capitalisation and good operating performance enable increase of dividend to €5.75 per share for 2009

Pleasing price development at the January renewals in reinsurance based on disciplined underwriting and consistent cycle management

Outlook: Munich Re to continue to place high emphasis on reliability and predictability on the basis of low volatility in earnings

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.

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/en/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).
- Previous year figures also adjusted according to IAS 8.