



GOOD START TO THE YEAR 2012

QUARTERLY FINANCIAL STATEMENTS AS AT 31 MARCH 2012

8 May 2012

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Torsten Jeworrek

Munich RE 

Agenda

Financial reporting Q1 2012

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Munich Re (Group) – Overview

After strong Q1 well on track to meet 2012 financial targets

Munich Re (Group)

NET PROFIT €782m Good operating performance across all segments – driven by sound underwriting and high investment result	SHAREHOLDERS' EQUITY €24.4bn (+4.8% vs. Q4) Strong capitalisation according to all metrics allows us to seize profitable growth opportunities	INVESTMENT RESULT Annualised RoI of 4.3% RoI above full-year average expectation – prudent asset management remains key in volatile capital market environment
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Reinsurance

COMBINED RATIO 94.6% Property-casualty – Major-loss ratio of only 6.3% and pleasing April renewals Life – Strong technical result of more than €150m

Primary insurance

COMBINED RATIO 95.3% Improving international business All segments with significant earnings contribution
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Munich Health

COMBINED RATIO 99.5% Ongoing organic premium growth – stable operating result while net result distorted by negative currency effects

Munich Re (Group) – Special topic

Change in Group segment reporting – Disclosure without consolidation column as from Q1 2012

Munich RE

Main changes

- Segments are presented after elimination of intercompany transactions in the case of
 - Dividend payments
 - Intersegment sales (e.g. real estate)
 - Reinsurance transactions
 - Deposits retained on assumed reinsurance and corresponding interest income
- Allocation of income/expenses to the respective segment of origin for the following:
 - Income/expenses from provision of services at the recipient
 - Arranging of insurance contracts at the partner company
 - Income/expenses from intra-Group loans
 - Income taxes at company realising profit

Advantages

- Consistency with the management approach according to IFRS 8
- Enhanced transparency – Contribution of each segment to the consolidated result visible
- Greater lucidity – Removal of the consolidation column, so segment results add up to the consolidated result
- Consistency between segment reporting and disclosures in the notes to the financial statements
- No more "inflation" of the segments by intra-Group transactions – avoidance of double counting

Increased consistency and transparency of the consolidated financial statements

Quarterly financial statements as at 31 March 2012

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Munich Re (Group) – Key figures

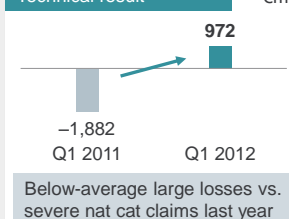
Low nat cat claims and calmer capital markets supporting good results

Munich RE

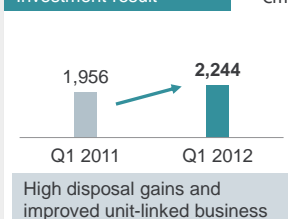
Net result

									€m
709	761	475		738	290	632	782	Q1 2012	Q1 2011
			-948					Total¹	782
								Reinsurance	634
								Primary insurance	145
								Munich Health	5
Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1		
2010				2011			2012		

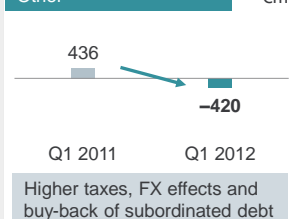
Technical result



Investment result



Other²



¹ Segments do not add up to total amount; difference relates to the segment "asset management".

² Other non-operating result, goodwill impairments, net finance costs, taxes.

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Munich Re (Group) – Capitalisation

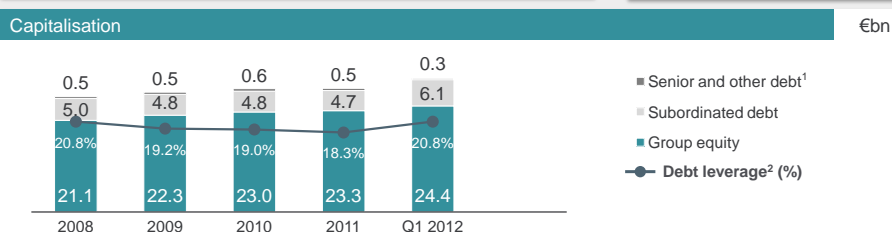
Sound capital position



Equity		€m
Equity 31.12.2011	23,309	
Consolidated result	782	
Changes		
Dividend	–	
Unrealised gains/losses	551	
Exchange rates	–235	
Share buy-backs	3	
Other	16	
Equity 31.3.2012	24,426	

UNREALISED GAINS/LOSSES
 Afs fixed-interest securities: +€121m
 Afs non-fixed-interest securities: +€425m

EXCHANGE RATES
 Negative FX development mainly driven by weaker US\$



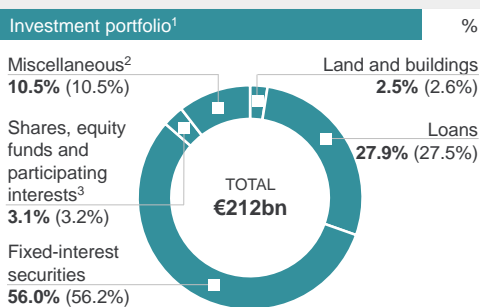
¹ Other debt includes bank borrowings of Munich Re and other strategic debt. ² Strategic debt (senior, subordinated and other debt) divided by total capital (= sum of strategic debt + shareholders' equity).

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Munich Re (Group) – Investment portfolio

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



Portfolio management

Shift into US governments and bonds of supnationals⁵ as well as covered bonds

Ongoing geographic diversification of covered bond portfolio

Stronger focus on emerging market debt

Increase of inflation-linked exposure

Portfolio duration⁴

	Assets	Liabilities	Net DV01 (€m)
Reinsurance	7.1	6.4	–18.4
Primary insurance	7.3	8.8	18.3
Munich Re (Group)	7.2	8.1	–0.1

Increase of asset duration in re-insurance further raising the match at Group level

¹ Fair values as at 31.3.2012 (31.12.2011). ² Deposits retained on assumed reinsurance, unit-linked investments, deposits with banks, investment funds (excl. equities), derivatives and investments in renewable energies. ³ Net of hedges: 2.1% (2.0%). ⁴ As at 31.3.2012. Net DV01: Sensitivity to parallel upward shift of yield curve by one basis point reflecting portfolio size. ⁵ European Community, European Investment Bank, EFSF and other.

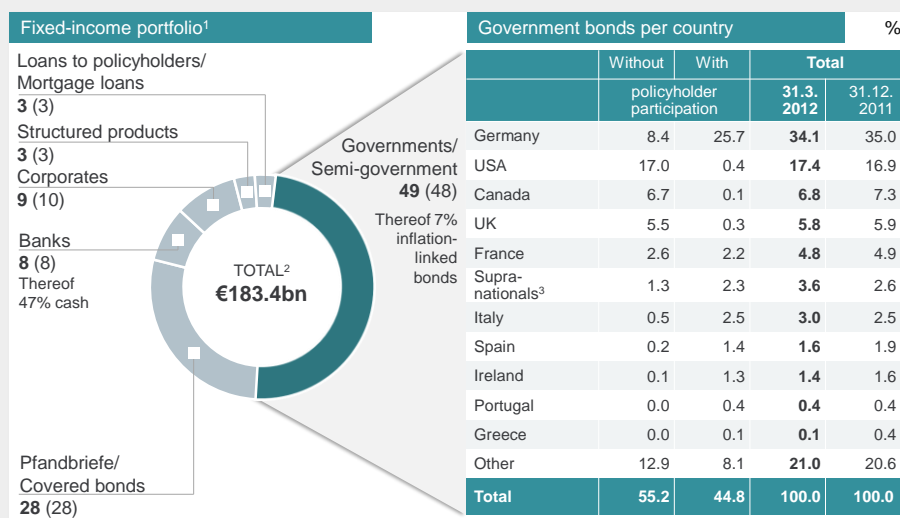
Quarterly financial statements as at 31 March 2012

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

Emphasis on highly rated securities

Munich RE



¹ Economic view – not fully comparable with IFRS figures. Incl. loans, parts of other securities, other investments and cash items. Fair values as at 31.3.2012 (31.12.2011).
² Additional inflation-linked exposure in swaps 3% and bank and corporate exposure in credit default swaps 2% of fixed-income portfolio. ³ European Community, European Investment Bank, EFSF and other.

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Munich Re (Group) – Investment result

High investment result, given low-yield environment

Munich RE

Investment result					€m
	Q1 2012	Return ¹	Q1 2011	Return ¹	
Regular income	1,889	3.6%	1,903	3.9%	
Write-ups/write-downs	-179	-0.3%	-137	-0.3%	
Disposal gains/losses	372	0.7%	400	0.8%	
Other income/expenses	162	0.3% ²	-210	-0.4%	
Investment result	2,244	4.3%	1,956	4.0%	

Regular income	Write-ups/write-downs	€m	Disposal gains/losses	€m
<ul style="list-style-type: none">▪ Decreased running yield due to reinvestment at lower yield and increased market values▪ Average reinvestment yield ~2.9%	Major effects	Q1 2012	Major effects	Q1 2012
	Equities	-28	Equities	151
	Swaptions	-17	Fixed-income	310
	Derivatives (ex. swaptions)	-98	Derivatives	-131

¹ Return on quarterly weighted investments (market values) in % p.a.
² Positive impact from unit-linked business (€292m) included.

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Financial reporting Q1 2012

Munich Re (Group)

Primary insurance

Munich Health

Reinsurance

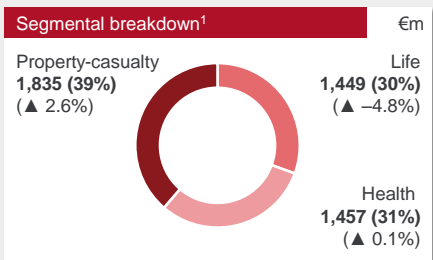
Outlook

Backup

Primary insurance – Premium development
Overall stable premium income



Gross premiums written		€m
Q1 2011	4,766	<div><div></div></div>
Foreign-exchange effects	-24	<div><div></div></div>
Divestment/Investment	-45	<div><div></div></div>
Organic change	44	<div><div></div></div>
Q1 2012	4,741	<div><div></div></div>



Gross premiums written		€m
Q1 2011	4,766	<div><div></div></div>
Life	-73	<div><div></div></div>
Health	1	<div><div></div></div>
Property-casualty	47	<div><div></div></div>
Q1 2012	4,741	<div><div></div></div>

- Life:** Decline mainly due to decrease in endowment policies
- Health:** Slight decrease in comprehensive, growth in supplementary and travel insurance
- Property-casualty:** Organic growth mitigated by FX effects

¹ Gross premiums written.

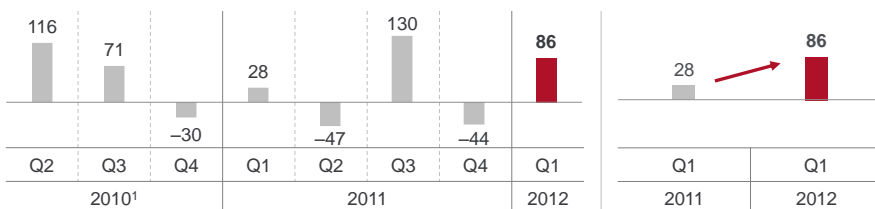
Primary insurance – Key figures

Primary life

Munich RE

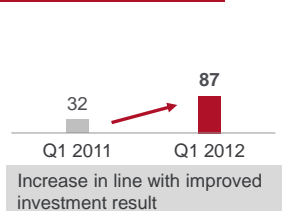
Net result

€m



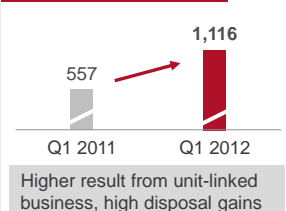
Technical result

€m



Investment result

€m

Other²

€m



¹ Figures up to 2010 are shown on a partly consolidated basis. ² Other non-operating result, goodwill impairments, net finance costs, taxes.

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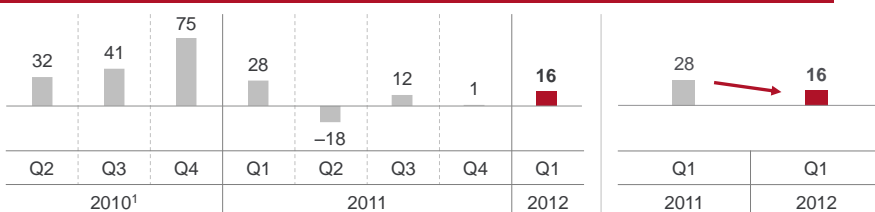
Primary insurance – Key figures

Primary health

Munich RE

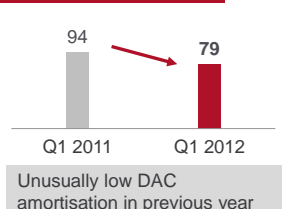
Net result

€m



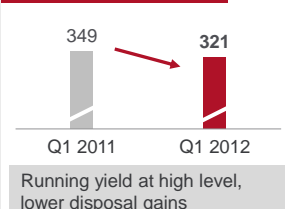
Technical result

€m

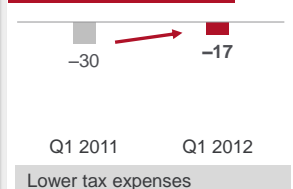


Investment result

€m

Other²

€m



¹ Figures up to 2010 are shown on a partly consolidated basis. ² Other non-operating result, goodwill impairments, net finance costs, taxes.

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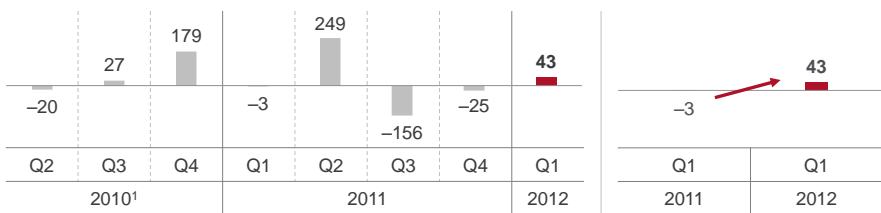
Primary insurance – Key figures

Primary property-casualty

Munich RE

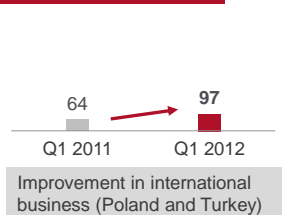
Net result

€m



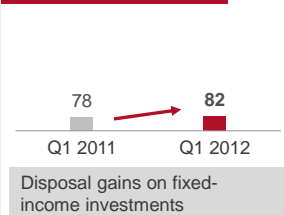
Technical result

€m

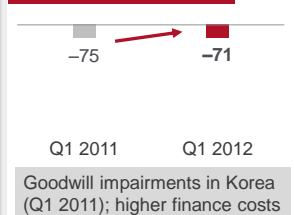


Investment result

€m

Other²

€m



¹ Figures up to 2010 are shown on a partly consolidated basis. ² Other non-operating result, goodwill impairments, net finance costs, taxes.

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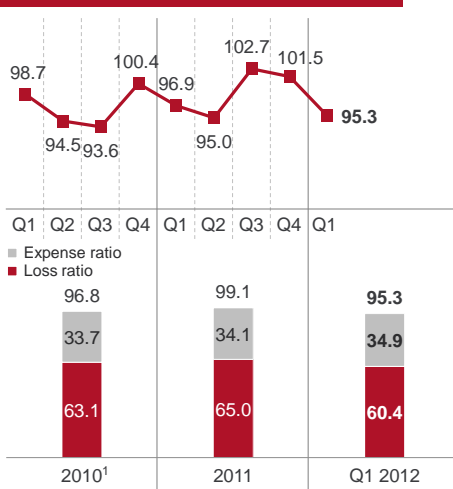
Primary insurance – Property-casualty – Combined ratio

Good combined ratio in Germany – Significantly improving international business

Munich RE

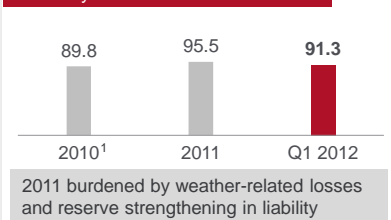
Combined ratio

%



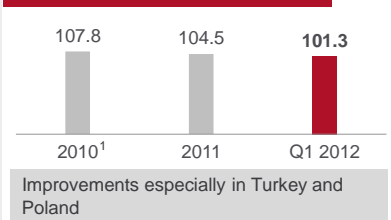
Germany

%



International

%



¹ Figures up to 2010 are shown on a partly consolidated basis.

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International business – Making further progress

Improvement**Poland**

Previous year burdened by nat cat claims – Q1 2012 only marginally affected by weather-related losses

Turkey

Moving in the right direction

Divestment**Sale of ERGO Daum Direct**

- Challenging direct motor market in South Korea
- Smaller company with lower cost efficiency
- Acquirer already has a high market share
- Transaction subject to regulatory approval

Expansion**Market entry in China**

Since 2011 Joint venture agreement with partner SSAIH in Shandong

April 2012 Regulatory approval of joint life insurance company

As from 2013 Envisaged start of operations

Focus on profitable business and expansion in fast-growing markets

Better combined ratios in almost all countries

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Financial reporting Q1 2012

Munich Re (Group)

Primary insurance

Munich Health

Reinsurance

Outlook

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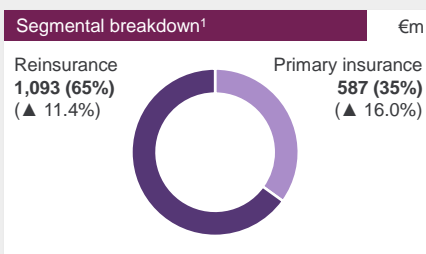
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Munich Health – Premium development

Significant organic growth

Munich RE 

Gross premiums written		€m
Q1 2011	1,487	
Foreign-exchange effects	39	
Divestment/Investment	–	
Organic change	154	
Q1 2012	1,680	



Gross premiums written		€m
Q1 2011	1,487	
Reinsurance	112	
Primary insurance	81	
Q1 2012	1,680	

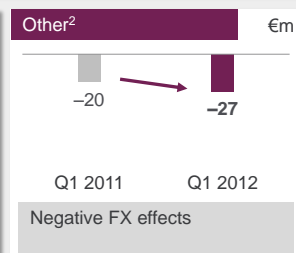
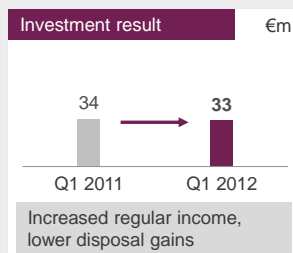
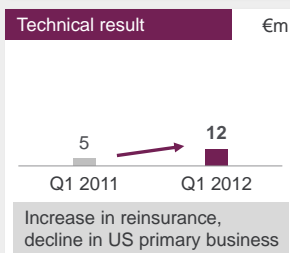
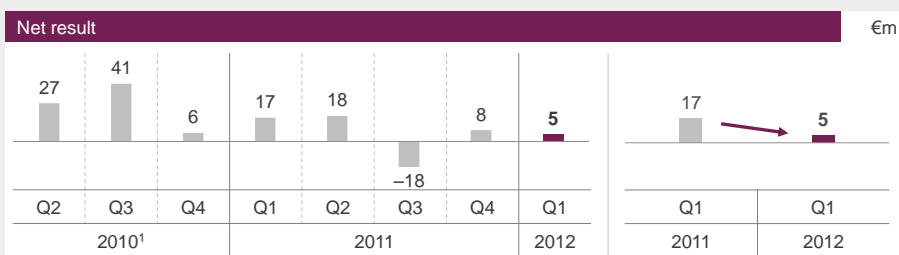
Reinsurance Organic growth and large-volume deals	Primary insurance Premium growth in USA, Spain and United Kingdom
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¹ Gross premiums written.

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Munich Health – Key figures

Munich Health

Munich RE ¹ Figures up to 2010 are shown on a partly consolidated basis.² Other non-operating result, goodwill impairments, net finance costs, taxes.

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Financial reporting Q1 2012

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

Reinsurance

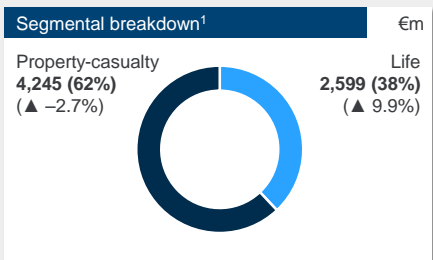
Outlook

Backup

Reinsurance – Premium development
Ongoing growth in life reinsurance



Gross premiums written		€m
Q1 2011	6,727	
Foreign-exchange effects	227	
Divestment/Investment	–	
Organic change	–110	
Q1 2012	6,844	



Gross premiums written		€m
Q1 2011	6,727	
Life	235	
Property-casualty	–118	
Q1 2012	6,844	

Life
Substantial organic growth due to expansion in Asia and large-volume capital relief deals

Property-casualty
Stable underlying business – negative technical effect from refined quarterly premium allocation of ~€300m

¹ Gross premiums written.

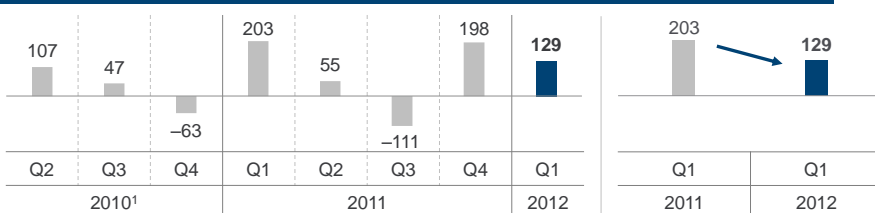
Reinsurance – Key figures

Life reinsurance

Munich RE

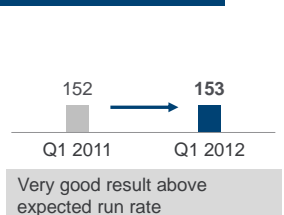
Net result

€m



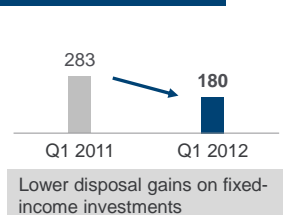
Technical result

€m

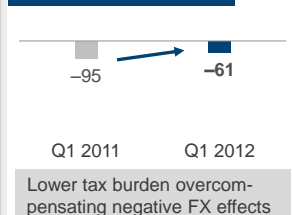


Investment result

€m

Other²

€m

¹ Figures up to 2010 are shown on a partly consolidated basis.² Other non-operating result, goodwill impairments, net finance costs, taxes.

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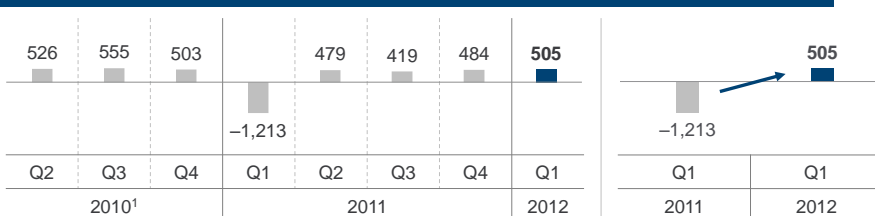
Reinsurance – Key figures

Reinsurance property-casualty

Munich RE

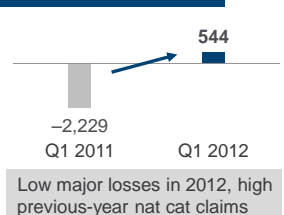
Net result

€m



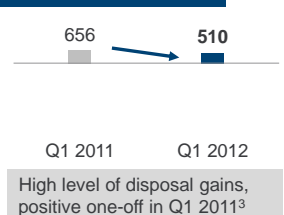
Technical result

€m

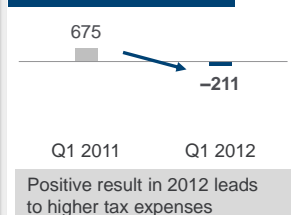


Investment result

€m

Other²

€m

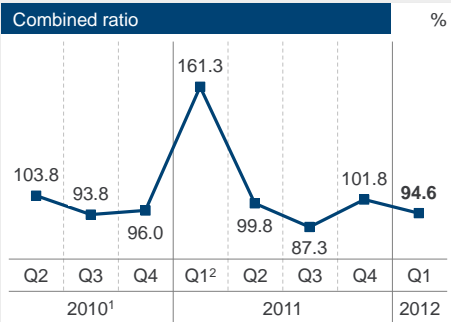
¹ Figures up to 2010 are shown on a partly consolidated basis.² Other non-operating result, goodwill impairments, net finance costs, taxes.³ Insurance risk transfer to the capital markets (€211m).

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Reinsurance – Property-casualty – Combined ratio
Back to normal



Combined ratio					%
		Basic losses	Nat cat losses	Man-made losses	Expense ratio
2010 ¹	100.5	53.6	11.0	4.7	31.2
2011	113.8	50.7	29.4	3.3	30.4
Q1 2012	94.6	57.4	1.0	5.3	30.9



Major losses		€m
Q1 2012 ³	264	41 223
5-year average	936	793 143
■ Natural catastrophes ■ Man-made		

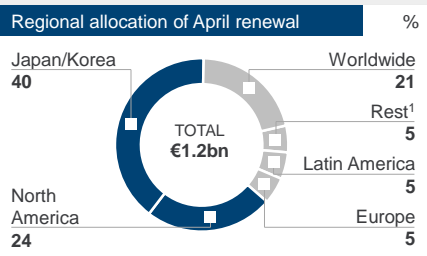
Basic losses

In Q1 2012, no impact from prior-year reserve changes while conservatively reserving for new underwriting year (FY 2011 including 4%-points reserve release)

¹ Figures up to 2010 are shown on a partly consolidated basis.
² Adjusted for impact on insurance risk transfer to the capital markets.
³ Net negative prior-year run-offs (~2%-points) affecting large loss ratio (man-made).

Reinsurance – Renewals – Overview

Business up for renewal in April more than €1bn –
Geographic focus on Japan/Korea, high nat cat share



Nat cat shares of renewable portfolio		%
	Nat cat	Other perils
January	11	89
April	36	64
July	31	69
Total	16	84

¹ Gross premiums written. Economic view – not fully comparable with IFRS figures.
² Asia/ Pacific/Africa.

Reinsurance – April renewal

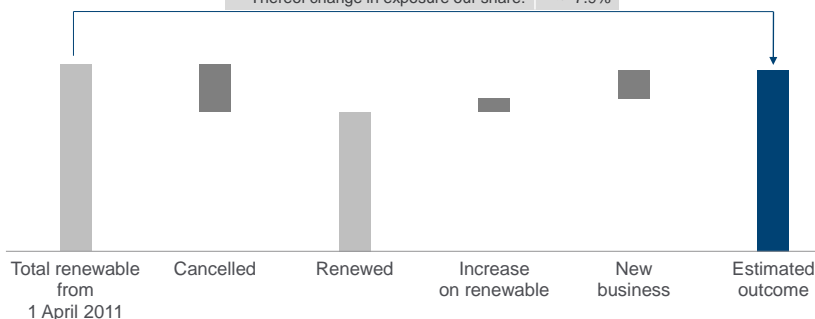
Significant price increases achieved – Active portfolio management slightly reducing top-line

Munich RE

April renewal

%	100.0	–25.4	74.6	7.2	15.3	97.1
€m	1,151	–292	859	83	176	1,118

Change in premium:	–2.9%
▪ Thereof price change:	–5.0%
▪ Thereof change in exposure our share:	–7.9%



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Reinsurance – April renewal

Significantly improved portfolio quality driven by nat cat business in Japan and USA

Munich RE

Munich Re portfolio – Premium change in major business lines

Business line Premium split ¹	Total €1.2bn	Total		Property		Casualty	Specialty ²
		Prop. 54%	XL 46%	Prop. 19%	XL 34%	Prop./XL 35%	Prop./XL 12%
Price change	~5.0% ³	0.7%	15.2%	1.1%	14.2%	0.1%	7.0%
Volume change	–2.9%	–10.3%	5.9%	–19.7%	17.2%	–7.8%	–18.9%

PRICE

- Overall price increase of ~5% driven by property XL
Japan: Earthquake +35%, windstorm +10%
USA: Nat cat up to +10%
- Proportional business remains flat
Japan: Significant price increase for earthquake
USA: Primary rates continue to slightly increase
- Primarily loss-driven price increase of 4.5% in marine business

VOLUME

- Improved business mix – shift from proportional to XL and from casualty to property
- Japan: Increase of earthquake and windstorm XL ...
- ... partly compensating for deliberate reduction of earthquake quota-share and other fire business
- Clear focus on improved terms and conditions
- Introduction of event limits, increased transparency
- Risk-management-driven rejection of business, as prices could not fully reflect increased event risks

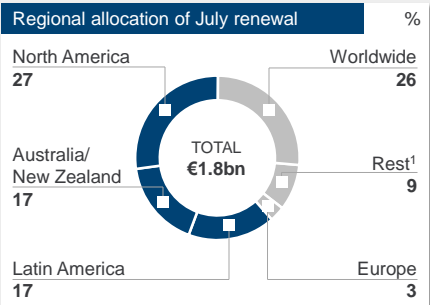
¹ Relative premium share in relation to total renewable business.

² Marine, credit and aviation.

³ Price increase including positive business mix effect (~3%) amounts to ~8%.

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Reinsurance – Renewals – Outlook
Outlook for July renewal



Highlights

- Renewal focus on North America
- Renewal of business in loss-affected areas (Australia/New Zealand)
- High nat cat share of ~30%

July renewal – Price expectation		
North America	Australia/New Zealand	Latin America
Up to low double-digit – Positive price impact from RMS11	Significant double-digit – Trend should continue	Single-digit to low double-digit – similar to January renewal

¹ Asia/ Pacific/Africa. Quarterly financial statements as at 31 March 2012 28

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

Outlook

Backup

Outlook 2012

Munich Re (Group)		
GROSS PREMIUMS WRITTEN €49–51bn	RETURN ON INVESTMENT ~3.5%	NET RESULT ~€2.5bn
Reinsurance €26–27bn	Ongoing low-interest-rate environment gradually reducing running yield to below 4%	RoRaC target of 15% after tax over the cycle to stand Significantly improving technical result
Primary insurance €17–18bn		
Munich Health ~€6.5bn		
Reinsurance	Primary insurance	Munich Health
Combined ratio ~96% over the cycle	Combined ratio <95%	Combined ratio ~99%
Net result €1.9–2.1bn	Net result ~€450m	Net result ~€50m

Backup

- Financial reporting Q1 2012
 - Munich Re (Group)
 - Primary insurance
 - Munich Health
 - Reinsurance

Outlook

Backup






Backup: Munich Re (Group)

Premium development

Munich RE 

Gross premiums written

€m

Q1 2011	12,980	
Foreign-exchange	242	
Divestment/Investment	-45	
Organic change	88	
Q1 2012	13,265	

Segmental breakdown

€m

Reinsurance – Property-casualty
4,245 (32%) (▲ -2.7%)

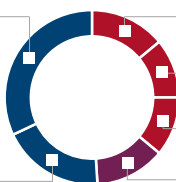
Primary insurance – Property-casualty
1,835 (14%) (▲ 2.6%)

Primary insurance – Life
1,449 (11%) (▲ -4.8%)

Primary insurance – Health
1,457 (11%) (▲ 0.1%)

Reinsurance – Life
2,599 (19%) (▲ 9.9%)

Munich Health
1,680 (13%) (▲ 13.0%)



Quarterly financial statements as at 31 March 2012 32

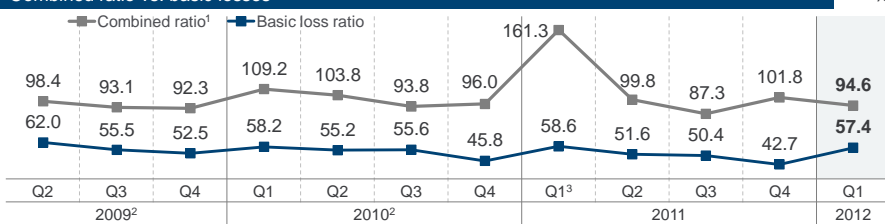
Reinsurance – Property-casualty – Combined ratio

Development of combined ratio

Munich RE 

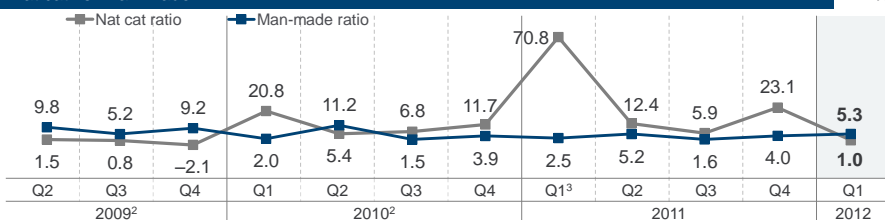
Combined ratio vs. basic losses

%



Nat cat vs. man-made

%

¹ Including overhead costs.² Figures up to 2010 are shown on a partly consolidated basis.³ After insurance risk transfer to the capital markets.

Quarterly financial statements as at 31 March 2012 33

Primary insurance – Life – New business

Primary life – New business (statutory premiums)

Munich RE

Total				€m
	Total	Regular premiums	Single premiums	APE ¹
Q1 2011	509	141	368	178
Q1 2012	481	135	346	170
▲	-5.5%	-4.3%	-6.0%	-4.5%

Comments

Germany

- Growth of single and regular premiums
- Corporate pension business with strong growth

International

- Pleasing increase in Belgium
- Declines in Austria and Poland

Germany				€m
	Total	Regular premiums	Single premiums	APE ¹
Q1 2011	289	91	198	111
Q1 2012	297	92	205	113
▲	2.8%	1.1%	3.5%	1.8%

International				€m
	Total	Regular premiums	Single premiums	APE ¹
Q1 2011	220	50	170	67
Q1 2012	184	43	141	57
▲	-16.4%	-14.0%	-17.1%	-14.9%

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

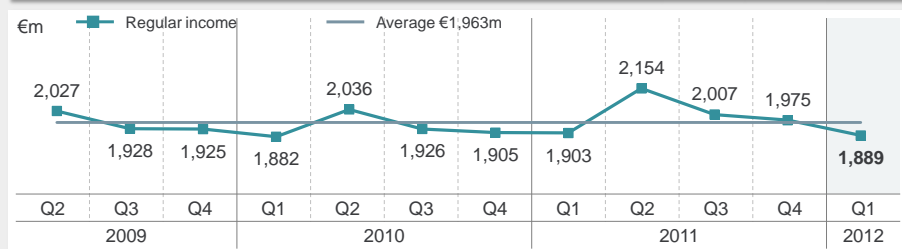
Quarterly financial statements as at 31 March 2012 34

Backup: Investments

Breakdown of regular income

Munich RE

Investment result – Regular income (€m)	Q1 2012	Q1 2011	Change
Afs fixed-interest	1,055	1,080	-25
Afs non-fixed-interest	46	37	9
Derivatives	48	65	-17
Loans	565	537	28
Real estate	81	90	-9
Deposits retained on assumed reinsurance and other investments	94	94	–
Total regular income	1,889	1,903	-14



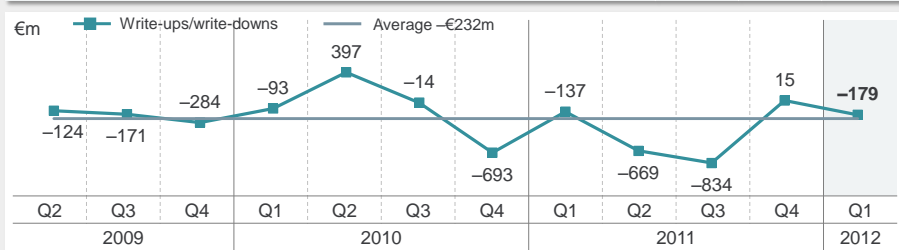
Quarterly financial statements as at 31 March 2012 35

Backup: Investments

Breakdown of write-ups/write-downs

Munich RE

Investment result – Write-ups/write-downs (€m)	Q1 2012	Q1 2011	Change
Afs fixed-interest	–	37	–37
Afs non-fixed-interest	–28	–47	19
Derivatives	–115	–88	–27
Loans	–	–	0
Real estate	–20	–36	16
Deposits retained on assumed reinsurance and other investments	–16	–3	–13
Total net write-ups/write-downs	–179	–137	–42



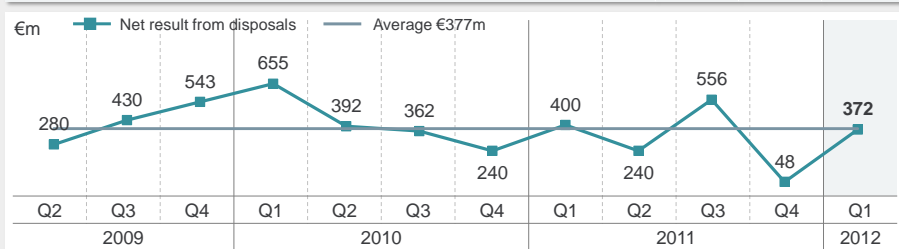
Quarterly financial statements as at 31 March 2012 36

Backup: Investments

Breakdown of net result from disposals

Munich RE

Investment result – Net result from disposal of investments (€m)	Q1 2012	Q1 2011	Change
Afs fixed-interest	280	159	121
Afs non-fixed-interest	151	347	–196
Derivatives	–131	–116	–15
Loans	30	–2	32
Real estate	38	18	20
Deposits retained on assumed reinsurance and other investments	4	–6	10
Total net result from disposals	372	400	–28



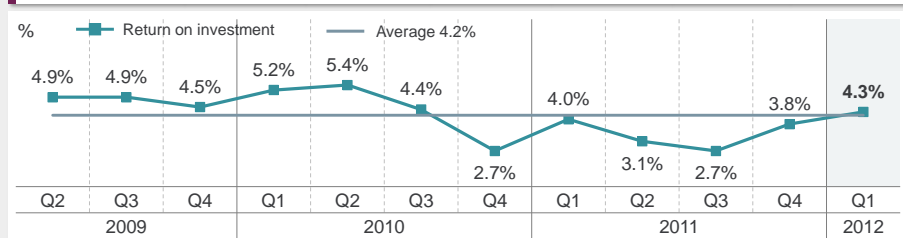
Quarterly financial statements as at 31 March 2012 37

Backup: Investments

Return on investment by asset class and segment

Munich RE

% ¹	Regular income	Write-ups/downs	Disposal result	Other inc./exp.	Total RoI	Market value ³
Afs fixed-interest	3.6	–	1.0	–	4.6	116,303
Afs non-fixed-interest	2.2	–1.4	7.4	–	8.2	8,201
Derivatives	11.8	–28.2	–32.2	–3.4	–52.0	1,630
Loans	3.9	–	0.2	–	4.1	58,033
Real estate	6.1	–1.5	2.9	–	7.5	5,281
Other ²	1.9	–0.3	0.1	3.5	5.2	19,983
Total	3.6	–0.3	0.7	0.3	4.3	209,431
Reinsurance	3.3	–0.9	1.3	–0.3	3.4	80,349
Primary insurance	3.8	0.0	0.4	0.7	4.9	123,397
Munich Health	3.3	–0.2	0.1	–0.1	3.1	4,325

¹ Annualised. ² Including management expenses and impact from unit-linked business.³ In €m. Segments do not add up to total amount; difference relates to the segment "asset management".

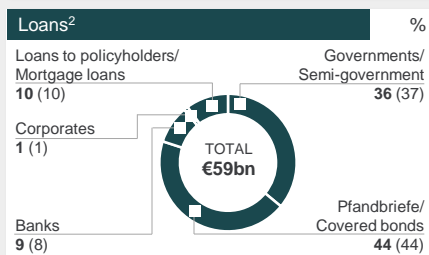
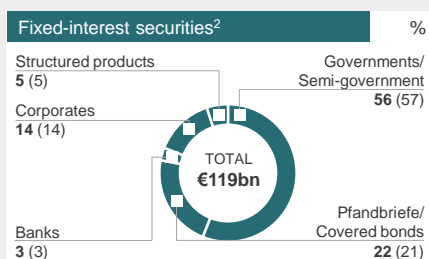
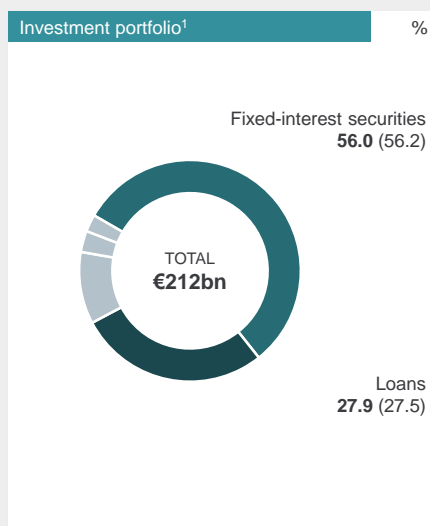
Quarterly financial statements as at 31 March 2012

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Backup: Investments

Investment portfolio
Fixed-interest securities

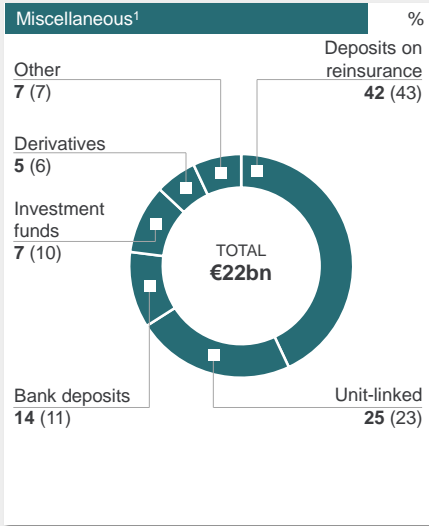
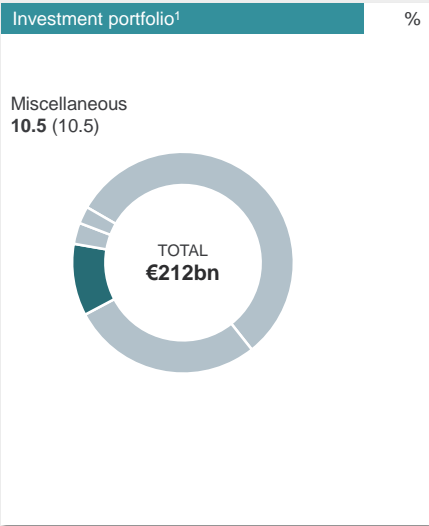
Munich RE

¹ Fair values as at 31.3.2012 (31.12.2011).² Economic view – not fully comparable with IFRS figures.

Quarterly financial statements as at 31 March 2012

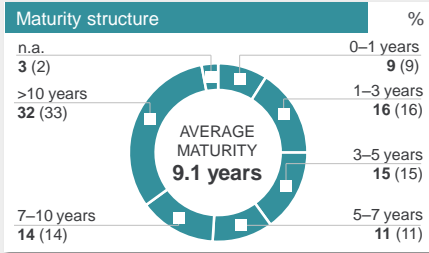
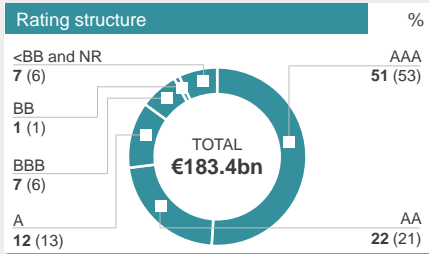
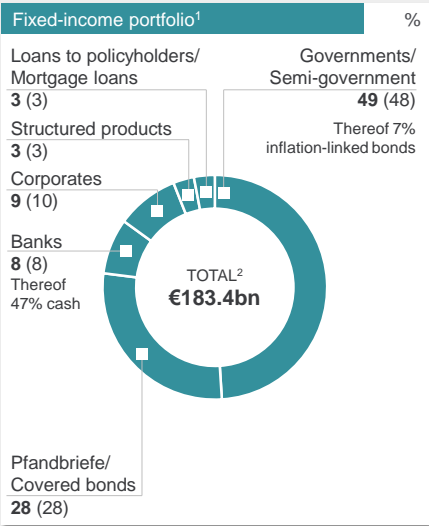
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Backup: Investments
Investment portfolio
Miscellaneous



¹ Fair values as at 31.3.2012 (31.12.2011). Quarterly financial statements as at 31 March 2012 40

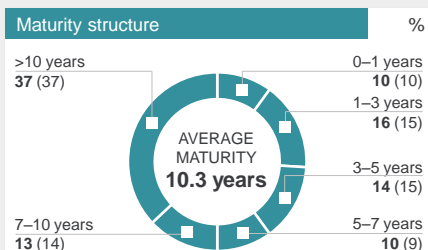
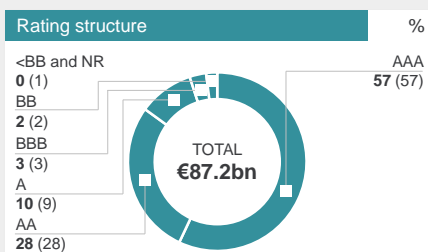
Backup: Investments
Fixed-income portfolio



¹ Incl. loans, parts of other securities, other investments and cash positions. Fair values as at 31.3.2012 (31.12.2011).
² Additional inflation-linked exposure in swaps 3% and bank and corporate exposure in credit default swaps 2% of fixed-income portfolio. Economic view – not fully comparable with IFRS figures. Quarterly financial statements as at 31 March 2012 41

Backup: Investments

Fixed-income portfolio: Government/Semi-government

Munich RE 

Economic view – not fully comparable with IFRS figures.

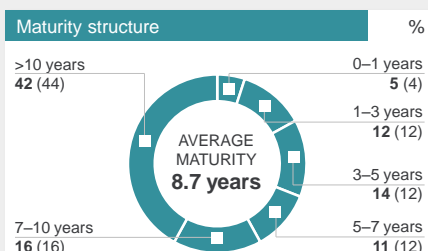
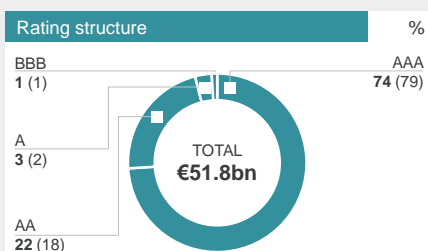
Regional breakdown %

	Without policyholder participation	With	Total	
			31.3.2012	31.12.2011
Germany	8.4	25.7	34.1	35.0
USA	17.0	0.4	17.4	16.9
Canada	6.7	0.1	6.8	7.3
UK	5.5	0.3	5.8	5.9
France	2.6	2.2	4.8	4.9
Supra-nationals	1.3	2.3	3.6	2.6
Italy	0.5	2.5	3.0	2.5
Spain	0.2	1.4	1.6	1.9
Ireland	0.1	1.3	1.4	1.6
Portugal	0.0	0.4	0.4	0.4
Greece	0.0	0.1	0.1	0.4
Other	12.9	8.1	21.0	20.6
Total	55.2	44.8	100.0	100.0

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Backup: Investments

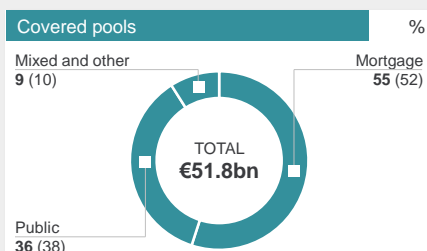
Fixed-income portfolio: Pfandbriefe/Covered bonds

Munich RE 

Economic view – not fully comparable with IFRS figures.

Regional breakdown %

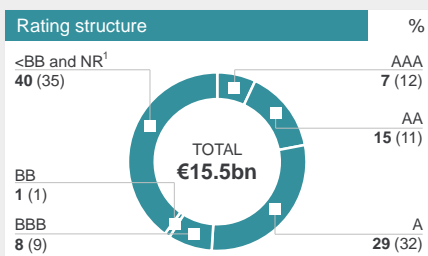
	31.3.2012	31.12.2011
Germany	38.7	40.9
France	16.3	15.6
Spain	9.0	8.4
UK	7.6	7.3
Netherlands	6.6	6.8
Sweden	6.4	6.5
Norway	4.9	4.9
Ireland	2.7	2.8
Italy	0.8	0.7
Other	7.0	6.1
Total (€bn)	51.8	50.0



Quarterly financial statements as at 31 March 2012 43

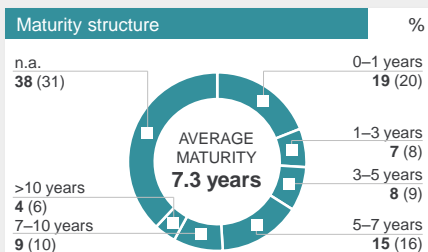
Backup: Investments

Fixed-income portfolio: Banks

Munich RE 

Regional breakdown %

	31.3.2012	31.12.2011
Germany	54	48
US	14	21
UK	4	5
Ireland	3	3
Luxembourg	3	3
Netherlands	2	3
France	1	2
Italy	1	1
Spain	1	1
Other	17	13
Total (€bn)	15.5	13.7



Investment category %

	31.3.2012	31.12.2011
Cash	47	40
Senior bonds	35	39
Subordinated bonds ²	5	6
Loss-bearing bonds ³	3	3
Loans for refinancing	1	2
Fixed-income investment funds	6	7
Fixed-income derivatives	3	3
Total (€bn)	100	100

¹ Thereof 47% cash items, shares of funds and derivatives not rated.² Classified as lower Tier 2 and Tier 3 capital for solvency purposes. ³ Classified as Tier 1 and upper Tier 2 capital for solvency purposes. Economic view – not fully comparable with IFRS figures.

Quarterly financial statements as at 31 March 2012 44

Backup: Investments

Fixed-income portfolio: Banks

Munich RE 

Senior, subordinated and loss-bearing bonds exposure by country €m

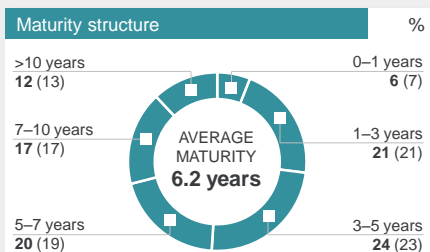
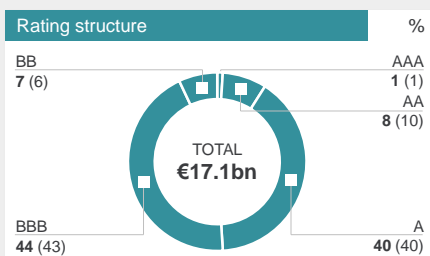
Country	Senior bonds	Subordinated bonds	Loss-bearing bonds	Total
Germany	2,088	331	251	2,670
US	1,555	246	49	1,850
UK	571	47	31	649
Ireland	215	0	0	215
Canada	143	50	17	210
Australia	194	0	1	195
Austria	120	26	20	166
Netherlands	159	0	3	162
Italy	52	62	8	122
France	92	19	4	115
Spain	6	8	0	14
Other	198	18	24	240
Total	5,393	807	408	6,608

Economic view – not fully comparable with IFRS figures.

Quarterly financial statements as at 31 March 2012 45

Backup: Investments

Fixed-income portfolio: Corporate bonds

Munich RE 

Sector breakdown	%	
	31.3.2012	31.12.2011
Utilities	19	19
Industrial goods and services	13	13
Oil and gas	12	13
Telecommunications	10	10
Healthcare	6	7
Food and beverages	6	6
Media	6	6
Retail	5	5
Automobiles	4	4
Financial services	3	3
Personal and household goods	3	3
Basic resources	3	3
Chemicals	3	3
Other	7	5
Total (€bn)	17.1	17.0

Economic view – not fully comparable with IFRS figures.

Quarterly financial statements as at 31 March 2012 46

Backup: Investments

Fixed-income portfolio: Structured products

Munich RE 

Structured products portfolio (at market values): Split by rating and region										€m	
		Rating						Region		Total	Market-to-par
		AAA	AA	A	BBB	<BBB	NR	USA + RoW	Europe		
ABS	Consumer-related ABS ¹	445	172	208	77	5	0	399	508	907	100%
	Corporate-related ABS ²	21	295	60	40	24	0	0	440	440	94%
	Subprime HEL	6	2	23	6	1	0	38	0	38	99%
CDO/CLN	Subprime-related	0	0	0	0	0	0	0	0	0	0%
	Non-subprime-related	24	64	25	24	0	37	1	173	174	81%
MBS	Agency	2,042	98	0	0	0	0	2,140	0	2,140	107%
	Non-agency prime	443	187	144	27	23	0	106	718	824	98%
	Non-agency other (not subprime)	57	114	21	0	3	0	64	131	195	95%
	Commercial MBS	798	278	319	21	14	0	784	646	1,430	99%
Total 31.3.2012		3,836	1,210	800	195	70	37	3,532	2,616	6,148	100%
In %		62%	20%	13%	3%	1%	1%	57%	43%	100%	
Total 31.12.2011		4,008	1,053	831	184	100	36	3,527	2,685	6,212	98%

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

Economic view – not fully comparable with IFRS figures.

Quarterly financial statements as at 31 March 2012 47

Backup: Investments

Sensitivities to interest rates, spreads and equity markets

Munich RE 

Sensitivity to risk-free interest rates – Basis points	–100	–50	+100	+200
Change in gross market value (€bn)	14.3	6.9	–12.2	–22.3
Change in on-balance-sheet reserves, net (€bn) ¹	3.6	1.7	–3.1	–5.8
Change in off-balance-sheet reserves, net (€bn) ¹	0.7	0.3	–0.6	–1.1
P&L impact (€bn) ¹	0.5	0.2	–0.4	–0.7

Sensitivity to spreads ² (change in basis points)	+100	+200
Change in gross market value (€bn)	–8.3	–15.3
Change in on-balance-sheet reserves, net (€bn) ¹	–1.4	–2.7
Change in off-balance-sheet reserves, net (€bn) ¹	–0.5	–0.9
P&L impact (€bn) ¹	–0.3	–0.6

Sensitivity to equity markets ³	–30%	–10%	+10%	+30%
EURO STOXX 50 (2,477 as at 31.3.2012)	1,734	2,229	2,725	3,220
Change in gross market value (€bn)	–1.8	–0.6	0.6	1.8
Change in on-balance-sheet reserves, net (€bn) ¹	–0.6	–0.3	0.5	1.5
Change in off-balance-sheet reserves, net (€bn) ¹	–0.4	–0.1	0.1	0.4
P&L impact (€bn) ¹	–0.7	–0.1	–0.1	–0.1

¹ Rough calculation with limited reliability assuming unchanged portfolio as at 31.3.2012. 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 government securities with AAA ratings.

³ Worst-case scenario assumed: impairment as soon as market value is below acquisition cost. Economic view – not fully comparable with IFRS figures.

Quarterly financial statements as at 31 March 2012 48

Backup: Investments

On- and off-balance-sheet reserves (gross)

Munich RE 

€m	31.12. 2009	31.12. 2010	31.3. 2011	30.6. 2011	30.9. 2011	31.12. 2011	31.3. 2012
Market value of investments	185,097	196,398	191,326	196,319	205,297	207,108	211,754
Total reserves	7,905	7,374	4,213	5,862	11,374	11,236	13,567
On-balance-sheet reserves							
Fixed-interest securities	3,342	2,201	639	1,805	4,982	4,892	5,817
Non-fixed-interest securities	1,408	1,634	1,401	1,219	589	693	1,159
Other on-balance-sheet reserves ¹	233	249	255	244	249	250	284
Subtotal	4,983	4,084	2,295	3,268	5,820	5,835	7,260
Off-balance-sheet reserves							
Real estate ²	1,447	1,425	1,524	1,274	1,279	1,435	1,368
Loans and investments (held to maturity)	1,289	1,554	88	965	3,974	3,633	4,654
Associates and tangible assets	186	311	306	355	301	333	285
Subtotal	2,922	3,290	1,918	2,594	5,554	5,401	6,307
Reserve ratio (%)	4.3%	3.8%	2.2%	3.0%	5.5%	5.4%	6.4%

¹ Unrealised gains/losses from unconsolidated affiliated companies, valuation at equity and cash-flow hedging.











² Excluding reserves from owner-occupied property.

Quarterly financial statements as at 31 March 2012 49

Backup: Investments

On-balance-sheet reserves

Munich RE 




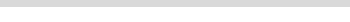




€m		Change since 31.12.2011
Investments afs	6,976 	1,391
Valuation at equity	76 	4
Unconsolidated affiliated enterprises	147 	4
Cash flow hedging	61 	26
Total on-balance-sheet reserves (gross)	7,260 	1,425
Provision for deferred premium refunds	-1,717 	-839
Deferred tax	-1,324 	-46
Minority interests	-14 	-4
Consolidation and currency effects	-25 	37
Shareholders' stake	4,180 	573

Quarterly financial statements as at 31 March 2012 50

Backup: Investments

Off-balance-sheet reserves

Munich RE 

€m		Change since 31.12.2011
Real estate ¹	1,368 	-67
Loans and investments (held to maturity)	4,654 	1,021
Associates and tangible assets	285 	-48
Total off-balance-sheet reserves (gross)	6,307 	906
Provision for deferred premium refunds	-4,182 	-657
Deferred tax	-643 	-90
Minority interests	- 	-
Shareholders' stake	1,482 	159

¹ Excluding reserves for owner-occupied property.

Quarterly financial statements as at 31 March 2012 51

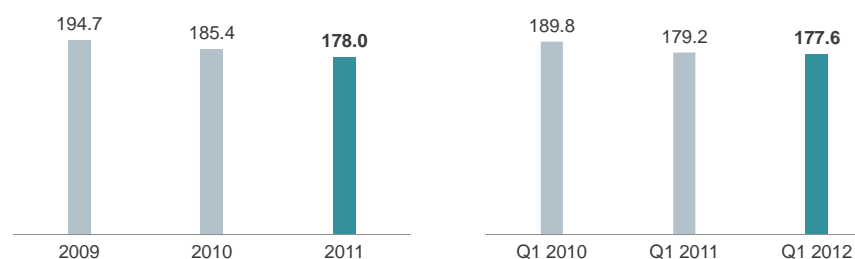
Backup: Shareholder information

Development of shares in circulation

Munich RE 

Shares millions	31.12.2011	Acquisition of own shares in 2012	Retirement of own shares in 2012	31.3.2012
Shares in circulation	177.6	–	–	177.6
Own shares held	1.7	–	–	1.7
Total	179.3	–	–	179.3

Weighted average number of shares in circulation



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Backup: Shareholder information

Financial calendar

Munich RE 

FINANCIAL CALENDAR

15 May 2012	Deutsche Bank "German, Swiss & Austrian Conference", Frankfurt
21 May 2012	Deutsche Bank "2012 Global Financial Services Investor Conference", New York
22–23 May 2012	Credit Suisse "West Coast Conference", San Francisco
23 May 2012	Autonomous "Rendez-Vous 2012", London
13 June 2012	Goldman Sachs "Annual Financials Conference", Brussels
7 August 2012	Interim report as at 30 June 2012
7 November 2012	Interim report as at 30 September 2012

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Backup: Shareholder information

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Disclaimer



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Figures up to 2010 are shown on a partly consolidated basis.

"Partly consolidated" means before elimination of intra-Group transactions across segments.