QUARTERLY FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2010

Telephone conference with analysts and investors

9 November 2010

Jörg Schneider

Munich RE

Agenda

Munich RE

Overview – Financial highlights

Sound financial development allowing for increased earnings outlook 2010

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Munich Re (Group)

Pleasing net result of €1,955m in Q1–3 2010 (€761m in Q3 standalone)

Ongoing strong investment result and low claims in Q3

Annualised RoRaC of 14.5%

Shareholders' equity further strengthened to €24.1bn

Share buy-back programme on track: €475m[1] completed since AGM in April 2010

High investment result

Annualised RoI of 5.0% in Q1–3 2010 based on high disposal gains and write-ups as portfolio and duration management continues to prove beneficial

Reinsurance

Good Q3 mitigating significant claims in Q1–2 2010

Benign claims development in p-c in Q3 (combined ratio in Q3 standalone: 93.8%)

Primary insurance

Good operating performance

€301m consolidated ERGO result in Q1–3 2010 confirming positive trend

Munich Health

Resilient operating result

Consolidation process well on track

Position in the US medicare market strengthened by the acquisition of Windsor

[1] As at 31 October 2010.

Overview – Financial highlights

Strong investment result compensates for higher claims

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GROUP Gross premiums written	GROUP Operating result	GROUP Consolidated result
€m	€m	€m
Q1–3 2009: 31,048	Q1–3 2009: 3,321	Q1–3 2009: 1,784
Q1–3 2010: 34,060	**Q1–3 2010: 3,367**	**Q1–3 2010: 1,955**
Substantial organic growth in addition to positive FX effects	Investment result more than offsets impact of higher claims	Outlook net income 2010 increased to ~€2.4bn

REINSURANCE Consolidated result	PRIMARY INSURANCE Consolidated result	MUNICH HEALTH Consolidated result
€m	€m	€m
Q1–3 2009: 1,869	Q1–3 2009: 95	Q1–3 2009: –1
Q1–3 2010: 1,659	**Q1–3 2010: 432**	**Q1–3 2010: 57**
Significant impact of higher claims in property-casualty	All segments achieving increased results	Pleasant result – 2009 burdened by Sterling goodwill impairment

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Munich RE

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Financial reporting Q1–3 2010

Munich Re (Group)

Primary insurance

Munich Health

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Munich Re (Group) – Capitalisation

Substantial increase in shareholders' equity despite €2.1bn capital repatriation in Q1–3 2010

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€m	Q1–3	Change Q3
Equity 31.12.2009	22,278	–
Consolidated result	1,955	761
Changes		
Dividend	–1,072	–
Unrealised gains/losses[1]	1,627	1,066
Exchange rates	405	–1,107
Share buy-backs	–1,010	–277
Other	–47	–56
Equity 30.9.2010	**24,136**	**387**

Unrealised gains/losses
Strong increase mainly due to declining bond yields

Share buy-backs
In October 2010, shares for further €85m were repurchased

Exchange rates
Overall favourable development in Q1–3 mitigated by weaker US$ in Q3

[1] On other securities in Q1–3 2010, thereof. €1,519m increase from afs fixed-interest securities and €110m from afs non-fixed-interest securities.

Munich Re (Group) – Capitalisation

Strong capital base maintained

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Munich Re (Group)

- **Sound capitalisation** according to all capital measures (regulatory, rating and internal model)
- **Substantial increase in book value per share** to €130.8 (equivalent to a CAGR of 7.1% since 2005) on to €151.6 incl. dividends and share buy-backs (equivalent to a CAGR of 9.9% since 2005)
- **Financial solidity as evidenced externally** by low CDS spread (52bps)[1] and low beta (0.67)[1] leading to low cost of capital
- **18.3% debt leverage[2] and 15.0x interest coverage[3]** reflects secure financial strength

[1] As at 31 October 2010.
[2] Strategic debt divided by total capital (= sum of strategic debt + shareholders' equity). All subordinated bonds treated as strategic debt.
[3] Earnings before interest expenses, tax and depreciation divided by finance costs.

Munich Re (Group) – Premium development

Strong FX contribution in addition to organic growth in life reinsurance and Munich Health

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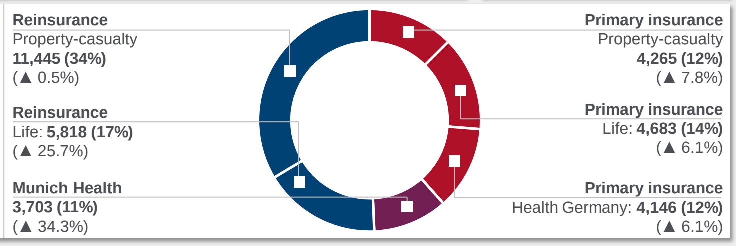
€m	
Gross premiums written Q1–3 2009	31,048
Foreign-exchange effects	1,404
Divestment/ Investment	149
Organic change	1,459
Gross premiums written Q1–3 2010	**34,060**

- Overall positive FX development (mainly US$, Can$ and AU$)
- HSB acquisition: First-time consolidation as from Q2 2009
- Large-volume deals predominately included as from Q2 2009 (life reinsurance and Munich Health)

Breakdown by segment
(consolidated)



Munich Re (Group) – Investments – Total portfolio

Active asset management on the basis of a well-diversified investment portfolio

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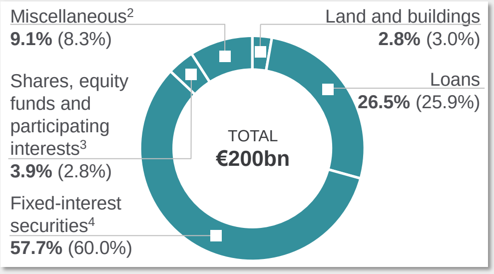
Investment portfolio[1]



Active portfolio management

- Ongoing tactical reallocation of fixed-income portfolio thereby realising disposal gains
  - Slight shift from corporate and bank bonds to government bonds and equities
  - Further improving geographic diversification
- Duration lengthening continues to prove beneficial as yields sharply declined

Portfolio duration[5]

	Assets	Liabilities	Net DV01 (€m)
Reinsurance	6.0	4.1	–10.9
Primary insurance	7.1	7.6	8.0
Munich Re Group	6.6	6.2	–2.9

Interest management

Increasing utilisation of derivative instruments (esp. interest rate futures and receiver swaptions) to efficiently manage interest sensitivity of the portfolio

[1] Fair values as at 30.9.2010 (31.12.2009). [2] Deposits retained on assumed reinsurance, investments for unit-linked life, deposits with banks, investment funds (bond, property) and held for trading derivatives with non-fixed-interest underlying. [3] Net of hedges: 2.6% (2.8%). [4] Categories "available for sale", "held to maturity" and "at fair value". [5] As at 30.9.2010. Net DV01: Sensitivity to parallel upward shift of yield curve by one basis point reflecting portfolio size.

Munich Re (Group) – Investments

Due to IFRS accounting mismatch, P&L effects are difficult to predict in volatile markets

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Economic perspective

- Due to almost matched duration position at Group level (contrarian duration mismatch in reinsurance vs. primary insurance providing "internal hedge"), fair values of assets and liabilities change nearly in parallel
- Primary life/health: Slight increase in economic capital buffer in case of rising interest rates due to longer duration of provisions

View according to IFRS accounting

- Valuation of investments mainly at market values while large proportion of liabilities are valued at undiscounted best estimate
- Valuation mismatch of assets and liabilities leads to volatility of shareholders' equity (falling yields increasing equity)
- Different recognition of derivatives (FX forwards, interest-rate futures, swaptions, etc.) leads to volatility of profit and loss account

Economic approach to managing the investment portfolio

Munich Re making use of derivatives for hedging and duration management purposes: e.g. fixed-income derivatives managing duration, equity-based derivatives hedging equity holdings, swaptions in primary life protecting against adverse impact of low interest rates, FX forwards managing currency risk

Changes in value of derivatives are recognised in P&L while changes in value of underlyings are recognised in equity leading to accounting distortions

Munich Re (Group) – Investments – Fixed-income portfolio

Emphasis on highly rated risks

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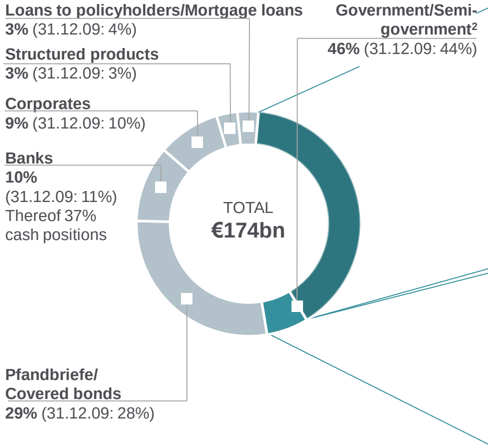
Fixed-income portfolio[1]



Governments per country[2]

In % of total government exposure	Without P/H[4] participation	With P/H[4] participation	Total
Germany	6	25	31
US	15	0	15
Canada	7	0	7
UK	5	1	6
France	5	1	6
Austria	2	2	4
Other	10	6	16
Total[3]	**50%**	**35%**	**85%**
"PIIGS"	Without P/H[4] participation	With P/H[4] participation	Total
Italy	5	2	7
Greece	0	1	1
Spain	1	2	3
Ireland	1	2	3
Portugal	0	1	1
Total[3]	**7%**	**8%**	**15%**

1 Incl. loans, parts of other securities, other investments and cash positions. Fair values.
2 Thereof 10% inflation-linked bonds. 3 Differences between totals possible due to rounding.
4 P/H = policyholder. Economic view – not fully comparable with IFRS figures. As at 30 September 2010.

Munich Re (Group) – Investment result

Substantially increased investment result driven by beneficial strategic investment decisions

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	€m	Q1–3 2010	Return[1]	€m	Q1–3 2009	Return[1]
Regular income	**5,844**		**4.0%**	5,704		4.2%
Write-ups/write-downs of investments	**290**		**0.2%**	–838		–0.6%
Gains/losses on the disposal of investments	**1,409**		**1.0%**	1,069		0.8%
Other income/expenses	**–262**		**–0.2%**	–143		–0.1%
Investment result	**7,281**		**5.0%[2]**	**5,792**		**4.3%[2]**

- Regular income: Slight increase in absolute terms due to higher asset base and cautious investments in higher yielding fixed-interest securities (e.g. longer durations and investment in loans) compensating for lower reinvestment rates
- Write-ups/write-downs: Strong improvement driven by write-ups on swaptions (increase of ~€800m) as a result of declined interest levels; lower write-downs on equities due to recovered capital markets
- Gains on disposal: High contribution from sale of corporate, government and covered bonds at relatively low interest-rate levels and narrowed credit spreads and gains of interest-rate futures

[1] Return on quarterly weighted investments (market values) in % p.a.
[2] Total return on investment Q1–3 2010 (incl. change in on- and off-balance-sheet reserves): 9.2% (7.3%).

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Primary insurance – Highlights

Improved operating result confirms consistently positive trend since Q2 2009

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Gross premiums written

€m	
Q1–3 2009	12,289
Q1–3 2010	**13,132**

Organic growth across all segments and favourable FX contribution

Technical result

€m	
Q1–3 2009	637
Q1–3 2010	**457**

Higher claims in p-c business abroad and increased policyholder participation in life&health

Investment result[1]

€m	
Q1–3 2009	3,266
Q1–3 2010	**4,567**

Significant improvement driven by write-ups on swaptions and higher disposal gains

Operating result

€m	
Q1–3 2009	500
Q1–3 2010	**923**

All segments achieving substantially increased results

[1] Investment result incl. unrealised gains/losses from investments in unit-linked life insurance; thereof unit-linked business: €178m in Q1–3 2010 (€352m in Q1–3 2009).

Primary insurance – Premium development

Growth from all business segments – no premium attrition following introduction of new ERGO brand

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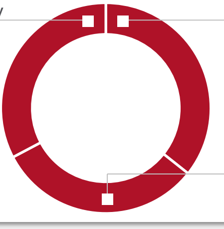
€m	
Gross premiums written Q1–3 2009	12,289
Foreign-exchange effects	113
Divestment/ Investment	–
Organic change	730
Gross premiums written Q1–3 2010	**13,132**

Breakdown by segment
(segmental, not consolidated)



Life statutory premiums:
- IFRS premiums €4,683m (▲ 6.1%)
- Savings component of unit-linked and capitalisation products €1,340m (▲ 8.2%)
- **Total premiums €6,023m (▲ 6.6%)**

Primary insurance – Life

Swing in consolidated result going along with higher investment result

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€m	Q1–3 2010	Q1–3 2009
Gross premiums written	**4,683**	4,412
Income from technical interest	**2,702**	2,180
Net expenses for claims and benefits	**6,485**	5,446
Net operating expenses	**764**	671
Technical result	**–58**	122
Investment result	**3,147**	2,199
Non-technical result	**389**	–32
Operating result	**331**	90
Consolidated result	**202**	–34

- Rise in premiums mainly driven by higher new business with single premiums
- Investment result rises by more than 40% owing to an improvement of the swaptions result by ~€800m and increased disposal gains, allowing for higher policyholder participation resulting in a strongly growing non-technical result, overcompensating the lower technical result:
  - Increased net expenses for claims and benefits: Higher allocation to provision for premium refunds (RfB) …
  - … only partially balanced by rising income from technical interest: IFRS investment result in Q1–3 2009 distorted by financial market crisis leading to an allocation to technical result in excess of investment result …
  - … resulting in an artificially "inflated" technical result in Q1–3 2009: Reduction of technical result in Q1–3 2010 despite lower payments for surrenders, maturity and death
- Increase in net operating expenses driven by foreign business, mainly higher acquisition cost from bank distribution (Poland)
- Previous year impacted by goodwill impairments of €47m (mainly BACAV, Austria)
- Swaption impact on consolidated result amounts to €92m in Q1–3 2010 (Q1–3 2009: –€70m)

Primary insurance – Life – New business

ERGO new business life insurance (statutory premiums)

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Total

€m	Total	Regular premiums	Single premiums	APE[1]
Q1–3 2009	1,804	344	1,460	490
Q1–3 2010	**2,247**	**327**	**1,920**	**519**
Δ	**24.6%**	–4.9%	31.5%	5.9%

Comments

- Trend away from regular premiums and towards single premiums holds true for German and international business
- Germany
  - Strong growth in traditional annuity business
  - Total new business (regular premiums plus single premiums) up by 28.5%
- Strong growth in Poland (especially bancassurance) and Belgium

Germany

€m	Total	Regular premiums	Single premiums	APE[1]
Q1–3 2009	1,171	228	943	322
Q1–3 2010	**1,505**	**216**	**1,289**	**345**
Δ	**28.5%**	–5.3%	36.7%	7.1%

International

€m	Total	Regular premiums	Single premiums	APE[1]
Q1–3 2009	633	116	517	168
Q1–3 2010	**742**	**111**	**631**	**174**
Δ	**17.2%**	–4.3%	22.1%	3.6%

[1] Annual premium equivalent (APE = regular premiums + 10% single premiums).

Primary insurance – Health

Satisfactory financial development

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€m	Q1–3 2010	Q1–3 2009
Gross premiums written	**4,152**	3,912
Income from technical interest	**1,026**	933
Net expenses for claims and benefits	**4,237**	3,904
Net operating expenses	**454**	495
Technical result	**290**	274
Investment result	**931**	805
Non-technical result	**–144**	–152
Operating result	**146**	122
Consolidated result	**90**	33

- Premium increase mainly owing to premium adjustments in Germany
- Higher income from technical interest especially driven by higher policyholder participation on account of higher investment result
- Rise in net expenses for claims and benefits attributable to increased policyholder participation, higher claims payments and increase in provision for future policyholder benefits
- Reduced net operating expenses due to higher reinsurance commissions and lower DAC amortisation
- Investment result increased mainly due to higher regular income and improved result from write-ups/write-downs
- Positive effect from significant tax refunds

Primary insurance – Property-casualty

Rising investment result overcompensates adverse claims development

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€m	Q1–3 2010	Q1–3 2009
Gross premiums written	**4,297**	3,965
Income from technical interest	**130**	112
Net expenses for claims and benefits	**2,318**	2,133
Net operating expenses	**1,164**	1,088
Technical result	**225**	241
Investment result	**489**	262
Non-technical result	**221**	47
Operating result	**446**	288
Consolidated result	**140**	96

- Premium increase in all lines of business driven by strengthening of distribution channels in business abroad as well as positive foreign currency exchange effects (esp. Poland)
- Higher claims expenses mainly driven by foreign business (esp. Poland with strong winter and floods); winter storm Xynthia, floods and tornados as main events in Germany
- Increase in net operating expenses owing to higher acquisition costs from bank distribution
- Improved investment result attributable to increased result from disposals and higher regular income
- Goodwill impairment losses in Q2 2010: ERGO Isvicre Sigorta €109m (prev. year: none)

Primary insurance – Property-casualty – Combined ratio

Satisfactory with view to continued high claims activity especially in international business

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%		Loss ratio	Expense ratio
2008	90.9	58.4	32.5
2009	93.2	60.3	32.9
Q1–3 2008	90.0	57.2	32.8
Q1–3 2009	94.3	61.8	32.5
Q1–3 2010	**95.6**	**63.0**	**32.6**

- ERGO Germany: Continued low combined ratio (88.8%) despite winter storm Xynthia
- ERGO International: Combined ratio (106.3%) affected by floods and harsh winter in Poland; intense competition in Turkey
- Expense ratio: Higher business acquisition costs

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Munich Re (Group)

Primary insurance

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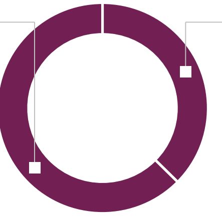
MUNICH HEALTH – Premium development

Large-volume deals as main driver of premium growth – Primary activities with solid development

€m	
Gross premiums written Q1–3 2009	2,905
Foreign-exchange effects	269
Divestment/ Investment	0
Organic change	662
Gross premiums written Q1–3 2010	3,836

Breakdown by segment
(segmental, not consolidated)



MUNICH HEALTH – Health

Strong top-line growth translating into pleasing bottom-line development

€m	Q1–3 2010	Q1–3 2009
Gross premiums written	**3,836**	2,905
Income from technical interest	**67**	64
Net expenses for claims and benefits	**3,002**	2,310
Net operating expenses	**752**	501
Technical result	**57**	41
Investment result	**122**	108
Non-technical result	**57**	48
Operating result	**114**	89
Consolidated result	**57**	–1

- Strong premium growth in the reinsurance segment owing to large-volume capital relief deals in North America and Asia in addition to positive currency impact
- Corresponding influence on all positions of the technical result with positive net effect on technical result
- Higher expense ratio mainly driven by rising reinsurance commissions
- Increased investment result as a consequence of higher regular income mainly from associates; in addition lower write-downs and increased net disposal gains
- Previous year’s consolidated result strained by Sterling goodwill impairment

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Munich RE

Reinsurance – Highlights

Improved result in life reinsurance partly compensates for high losses in property-casualty

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Gross premiums written

€m	
Q1–3 2009	16,531
Q1–3 2010	**17,628**

Large-volume deals and favourable FX contribution balancing selective underwriting

Technical result

€m	
Q1–3 2009	1,256
Q1–3 2010	**1,025**

High claims activity in property-casualty mitigated by higher technical result in life reinsurance

Investment result

€m	
Q1–3 2009	2,812
Q1–3 2010	**2,851**

Higher regular income and increased gains on disposal

Operating result

€m	
Q1–3 2009	2,933
Q1–3 2010	**2,512**

Successful investment management partly mitigating higher major losses in p-c

Reinsurance – Premium development

Favourable FX effect and large-volume deals in life re offset by strict cycle management in property-casualty

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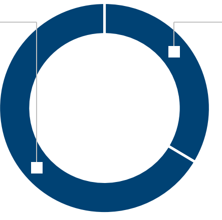
€m	
Gross premiums written Q1–3 2009	16,531
Foreign-exchange effects	1,022
Divestment/ Investment	149
Organic change	–74
Gross premiums written Q1–3 2010	**17,628**

Breakdown by segment
(segmental, not consolidated)

Property-casualty
11,712 (66.4%)
(▲ 0.6%)



Life
5,916 (33.6%)
(▲ 21.1%)

Reinsurance – Life

Strong organic growth driven by large capital relief deals

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€m	Q1–3 2010	Q1–3 2009
Gross premiums written	**5,916**	4,884
Income from technical interest	**421**	483
Net expenses for claims and benefits	**4,219**	3,539
Net operating expenses	**1,591**	1,413
Technical result	**271**	190
Investment result	**702**	791
Non-technical result	**298**	320
Operating result	**569**	510
Consolidated result	**356**	335

- Premium growth owing to large-volume deals (majority of deals included as from Q2 2009) and positive development of foreign-exchange (mainly Can$)
- Corresponding positive effect of large-volume deals on technical and operating result
- Improvement of technical result reflects de-risking of investment portfolio in Q1–3 2009, with corresponding impact on interest-sensitive liability items, and positive new business from capital relief deals; allocation to provision for future risk of long term care business in Q3 2010 (€77m gross)
- Decrease of investment result due to reduced internal interest on deposit accounting and gains on disposal from sale of ERV[1] to ERGO in 2009

[1] Europäische Reiseversicherung.

Reinsurance – Property-casualty

Result strongly impacted by high nat cat and man-made losses

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€m	Q1–3 2010	Q1–3 2009
Gross premiums written	**11,712**	11,647
Income from technical interest	**1,031**	723
Net expenses for claims and benefits	**7,637**	7,179
Net operating expenses	**3,169**	2,994
Technical result	**754**	1,066
Investment result	**2,149**	2,021
Non-technical result	**1,189**	1,357
Operating result	**1,943**	2,423
Consolidated result	**1,303**	1,534

- Strict cycle management and recession-related decrease in original business; countervailing increase from currency and first-time consolidation of HSB
- Increase in income from technical interest owing to higher average risk-free interest-rate based on amendment of calculation method in Q3 2009 now adequately reflecting the term structure of the liabilities
- Technical result burdened by exceptionally high nat cat losses (earthquakes in Chile and New Zealand as main events) in addition to above-average man-made losses (e.g. Deepwater Horizon)
- Increasing net operating expenses on basis of growing share of Munich Re Risk Solutions business with structurally different cost structure, but lower loss ratios
- Higher investment result due to lower write-downs on equities and positive result from disposals in 2010

Reinsurance – Property-casualty – Combined ratio

Good combined ratio of 93.8% in Q3 partly mitigating exceptionally high major losses in Q1–2 2010

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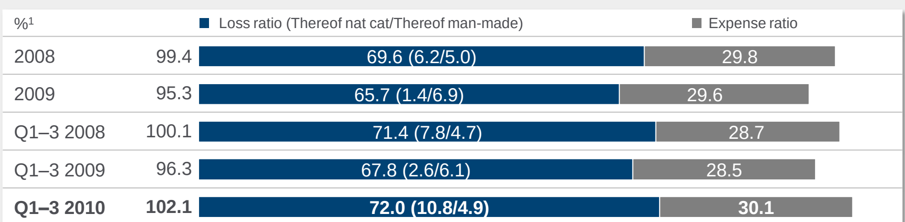

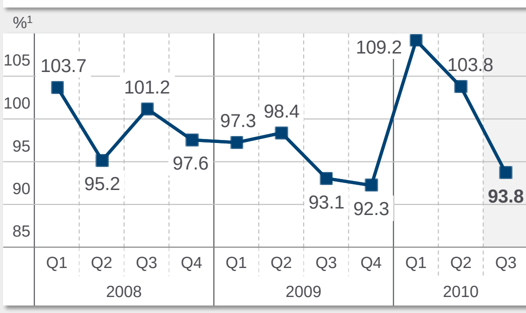

- High major losses (€1,657m vs. 5-year average €1,027m)
- Nat cat losses (€1,134m) clearly exceed 5-year average (€587m)
- Man-made losses in (€523m) also above 5-year average (€440m)
- Expense ratio: Growing share of Munich Re Risk Solutions business with structurally different expense ratio (but lower loss ratios)

[1] Incl. credit, overhead costs and run-off result.

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Munich RE

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- Munich Re (Group)
- Primary insurance
- Munich Health
- Reinsurance

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Outlook

Munich Re to continue to place high emphasis on sustainable earnings in a low-yield environment

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Outlook 2010

CAPITAL REPATRIATION
Continuation of share buy-back programme of up to **€1bn** until AGM 2011[1]

GROSS PREMIUMS WRITTEN
€44–46bn[2]

RETURN ON INVESTMENT
~4.5% (prev. slightly >4%)

NET INCOME
~€2.4bn[3] (prev. >€2.0bn)

COMBINED RATIO – REINSURANCE P-C
97% over-the-cycle – in 2010 slightly below 100% expected[4]

COMBINED RATIO – PRIMARY INSURANCE P-C
~95%

First indication 2011

RORAC
15% a real challenge given sustainably very low interest rates, while economically balanced business and investment portfolio stabilises profitability and reduces cost of capital

RETURN ON INVESTMENT
Assuming insignificant non-recurring gains/losses and a continuation of the low interest-rate environment, RoI expected to drop below 4%

PROFIT
Expectation for net result to stand –
Net result 2011 now presumably slightly below the increased outlook for 2010[5] while higher technical result expected

1 Full execution remains subject to developments in the capital markets and the general economic environment. Until 31 October Munich Re repurchased own shares amounting to €475m.
2 Thereof €23–24bn in reinsurance, €17–18bn in primary insurance and approx. €5bn in Munich Health (all on basis of segmental figures).
3 Assuming stable capital markets and FX developments as well as normal claims activity in Q4.
4 Presuming normal claims activity in Q4.
5 Assuming normal claims activity and generally stable prices in reinsurance.

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Backup: Additional information

Strong growth of book value accompanied by consistent capital repatriation

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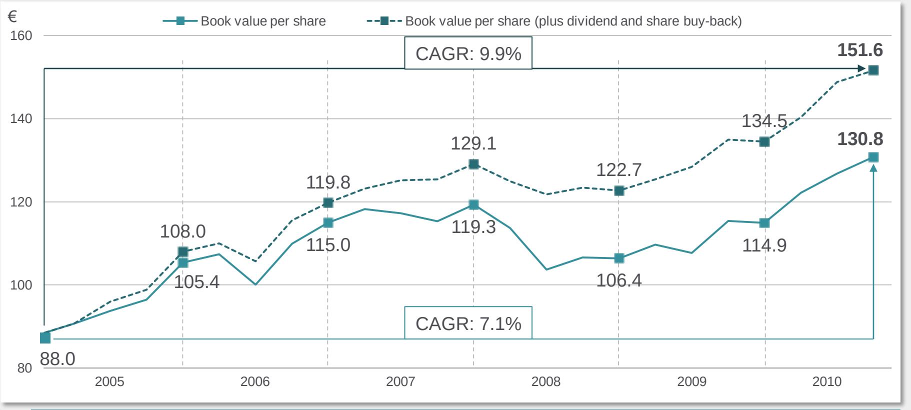
Book value per share[1]: 2005 – Q1–3 2010



7.1% CAGR since 1.1.2005 clearly above annual performance of insurance index[2]

1 Shareholders' equity excl. minority interests divided by shares in circulation.
2 Total return EURO STOXX Insurance: –5.4% p.a.

Backup: Additional information

Continuously strong operating performance – reduction only by major losses

Munich RE

As reported (€m)	Q1–3 2010	Q1–3 2009	As-if calculation (€m)	Q1–3 2010	Q1–3 2009
Regular income on investments	**5,844**	5,704	Adjusted regular income on investm.[1]	**5,343**	5,150
Write-ups/write-downs and gains/losses on the disposal of investments	**1,699**	236	Policyholder participation in primary insurance life and health from write-ups/write-downs on investments[2] and gains/losses on disposals	**851**	–93
Other investment income/expenses	**–262**	–137	Shareholder participation in write-ups/write-downs and gains/losses on disposal of investments[3]	**1,087**	735
Investment result	**7,281**	5,792	**Investment result**	**7,281**	5,792
Deduction of income from technical interest	**–5,311**	–4,342	Deduction of income from technical interest	**–5,311**	–4,342
			Shareholder participation in write-ups/write-downs and gains/losses on disposal of investments[3]	**–1,087**	–735
Other operating result	**–65**	1	Other operating result	**–65**	1
Non-technical result	**1,905**	1,451	**Adjusted non-technical result**	**818**	716
Technical result	**1,462**	1,870	**Technical result**	**1,462**	1,870
Operating result	**3,367**	3,321	**Adjusted operating result**	**2,280**	2,586

1 Regular income on investments less planned amortisation of investment property plus other income/expenses on investments (excl. unrealised gains/losses on unit-linked life insurance).
2 Incl. unrealised gains/losses from unit-linked life insurance.
3 In life and health primary insurance only shareholders' share of 10%.

Backup: Additional information

Over €10bn capital repatriation since 1 January 2005

Munich RE

€m	2005	2006	2007	2008	2009	2010ytd[1]	Total
Share buy-back		250	2,303	1,387	406	1,125	**5,471**
Dividend	707	988	1,124	1,073	1,072		**4,964**
Total amounts	**707**	**1,238**	**3,427**	**2,460**	**1,478**	**1,125**	**10,435**

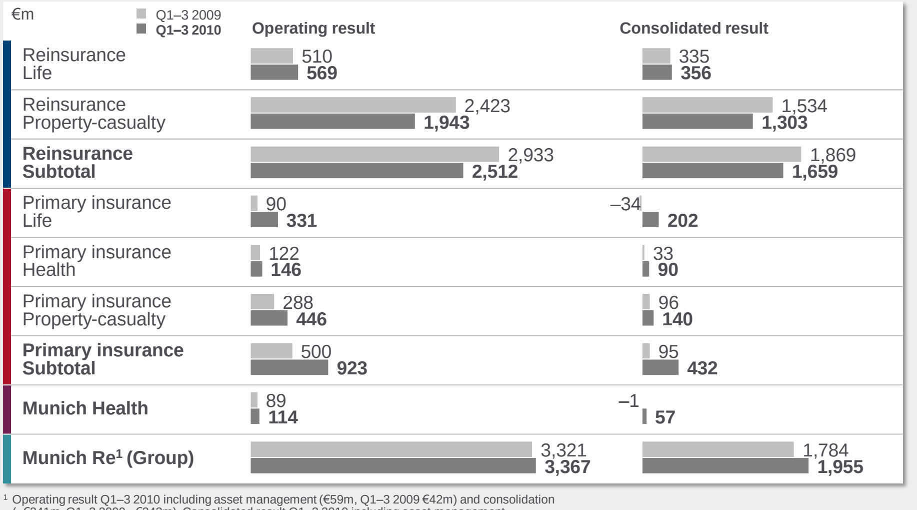
High dividend yields and share buy-backs resulting in a cash yield of around 10%[2] – Share buy-back programme up to the 2011 AGM well underway

1 As at 31 October 2010.
2 Assuming shareholders participated equally in €1bn share buy-back; based on 2009 closing share price as at 31.12.2009 (€108.67).

Backup: Additional information

Strongly increased contribution of primary insurance to Group earnings

Munich RE



1 Operating result Q1–3 2010 including asset management (€59m, Q1–3 2009 €42m) and consolidation (–€241m, Q1–3 2009 –€243m). Consolidated result Q1–3 2010 including asset management (€31m, Q1–3 2009 €25m) and consolidation (–€224m, Q1–3 2009 –€204m). The consolidation figure in Q1–3 2009 includes the elimination of the intercompany sale of Europäische Reiseversicherung from Munich Reinsurance Company to ERGO AG amounting to €139m.

Backup: Additional information

Major losses: Above-average man-made claims in addition to exceptionally high nat cat losses

Munich RE

Reinsurance segment: Major losses[1] over €10m each

€m

	Total	Man-made	Natural catastrophes
Q1–3 2006[2]	516	444	72
Q1–3 2007[3]	829	132	697
Q1–3 2008[3]	1,220	460	760
Q1–3 2009[3]	910	640	270
Q1–3 2010[3]	**1,657**	**523**	**1,134**
5-year average	1,027	440	587

[1] Incl. claims in life.
[2] Major losses over €5m each; Q1–3 2006 incl. run-off profits.
[3] Incl. run-off profits.

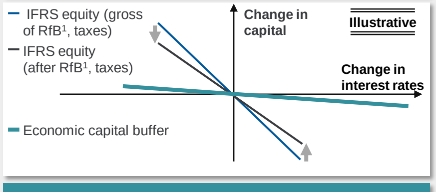
Backup: Additional information

Due to IFRS accounting mismatch, P&L effects are difficult to predict in volatile markets

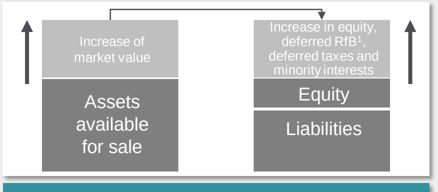
Munich RE

- Economic approach to managing the investment portfolio: Munich Re making use of derivatives for hedging and duration management purposes: e.g. fixed-income derivatives managing duration, equity-based derivatives hedging equity holdings, swaptions in primary life protecting against adverse impact of low interest rates, FX forwards managing currency
- Accounting according to IAS 39 often leads to distortions: fluctuations in value of derivatives are recognised in P&L whereas value changes of underlying investments are recognised in equity => Fair value hedging removes accounting mismatch to a large extent as fluctuations in value of derivatives are mirrored by underlying investments with net neutral P&L effect

Market developments with different impact on IFRS accounting and economic view



IFRS accounting mismatch in case of decreasing yields



Economic perspective

- Due to almost matched duration position on Group level (contrarian duration mismatch in reinsurance vs. primary insurance providing "internal hedge") fair values of assets and liabilities change nearly in parallel
- Primary life/health: Slight increase of economic capital buffer in case of rising interest rates due to longer duration of provisions

View according to IFRS accounting

- Valuation of investments mainly at market values while large proportion of liabilities is valued at undiscounted best estimate
- Valuation mismatch of assets and liabilities leads to volatility of shareholders' equity (falling yields increasing equity)
- Different recognition of derivatives (FX forwards, interest rate futures, swaptions etc.) leads to volatility of P&L account

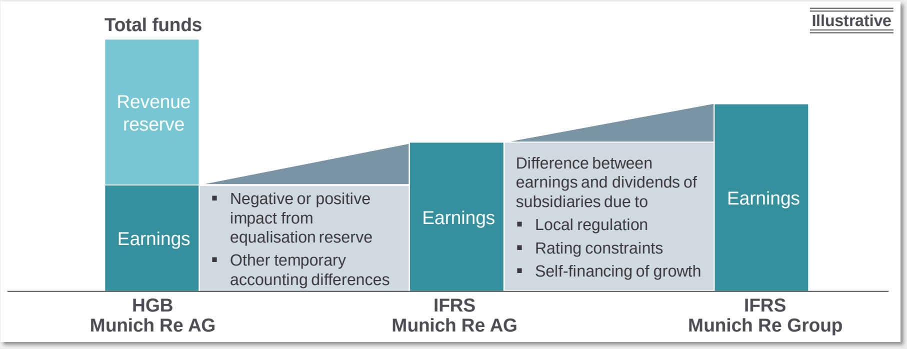
[1] RfB: Reserve for premium refunds (Rückstellungen für Beitragsrückerstattungen).

Backup: Additional information

Framework for capital management

Munich RE

Local GAAP (HGB) funds of Munich Re AG providing financial framework for payout policy



- Active capital management to remain a cornerstone of Munich Re's strategy while maintaining a sensible balance between payout and capital strength to take advantage of options for profitable growth
- While short-term local GAAP constraints have to be considered, future capital repatriation will primarily be governed by the financial flexibility according to the internal model (Solvency II) and rating

Backup: Additional information

Basics of the equalisation reserve under German local GAAP (HGB)

Munich RE

Driving factors of the equalisation reserve

Net premium growth	Claims volatility	Legally stipulated maximum amount

Mode of action (for each line of business)

1. **Minimum allocation**
   Annual allocation of 3.5% of legally stipulated maximum amount (as long as legally stipulated maximum amount has not been reached)
2. **Actual claims vs. average**
   Comparison of current loss ratio (LR) with average LR for the past years[1] (Ø LR):
   a) If claims are <u>below</u> the average ratio ("good claims year"), an allocation is made to the equalisation reserve in the amount of the difference between Ø LR and (lower) current LR
   → Allocation only up to the legally stipulated maximum amount at most (allocation limit)
   b) If claims are <u>above</u> the average ratio ("bad claims year"), a withdrawal is made from the equalisation reserve in the amount of the difference between current LR and (lower) Ø LR
3. **Allocation limit**
   The allocation limit is based on the calculation for individual lines of business (mainly fire, general liability, aviation, accident, credit) which are summed up to the total limit of the equalisation reserve. The higher the premium growth and the higher the claims volatility, the higher the total allocation limit. Partial reversal (of the excess amount) if the equalisation reserve exceeds the legally stipulated amount after consideration of steps 1. and 2.

[1] 15 or 30 years depending on lines of business.

Agenda – Backup

Munich RE

Additional information

Investments and investment result

Shareholder information

Backup: Investments and investment result – Total investment portfolio

Maintenance of low to moderate investment risk profile

Munich RE

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	177	3.1	19.4	54.0	13.7	9.8
31.12.2008	177	3.0	23.2	61.7	3.5	8.6
31.12.2009	185	3.0	25.9	60.0	2.8	8.3
31.3.2010	192	2.9	25.9	58.1	3.9	9.2
30.6.2010	197	2.9	26.1	58.2	3.8	9.0
30.9.2010	**200**	**2.8**	**26.5**	**57.7**	**3.9**[3]	**9.1**

	€bn	Land and buildings	Loans	Fixed-interest securities[1]	Shares, equity funds and participating interests	Miscellaneous[2]
30.9.2010 (€bn)	**200**	**5.6**	**53.1**	**115.5**	**7.8**[3]	**18.2**

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) and held for trading derivatives with non-fixed interest underlying.
3 After taking equity derivatives into account: 2.6%.

Backup: Investments and investment result – Fixed-income portfolio

Continued emphasis on highly rated credit risks

Munich RE

Rating classification of fixed-income portfolio[1]

%	AAA	AA	A	BBB	BB	B and worse	NR	Total
Government/ Semi-government	59	31	7	1	2	–	–	**100**
Pfandbriefe/Covered bonds	85	14	0	0	–	–	1	**100**
Banks	8	17	35	4	0	1	35[2]	**100**
Corporates	2	11	39	44	3	0	1	**100**
Structured products	81	10	6	2	0	0	1	**100**
Loans to policyholders/ Mortgage loans	–	–	–	–	–	–	100	**100**
Total	**55**	**21**	**10**	**5**	**1**	**0**	**8**	100

[1] Economic view – not fully comparable with IFRS figures.
[2] Including cash positions and shares in funds which are not rated. As at 30 September 2010.

Backup: Investments and investment result – Fixed-income portfolio

Approx. 65% invested in eurozone, absorbable exposure to "PIIGS" countries

Munich RE

Geographic classification of fixed-income portfolio[1]

%	Germany	France	UK	"PIIGS"	CEE	Rest of Europe	USA	Canada	Rest of world	Total
Government/ Semi-government	31	6	6	15	3	11	15	7	6	**100**
Pfandbriefe/ Covered bonds	44	16	6	12	0	22	0	0	0	**100**
Banks	40	8	7	3	1	13	15	2	11	**100**
Corporates	3	7	7	6	0	16	50	5	6	**100**
Structured products	3	1	9	14	–	9	62	1	1	**100**
Loans to policyholders/ Mortgage loans	99	–	–	–	–	–	–	–	1	**100**
Total	**35**	**9**	**6**	**11**	**2**	**14**	**14**	**4**	**5**	**100**

[1] Economic view – not fully comparable with IFRS figures.
As at 30 September 2010.

Backup: Investments and investment result – Fixed-income portfolio

Maturity structure

Munich RE

Maturity structure of fixed-income portfolio[1]

%	Remaining time to maturity							
	0–1 year	1–3 years	3–5 years	5–7 years	7–10 years	>10 years	n.a.	**Total**
Government/ Semi-government	8	13	16	14	17	32	0	**100**
Pfandbriefe/Covered bonds	3	11	12	16	16	42	0	**100**
Banks	16	8	9	13	16	6	32	**100**
Corporates	7	24	24	13	20	12	0	**100**
Structured products	20	58	15	5	1	1	0	**100**
Loans to policyholders/ Mortgage loans	2	5	9	8	22	53	1	**100**
Total	**8**	**14**	**14**	**14**	**17**	**30**	**3**	**100**

1 Economic view – not fully comparable with IFRS figures.
As at 30 September 2010.

Backup: Investments and investment result – Fixed-income portfolio

Banks: Decrease of subordinated and loss-bearing exposure by ~€0.2bn in Q3 2010

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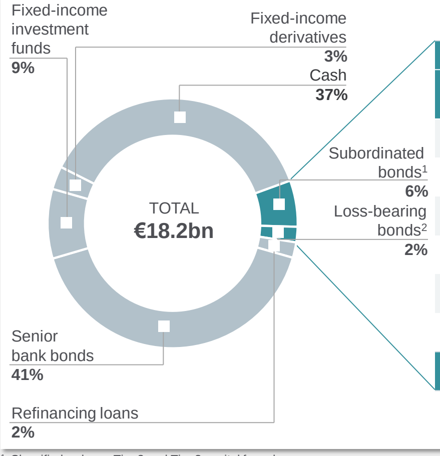
IR/

BANKS
Split by investment category



BANKS
Subordinated and loss-bearing exposure by country

Country	Market values €m (as at 30.9.2010)		
	Total	Subordinated bonds	Loss-bearing bonds
Germany	**715**	439	276
USA	**414**	355	59
Italy	**49**	49	–
UK	**50**	40	10
Austria	**79**	52	27
Other	**129**	69	60
Total market values	**1,436**	**1,004**	**432**

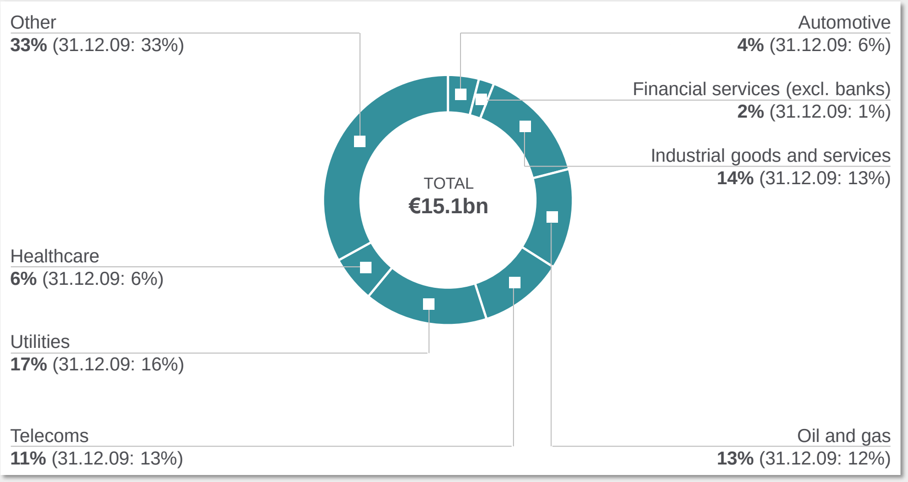
1 Classified as lower Tier 2 and Tier 3 capital for solvency purposes.
2 Classified as Tier 1 and upper Tier 2 capital for solvency purposes.
Economic view – not fully comparable with IFRS figures.

Backup: Investments and investment result – Fixed-income portfolio

Corporates: Broadly diversified investment-grade portfolio

Munich RE

Corporate bonds: Sectoral split[1]



[1] Economic view – not fully comparable with IFRS figures.
As at 30 September 2010.

Backup: Investments and investment result – Fixed-income portfolio

Structured products: Substantial portion of exposure to agencies

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Structured products portfolio (at market values): Split by rating and region

€m		AAA	AA	A	BBB	<BBB	NR	USA + RoW	Europe	Total	Market-to-par value
ABS	Consumer-related ABS[1]	755	80	91	3	–	13	597	345	**942**	**101%**
	Corporate-related ABS[2]	173	116	40	10	4	3	3	343	**346**	**95%**
	Subprime HEL	21	–	23	–	4	–	48	–	**48**	**95%**
CDO/ CLN	Subprime-related	–	–	–	–	0	0	0	0	**0**	**0%**
	Non-subprime-related	71	9	30	2	0	58	0	170	**170**	**81%**
MBS	Agency	2,130	84	–	–	–	–	2,214	–	**2,214**	**99%**
	Non-agency prime	600	61	51	46	0	-	60	698	**758**	**97%**
	Non-agency other (not subprime)	196	77	28	–	4	–	149	156	**305**	**94%**
	Commercial MBS	622	132	51	20	3	–	530	298	**828**	**99%**
	Total 30.9.2010	**4,568**	**559**	**314**	**81**	**15**	**74**	**3,601**	**2,010**	**5,611**	**97%**
	In %	**81%**	**10%**	**6%**	**2%**	**0%**	**1%**	**64%**	**36%**	**100%**	
	Total 31.12.2009	4,592	315	235	20	15	85	3,993	1,269	5,262	95%

[1] Consumer loans, auto, credit cards, student loans.
[2] Asset-backed CPs, business and corporate loans, commercial equipment.

Sensitivities to interest rates, spreads and equity markets

Munich RE

Sensitivity to risk-free interest rates – Basis points	–200	–100	+100	+200
Change in gross market value (€bn)	+27.1	+12.7	–10.9	–20.2
Change in on-balance-sheet reseres, net (€bn)[1]	+5.7	+2.7	–2.5	–4.6
Change in off-balance-sheet reserves, net (€bn)[1]	+1.3	+0.6	–0.5	–0.9
P&L impact (€bn)[1]	+1.0	+0.5	–0.4	–0.7

Sensitivity to spreads[2] (change of bps)	+100	+200
Change in gross market value (€bn)	–7.9	–14.5
Change in on-balance-sheet reseres, net (€bn)[1]	–1.3	–2.5
Change in off-balance-sheet reserves, net (€bn)[1]	–0.4	–0.7
P&L impact (€bn)[1]	–0.4	–0.7

Sensitivity to equity markets[3]	–30%	–10%	+10%	+30%
EURO STOXX 50 (2,748 as at 30.9.2010)	**1,924**	**2,473**	**3,023**	**3,572**
Change in gross market value (€bn)	–1.8	–0.6	+0.6	+1.9
Change in on-balance-sheet reseres, net (€bn)[1]	–0.6	–0.2	+0.6	+1.7
Change in off-balance-sheet reserves, net (€bn)[1]	–0.2	–0.1	+0.1	+0.2
P&L impact (€bn)[1]	–0.7	–0.2	–0.1	–0.3

1 Rough calculation with limited reliability assuming unchanged portfolio as at 30.9.2010. After rough estimation of policyholder participation and deferred tax; linearity of relations cannot be assumed. Economic view – not fully comparable with IFRS figures.
2 Sensitivities to changes of spreads are calculated for every category of fixed-interest securities, except governments with ratings AAA.
3 Worst-case scenario assumed: impairment as soon as market value is below acquisition cost.

Unrealised gains/losses on securities (afs) and off-balance-sheet reserves

Munich RE

On-balance-sheet reserves on afs securities

€m	
Gross unrealised gains and losses	7,617
Provision for deferred premium refunds	–2,178
Deferred taxes	–1,328
Minority interests	–15
Effects from consolidation and currency	45
Shareholders' stake 30.9.2010	**4,141**

Off-balance-sheet reserves[1]

€m	
Off-balance-sheet reserves 30.9.2010	**6,163**
Provision for deferred premium refunds	–4,043
Deferred taxes	–631
Minority interests	0
Shareholders' stake 30.9.2010	**1,489**

1 Excluding reserves on owner-occupied properties.

Backup: Investments and investment result – Investment result – On- and off-balance-sheet reserves

On- and off-balance-sheet reserves by asset class

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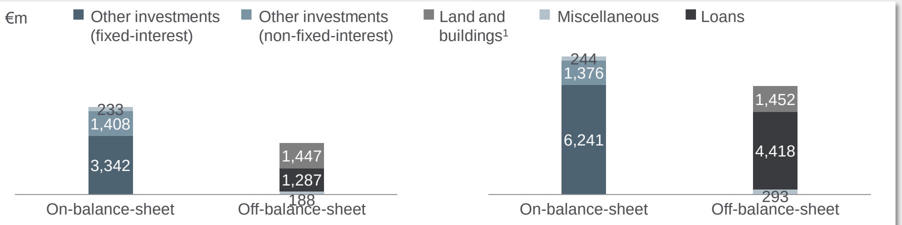
31.12.2009 | 30.9.2010



Total €7,905m | **Total €14,024m**

Unrealised gains and losses – gross	**7,905[2]**
./. Provision for deferred premium refunds	3,172
./. Deferred taxes	1,035
./. Effects from consolidation and currency	–22
./. Minority interests	14
Unrealised gains and losses – net	**3,706**

Unrealised gains and losses – gross	**14,024[3]**
./. Provision for deferred premium refunds	6,265
./. Deferred taxes	1,960
./. Effects from consolidation and currency	–43
./. Minority interests	16
Unrealised gains and losses – net	**5,826**

[1] Without reserves for owner-occupied properties.
[2] Incl. unrealised gains/losses from valuation at equity, unconsolidated affiliated enterprises and cash flow hedging of €233m and off-balance-sheet reserves of €186m for affiliated companies.
[3] Incl. unrealised gains/losses from valuation at equity, unconsolidated affiliated enterprises and cash flow hedging of €244m and off-balance-sheet reserves of €292m for affiliated companies.

Backup: Investments and investment result – Investment result – Regular income

Increased asset base and shift into loans as main driver for increasing regular income

Munich RE

Investment result – Regular income (€m)	**Q1–3 2010**	Q1–3 2009	Change
Afs fixed-interest	**3,263**	3,322	–59
Afs non-fixed-interest	**205**	242	–37
Derivatives	**182**	130	52
Loans	**1,587**	1,449	138
Real estate	**250**	261	–11
Deposits retained on assumed reinsurance and other investments	**275**	272	3
Other	**82**	28	54
Total regular income	**5,844**	5,704	140

Main effects in Q1–3 2010

- Slight increase in absolute terms due to higher asset base and investments in higher yielding fixed-interest securities (e.g. longer durations and investment in loans) compensating for by lower reinvestment rates
- Higher income from derivatives mainly resulting from GMxB business
- "Other" mainly affected by higher income from affiliated and associated companies

High write-ups on interest derivatives and significantly lower write-downs on equities

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Investment result – write-ups/write-downs (€m)	**Q1–3 2010**	Q1–3 2009	Change
Afs fixed-interest	**4**	–110	114
Afs non-fixed-interest	**–148**	–243	95
Derivatives	**480**	–352	832
Loans	**14**	0	14
Real estate	**–85**	–90	5
Other	**25**	–43	68
Total net write-ups/write-downs	**290**	–838	1,128

Main effects in Q1–3 2010

- Q1–3 2009 impacted by write-downs on afs fixed-interest securities (structured products and bank subordinated/loss-bearing bonds)
- Lower impairments on afs non-fixed-interest securities compared with previous year when stock markets were at their lowest points in March 2009
- Strongly improved result from derivatives driven by decreased interest rates: Mainly write-ups on swaptions (€440m vs. write-downs –€344m in Q1–3 2009), but also interest-rate futures to lengthen duration

Gains on fixed-interest securities and equities overcompensate impact from derivatives

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Investment result – Net result from disposal of investments (€m)	**Q1–3 2010**	Q1–3 2009	Change
Afs fixed-interest	**912**	562	350
Afs non-fixed-interest	**384**	529	–145
Derivatives	**–46**	–93	47
Loans	**35**	29	6
Real estate	**89**	29	60
Other	**35**	13	22
Total net realised gains	**1,409**	1,069	340

Main effects in Q1–3 2010

- Afs fixed-interest: Realisation of substantial gains on disposal of corporate and government bonds at relatively low interest-rate levels and narrowed credit spreads, thereby benefiting from last year's cautious shift from government bonds and structured products into corporate bonds
- Afs non-fixed-interest: Lower disposal gains from equities as Q3 2009 profited from high realisations
- Derivatives: High gains on interest rate futures due to low interest rates, while taking up losses on other hedging instruments

Backup: Investments and investment result – Investment result

Return on investment by asset class

Munich RE

%[1]	Regular income	Write-ups/ write-downs	Gains/ losses on disposal	Other income/ expenses	**Total RoI**	**Average market value in €m**
Afs fixed-interest	3.9	0.0	1.1	0.0	5.0	111,956
Afs non-fixed-interest	3.5	-2.5	6.5	0.0	7.5	7,850
Derivatives	22.2	58.5	-5.6	0.0	75.1	1,094
Loans	4.2	0.0	0.1	0.0	4.3	50,567
Real estate	5.9	-2.0	2.1	0.0	6.0	5,603
Other[2]	2.9	0.2	0.3	-2.1	1.2	16,582
Total	**4.0**	**0.2**	**1.0**	**-0.2**	**5.0**	**193,652[3]**
Reinsurance	3.9	-0.3	1.9	-0.4	5.1	72,203
Primary insurance	4.1	0.5	0.4	0.0	5.0	118,242
Munich Health	3.8	0.3	0.8	-0.1	4.7	2,549

Main effects in Q1–3 2010

- Reinsurance: High RoI driven by gains on disposals of fixed-interest securities and fixed-interest derivatives (interest-rates futures); in addition, sale of Helvetia shares leading to net gain of approx. €90m
- Primary insurance: As compared to reinsurance, higher running yield (longer duration) and higher write-ups (swaptions), but lower disposal gains
- Expectation for the remainder of 2010/2011: Gradual decrease of the running yield due to lower reinvestment rates and declining level of disposal gains as well as write-ups

[1] Annualised. [2] Incl. management expenses. [3] Reinsurance, primary insurance and Munich Health do not add up to total amount; difference relates to the segment "asset management".

Agenda – Backup

Munich RE

Additional information

Investments and investment result

Shareholder information

Backup: Shareholder information

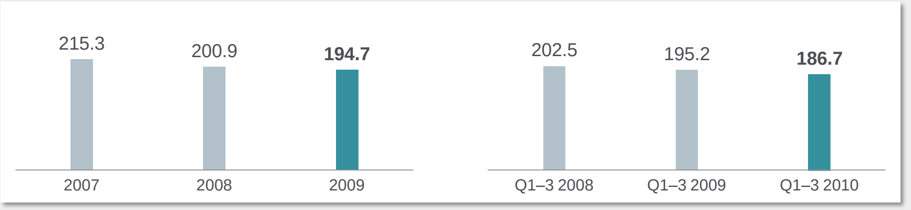
8.9 million own shares were retired in April 2010

Munich RE

Development of shares in circulation

Shares million	31.12.2009	Acquisition of own shares in Q1–3 2010	Retirement of own shares in Q1–3 2010	30.9.2010
Shares in circulation	191.9	–9.2	0	182.7
Own shares held	5.5	9.2	–8.9	5.8
Total	**197.4**	**0**	**–8.9**	**188.5**

Weighted average number of shares in circulation



In October 2010, additional ~0.8 million shares were repurchased for an amount of €85m

Backup: Shareholder information

Financial calendar

Munich RE

Financial Calendar

11 January 2011	Commerzbank "German Investment Seminar", New York
3 February 2011	Reporting on the renewal of reinsurance treaties; key figures 2010
10 March 2011	Balance sheet press conference for 2010 financial statements
11 March 2011	Analysts’ conference, London
20 April 2011	Annual General Meeting, Munich
21 April 2011	Dividend payment

Backup: Shareholder information

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Munich RE

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Backup: Shareholder information

Disclaimer

Munich RE

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/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.