Quarterly Report 1/2014
Munich Re

1/2014

WE CREATE BENEFITS AS ONE

Supervisory Board

Dr. Bernd Pischetsrieder
(Chairman)

Board of Management

Dr. Nikolaus von Bomhard
(Chairman)
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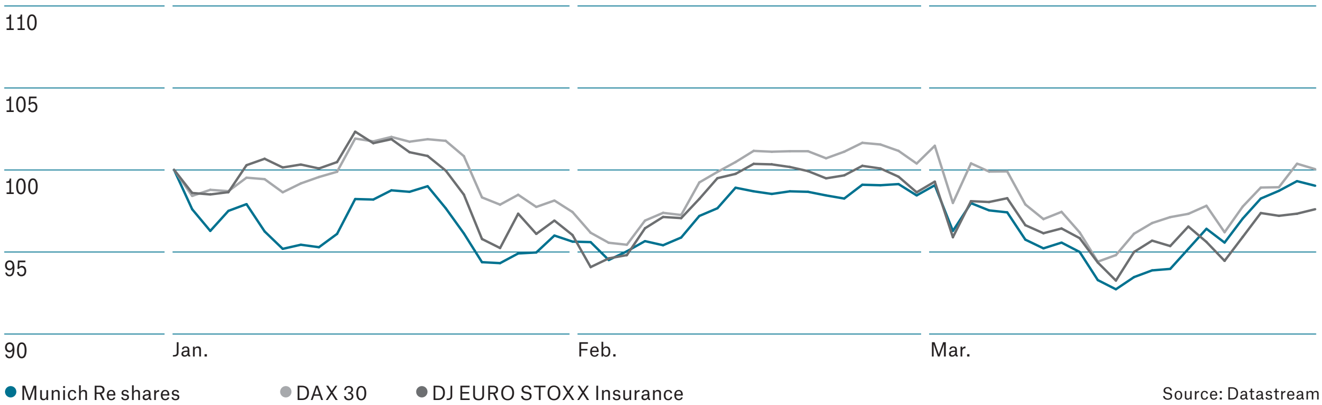
Georg Daschner
Dr. Doris Höpke (since 1 May 2014)
Dr. Torsten Jeworrek
Dr. Peter Röder
Dr. Jörg Schneider
Dr. Joachim Wenning

Share price performance 1.1.2014 = 100



Key figures (IFRS)

Munich Re at a glance

		Q1 2014	Q1 2013[1]	Change
				%
Consolidated result	€m	924	970	-4.7
Thereof attributable to non-controlling interests	€m	5	7	-28.6
Earnings per share	€	5.24	5.39	-2.8
Return on risk-adjusted capital (RORAC)	%	15.4	14.1	
Return on investment (RoI)	%	3.8	3.6	
Return on equity (RoE)	%	13.8	13.8	
		31.3.2014	31.12.2013	Change
				%
Book value per share	€	156.38	146.45	6.8
Munich Reinsurance Company's market capitalisation	€bn	28.4	28.7	-1.0
Share price	€	158.60	160.15	-1.0

1 Previous year's figures adjusted owing to IAS 8.

		31.3.2014	31.12.2013	Change
				%
Equity	€m	27,393	26,226	4.4
Investments	€m	213,438	209,474	1.9
Net technical provisions	€m	189,821	187,739	1.1
Balance sheet total	€m	258,874	254,288	1.8
Number of staff		44,247	44,665	-0.9

Contents

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To our shareholders

Dr. Nikolaus von Bomhard
Chairman of Munich Reinsurance Company's Board of Management

Dear Shareholders,

Munich Re has sufficient capital resources to enable us to act from a position of strength. We want to be free to determine our own business development, and not just react to external events. This also means having the opportunity to buck market trends and take a counter-cyclical position, which can only succeed if we have a solid financial basis.

Munich Re's equity at the end of 2013 was €26.2bn, which was only slightly below the previous year's level, despite the negative impact of rising interest rates and exchange-rate movements. However, it is not the equity capital as calculated under IFRS rules which matters, but the ratio of economic equity to the economic risk capital requirement. This ratio saw a further marked increase in the past year.

We are also benefiting from our careful accounting approach of previous years. By making sensible valuations of assets and liabilities, which did not over-extend available margins, we now have a decidedly solid base from which we can generate good profits in the future, despite the many different challenges we currently face.

Although a sound capital base is important, we also believe that it is possible to hold too much capital. There is then a growing danger that the excess capital will not be utilised in line with strategies, or will not be deployed in a way that generates sufficient returns. Even with a comfortable capital buffer, Munich Re adheres consistently to its principle of only writing business at risk-commensurate prices, terms and conditions. During the January round of property-casualty reinsurance renewals, we did not renew a volume of around €1bn, in part because the business no longer met Munich Re's profitability requirements. We were able to maintain our premium volume owing to new business of around €1.3bn, which was mainly derived from customised solutions.

So, we are adhering to our profit-oriented underwriting policy, and any capital we do not need we are returning to shareholders. We are doing this by means of high dividends, flexibly supplemented by share buy-backs. Including the dividend for the financial year 2013, which was paid out on 2 May 2014, and the share buy-backs carried out between 2006 and the 2014 Annual General Meeting, we have returned over €16.5bn to our shareholders since 2006. Another share buy-back programme is currently in progress, in which we aim to repurchase shares with a volume of €1bn in the period up to the Annual General Meeting in 2015.

Our life reinsurance business is also characterised by a disciplined approach. It should therefore be stressed that in recent years we have continued to generate strong growth in premium income despite this strict underwriting policy. Premium volume has doubled over the past five years. The slight fall in 2013 was due exclusively to currency effects; organic growth in this segment continued over the past year.

Large-volume treaties where reinsurance primarily serves as a capital substitute were a significant factor in this growth, and this is where our competence in providing customised solutions really comes to the fore. But life reinsurance continues to grow even outside this area. Particularly in Asia and Canada, we even managed to exceed our business expectations.

Life reinsurance is quite a challenging business. Especially if coverage includes occupational disability or long-term care, it is not just biological and medical developments that are relevant, but also social, legal and economic factors. So we are cautious about longevity risks. When life expectancy rises even faster than previously expected, apparently sound business may turn into a loss-maker over subsequent decades. Therefore, we exercise particular circumspection with respect to these risks and take great care when expanding our business volume. Whilst in many countries – including Germany – statutory pension systems fail to take sufficient account of demographic trends, our shareholders are quite right to expect that our actuarial calculation bases will continue to function over several decades.

In light of demographic developments, life insurance will also remain an essential component of provision for old age in the future. It will not be possible to maintain living standards in old age without private pension provision. Thus, in principle, life insurance is well placed for the future, but must adapt to ongoing challenges, including low interest rates, new supervisory regimes such as Solvency II, and customer demands for increased flexibility. With its completely new product generation, ERGO is setting ground-breaking standards in life insurance.

Thanks to an almost total absence of major losses, Munich Re generated a profit of €924m in the first quarter That is a great start to 2014. Results can fluctuate from quarter to quarter, especially in reinsurance, so it is not possible to extrapolate this result to the full year. But, after the first quarter, we look forward to the coming months with optimism. Munich Re is on track.

Yours sincerely,

Nikolaus von Bomhard

Interim management report

Business environment

— Global economic growth somewhat more subdued
— US Federal Reserve starts to reduce bond-buying
— Long-term interest rates recede
— Euro gains in value year on year

Global economic growth in the first quarter of 2014 was somewhat more subdued than in the previous quarter. The main reasons for this were a marked slowdown in the USA, due chiefly to unfavourable weather conditions, and a drop in momentum in China, India, Brazil and Russia. By contrast, the economies of Japan, Germany and the United Kingdom expanded strongly, with the slow recovery in the eurozone continuing.

As announced, the US Federal Reserve began its gradual exit from an expansionary monetary policy in January by reducing the volume of its monthly bond-buying. The monetary policy of the European Central Bank remained expansionary in view of the very low inflation in the eurozone.

Uncertainty on the financial markets increased in the first quarter. In Europe, this owed mainly to geopolitical tensions in connection with the Russian/Ukrainian conflict in March. The political situation worsened still further in April and May, but as yet has had only limited effects on the global financial markets. Already in January, a worsening of the growth outlook in several emerging countries had been a major factor leading to renewed capital outflows and currency devaluations. Simultaneously, long-term interest rates receded in the USA and in Germany. At the end of the quarter, yields on US and German bonds with periods to maturity of ten years were 2.7% and 1.6% respectively, compared with 3.0% and 1.9% at the end of 2013. Risk spreads for covered bonds and corporate bonds also narrowed further. The fall in interest rates had a positive impact on the market value of fixed-income bonds.

In the medium term, however, the low-interest-rate environment poses considerable challenges for insurers. Regular interest income fell again because yields on new fixed-interest securities with high ratings are far lower than the average return on the securities maturing or sold. Life insurers, which have to meet interest-rate guarantees, are particularly affected.

We write a large portion of our business outside the eurozone. Appreciation in the euro has an adverse effect on premium income development posted in euros, while depreciation increases it. Compared with the first quarter of 2013, the euro exchange rate in the period under review was up in value against the US dollar (3.8%), the Japanese yen (15.7%) and the Canadian dollar (13.6%), but down against the pound sterling (–2.7%). Altogether, therefore, currency translation effects have distorted premium income downwards in year-on-year comparison. The value shown for investments, which is translated at period-end exchange rates, was influenced only slightly overall by currency translation effects in the period under review. In a comparison of the exchange rates at 31 March 2014 with those at year-end 2013, the euro exchange rate was largely unchanged at 1.38 US dollars and 0.83 pounds sterling. Against the Japanese yen, the euro sank by 1.8%, and against the Canadian dollar it rose by 4.2%.

Business performance

Overview

Key figures

	Q1 2014	Q1 2013[1]	Change
	€m	€m	%
Gross premiums written	12,924	13,284	–2.7
Technical result	1,197	1,266	–5.5
Investment result	2,070	2,007	3.1
Operating result	1,307	1,370	–4.6
Taxes on income	213	442	–51.8
Consolidated result	924	970	–4.7
Thereof: Attributable to non-controlling interests	5	7	–28.6
	31.3.2014	31.12.2013	Change
	€bn	€bn	%
Equity	27.4	26.2	4.4

1 Previous year's figures adjusted owing to IAS 8.

Munich Re's Group performance in the first three months of 2014 was good. Overall, our result and the positive development of our Group's equity capital reflect our forward-looking risk management, prudent investment policy and profit-oriented underwriting approach, as well as benefiting from random effects in terms of a particularly low impact from major losses.

Premium income fell slightly year on year due to currency translation effects. If exchange rates had remained the same, our premium income would have increased by 1.4%, despite our strict profitability requirements.

The investment result was at around the same level as in the same period last year. The pleasing result was supported by gains on disposals, particularly of fixed-interest securities and equities.

Due to the lower technical result, the operating result and the consolidated result were somewhat below the very good result generated in the first quarter of 2013.

The consolidated result and the positive growth of on-balance-sheet gains and losses on our investments due to falling interest rates meant that equity increased in comparison with the start of the year by €1.2bn to €27.4bn. In the first quarter of 2014, we acquired 3.7 million Munich Re shares to the value of €580m as part of the share buy-back programme we launched in November 2013.

The annualised return on risk-adjusted capital (RORAC) for the first three months amounted to 15.4% (14.1%), and the return on equity (RoE) to 13.8% (13.8%).

Reinsurance

- Slight decrease in premium income to €6.9bn (7.0bn) in the first quarter
- Pleasing result in life reinsurance
- Treaty renewals in property-casualty reinsurance at 1 January: prices decline by 1.5%
- Very low major-loss expenditure in property-casualty reinsurance
- Stable investment result of €540m (521m)
- Consolidated result down to €750m (828m), but still at a good level

Munich Re operates in virtually all classes of reinsurance. We offer a full range of products, from traditional reinsurance to innovative risk covers, using our extensive risk knowledge to develop individual solutions for our clients that precisely match their needs.

Reinsurance – Life

Key figures

		Q1 2014	Q1 2013[1]	Change
				%
Gross premiums written	€m	2,477	2,569	–3.6
Share of gross premiums written in reinsurance	%	36.1	36.9	
Operating result	€m	122	222	–45.0
Consolidated result	€m	103	173	–40.5

1 Previous year's figures adjusted owing to IAS 8.

Premium

The gratifying growth in premium income we have seen in recent years is significantly attributable to a number of large-volume treaties where reinsurance primarily serves as a capital substitute for our clients. These treaties generally run for a period of several years and have been concluded mainly in North America, Asia and continental Europe. They continue to be a key driver of our premium development in 2014, not least because we have successfully renewed existing large-volume treaties.

The growth of the Asian insurance markets is also still fuelling our business. As a reinsurer, Munich Re supports this development with innovative products and coverage concepts.

However, growth of primary insurance business has been impacted by the weak economy in many markets, which has a dampening effect on our premium development as well. Compared with the first three months of 2013, the strengthened euro gave rise to negative exchange-rate effects. Given that around 90% of our business is written outside the eurozone, exchange-rate influences play a major part in premium development. If exchange rates had remained the same, our premium income would have climbed by 4.7% in the first quarter.

Result

Altogether, our business developed favourably as expected, with the exception of a moderate increase in claims expenses in the USA. The nevertheless significant decline in the technical result to €104m (209m) is partly attributable to changes in exchange rates and partly to the fact that the first quarter of 2013 was exceptionally good.

Due to a fall in regular income, the investment result was somewhat lower than in the first three months of last year at €173m (184m).

Overall, the operating result and consolidated result were at a pleasing level.

Reinsurance – Property-casualty

Key figures

		Q1 2014	Q1 2013	Change
				%
Gross premiums written	€m	4,381	4,398	–0.4
Share of gross premiums written in reinsurance	%	63.9	63.1	
Loss ratio	%	56.9	56.7	
Thereof: Major losses	Percentage points	1.0	2.6	
Expense ratio	%	30.0	29.0	
Combined ratio	%	86.9	85.7	
Operating result	€m	869	898	–3.2
Consolidated result	€m	647	655	–1.2

Premium

Gross premiums by division – Q1 2014

Global Clients and North America	36% (37%)
Germany, Asia Pacific and Africa	25% (19%)
Europe and Latin America	21% (22%)
Special and Financial Risks	18% (22%)

We saw a marginal decline in premium income compared with the same period last year. Premium volume benefited particularly from the conclusion of new large-volume treaties and increased shares in existing ones in Australian and Chinese motor business. Unlike in the previous year, however, the development of the euro against other currencies had a negative effect on our premium income. If exchange rates had remained unchanged, premium volume would have increased by 4.4%.

In property-casualty reinsurance, which is traditionally exposed to market cycles, Munich Re is maintaining its clear, profit-oriented underwriting policy and accepting risks only at commensurate prices, terms and conditions. The renewals at 1 January 2014 again took place in a very competitive and challenging market environment. Competition became even keener at the end of 2013, with ample capacity available, partly because capital from investors such as pension funds is increasingly being invested in instruments for alternative risk transfer. This capital is flowing mainly into non-proportional natural catastrophe business, which only features to a relatively minor extent in the January renewals. The instruments for alternative risk transfer are reinforcing price competition in the reinsurance markets, but are also creating opportunities for established reinsurers. Munich Re is utilising these opportunities to enhance its product range for clients, e.g. through catastrophe bonds, and to expand its own capacity through the purchase of retrocession or reinsurance "sidecars".

As at 1 January 2014, around €8.7bn in premium volume was up for renewal, somewhat more than half of our property-casualty reinsurance business. Some 12% (around €1bn) of this was not renewed, partly because the business concerned no longer met our profitability requirements. By contrast, we wrote new business with a volume of approximately €1.3bn. Altogether, premium volume grew slightly by 2.7% to around €9bn. Prices fell marginally by 1.5%. Munich Re succeeded in differentiating itself from the rest of the market and mitigating price erosion in a highly competitive environment by offering its clients customised capital relief solutions and special agreements. Individual prices, terms and conditions and private placements accounted for almost half of our business in the January renewals. Treaty terms and conditions remained largely stable.

Result

The technical result showed a year-on-year decline of 6.8% to €822m (882m), but was nevertheless still at a gratifying level.

Major losses remained below expectations in the first quarter of 2014 to an even greater extent than in the same period last year, totalling €39m (106m) after retrocession and before tax, or only 1.0% (2.6%) of net earned premiums. Of this year's amount, natural catastrophes accounted for €36m (24m), whilst man-made major losses amounted to only €3m (82m).

In addition to the comprehensive reassessment of provisions for basic losses that we carry out primarily towards the end of the year, we also perform detailed quarterly analyses of the claims advices we receive. Due to our careful reserving policy, the claims burden accounted for when an underwriting year's claims expenditure is first recorded tends to be higher. As a consequence, positive result contributions are possible up to a claim's final settlement. As the claims notifications remained significantly below the expected level, we made moderate reserve releases of around €140m.

We achieved an investment result of €367m (337m) in the period from January to March 2014, the increase being mainly due to a higher result from disposals.

Overall, our operating result and consolidated result were very satisfactory.

Primary insurance

— Total premium volume of €4.8bn (4.9bn)
— Improved result in life primary insurance in the first three months
— Pleasing development in health primary insurance
— At 95.0% (95.9%), combined ratio for January to March somewhat lower year on year
— Investment result of €1,506m (1,439m) up on previous year thanks to write-ups of derivatives
— Good consolidated result of €154m (117m)

Munich Re's primary insurance segment comprises the activities of the ERGO Insurance Group (ERGO). ERGO operates in nearly all lines of life, health and property-casualty insurance. It is a leading provider across all classes of business in its domestic market of Germany. In international business, ERGO's focus is mainly on the growth markets in central and eastern Europe, and Asia. Its claim "To insure is to understand" is being systematically implemented by ERGO in the form of needs-based sales advice, tailored products, clear and understandable communication, innovative services and swift support when loss or damage occurs.

Primary insurance – Life

Key figures

		Q1 2014	Q1 2013[1]	Change
				%
Total premium income[2]	€m	1,628	1,622	0.4
Gross premiums written	€m	1,355	1,357	–0.1
Share of gross premiums written in primary insurance	%	29.7	29.2	
Operating result	€m	89	26	242.3
Consolidated result	€m	44	23	91.3

1 Previous year's figures adjusted owing to IAS 8.
2 Total premium income includes not only gross premiums written but also savings premiums for unit-linked life insurance and capitalisation products in accordance with the statutory accounting guidelines applicable in the insurer's home country.

Premium

Total premium income in life primary insurance was up slightly compared with the same quarter last year.

In Germany, it amounted to €1,158m (1,213m), with gross premiums written totalling €989m (1,034m). We posted a decline in new business volume of 9.1% to €219m (241m). Measured in terms of annual premium equivalent (APE, i.e. regular premium income plus one-tenth of single-premium volume, the performance measure customary among investors) the decrease in new business came to 10.9%. Single-premium income was down by 8.4%, especially from MaxiZins, our shorter-term-oriented capitalisation product. By contrast, we were able to achieve satisfying growth in company pension business. Regular premium income in German new business was down by 10.7%, with the persistently low interest rates again creating a difficult market environment in the past quarter. Moreover, new business in the first quarter of 2013 had been inflated by a large number of policies concluded at the end of 2012, but not accounted for until the first quarter of 2013.

The new generation of life insurance products ERGO has been marketing since 1 July 2013 in two variants of unsponsored private provision for old age sold well in the first quarter of 2014, accounting for more than 70% of annuity policies it sold in private-client business not sponsored by the state.

In international business, total premium volume totalled €470m (409m) for the first quarter – a marked increase compared with the first quarter of 2013 – due especially to the good development in Poland, Austria and Belgium. Gross premiums written correspondingly climbed to €366m (323m). New business increased by 39.2% to €220m (158m). In terms of annual premium equivalent, growth totalled 10.2%, mainly owing to the good situation in Poland, where new business through banks developed pleasingly.

Result

The technical result improved, totalling €31m (–34m) for the period January to March 2014. This was due to higher technical interest than in the previous year and the change in deferred acquisition costs. In addition, there was an increase in the technical result in international business. The investment result for the period under review amounted to €1,062m (1,000m). The slight improvement was largely attributable to a higher balance from write-ups and write-downs, mainly due to write-ups on interest-rate derivatives.

The increase in the investment result and technical result influenced the development of the operating result. The bottom line was an improved consolidated result.

Primary insurance – Health

Key figures

		Q1 2014	Q1 2013	Change
				%
Gross premiums written	€m	1,431	1,432	–0.1
Share of gross premiums written in primary insurance	%	31.3	30.9	
Operating result	€m	66	51	29.4
Consolidated result	€m	33	25	32.0

Premium

Premium volume in the health segment was at the same level as the first quarter of 2013. Business with supplementary benefit covers increased by 3.1%, whilst premium income in comprehensive health insurance declined by 2.1%. In comprehensive health insurance, premium income was partly affected by the falling number of insureds. New business in comprehensive health insurance declined significantly year on year (–38.2%), the decrease reflecting the high number of policies concluded in 2012 with an impact on the first quarter of 2013 (health insurance products with gender-based pricing were only available until 21 December 2012). There was thus an inflation in the volume of new business at the beginning of 2013. This fact was also responsible for the decrease in supplementary health insurance, which at –10.6% was less pronounced than in comprehensive health insurance.

In travel insurance, which we account for in the health segment and write in Germany and abroad, we registered an increase in premium volume of 4.8% to €131m (125m) for the period January to March 2014. German business expanded by 15.4%, whilst premium income from international business was down by 5.2%, owing to individual portfolio remedial measures.

Result

Our technical result amounted to €125m (101m) in the first quarter of the year, benefiting from an improved claims situation in travel insurance and lower costs combined with an increase in premium income in direct insurance. The investment result climbed from €329m to €344m year on year, partly due to higher gains on disposals.

Altogether, the operating result and consolidated result showed an increase.

Primary insurance – Property-casualty

Key figures

		Q1 2014	Q1 2013[1]	Change
				%
Gross premiums written	€m	1,779	1,854	–4.0
Share of gross premiums written in primary insurance	%	39.0	39.9	
Loss ratio	%	60.2	61.1	
Expense ratio	%	34.8	34.8	
Combined ratio	%	95.0	95.9	
Operating result	€m	127	128	–0.8
Consolidated result	€m	77	69	11.6

1 Previous year's figures adjusted owing to IAS 8.

Premium

Premium income in the past quarter fell both in Germany and abroad. In Germany, our premium volume totalled €1,221m (1,260m). Developments in the individual classes of business differed in the first quarter of the year. At –6.1%, commercial and industrial business showed the strongest fall in premium. This derived mainly from commercial and industrial property insurance. Particularly in industrial property insurance, premium development was negatively influenced by planned rehabilitation measures. Personal lines property business showed a 6.9% reduction in premium income, essentially due to the measures taken to increase profitability in houseowners' comprehensive insurance. By contrast, premium volume in private third-party liability insurance was up by 2.1%. In personal accident insurance and legal protection insurance, we saw a slight decline in premium income. However, premium was up marginally by 1.3% in motor insurance.

We posted premium volume of €558m (594m) in international business. More than half of the decline is attributable to negative currency translation effects. Property-casualty business (without legal protection insurance) showed a decrease of 1.0% to €383m (387m). Good growth in Poland and Russia contrasted with lower premium income in Turkey in particular. Moreover, our premium volume in international legal protection business was down by 15.5% to €175m (207m), primarily due to a special effect in the United Kingdom in the first quarter of 2013.

Result

At €101m (95m), the technical result developed well in the quarter under review. The combined ratio for the period from January to March was 95.0% of net earned premiums – an improvement on the same period last year (95.9%). For German business, the combined ratio was 95.1%, or 1.2 percentage points higher than in the same period last year, partly owing to random effects and reserve strengthening. By contrast, the combined ratio in legal protection insurance showed a significant improvement. In international business, the combined ratio fell to 94.9% (99.2%). We achieved major improvements in the first quarter especially in Poland, Turkey, and the Netherlands.

The investment result of €100m (110m) was affected in particular by a decline in regular income. Whilst our operating result was almost at the same level as last year, our consolidated result was higher.

Munich Health

— Gross premium income of €1.5bn (1.7bn) below level of last year
— Slight improvement in combined ratio at 99.7% (99.4%)
— Decreased investment result of €20m (54m)
— Consolidated result falls to €20m (37m)

Key figures

		Q1 2014	Q1 2013	Change
				%
Gross premiums written	€m	1,501	1,674	–10.3
Loss ratio[1]	%	84.1	79.5	
Expense ratio[1]	%	15.6	19.9	
Combined ratio[1]	%	99.7	99.4	
Operating result	€m	25	48	–47.9
Consolidated result	€m	20	37	–45.9

1 Excluding business conducted like life insurance.

With the exception of the German health insurers belonging to ERGO, Munich Re's global healthcare insurance and reinsurance business is combined under the Munich Health brand. We offer our international clients across the world innovative insurance solutions and individual consultancy and services.

Premium

Gross premiums by market region – Q1 2014

North America (NA)	55%	(63%)
Northern/Eastern/Central Europe (NECE)	21%	(15%)
Southern Europe/Latin America (SELA)	16%	(14%)
Middle East/Africa (MEA)	6%	(5%)
Asia/Pacific (APAC)	2%	(3%)

Gross premiums written fell year on year. In reinsurance, the slight decline by 0.9% to €1,132m (1,142m) was mainly attributable to adverse effects from the exchange rate of the Canadian dollar. In primary insurance, there was a decrease of 30.6% to €369m (532m), which was mainly due to the sale of the Windsor Health Group (WHG). By contrast, our companies in Belgium and Spain increased their premium income. If exchange rates had remained the same, with adjustment for the sale of WHG, Munich Health's gross premiums would have increased overall by 6.7% in comparison to the first quarter of 2013.

Result

At €14m (13m), the technical result was slightly above the level of the previous year.

The Munich Health combined ratio of 99.7% (99.4%) relates only to short-term health business, not to business conducted like life insurance, which comprised only 9.7% (8.1%) of gross premiums written in the first three months. In reinsurance, the combined ratio amounted to 99.7% (98.8%). In primary insurance, the ratio was 99.4% (101.0%), with the year-on-year improvement relating in particular to the losses of our US Medicare business in the first quarter of 2013.

Munich Health generated an investment result of €20m (54m), a significant decrease which was due to the fact that there were high gains on disposals in the previous-year period.

The reduced investment result is mainly responsible for the decrease in the operating result and consolidated result.

Investment performance

— Fall in interest rates leads to higher market values of €223.5bn (217.7bn)
— Increase in valuation reserves to €18.9bn (15.2bn)
— Investment result of €2.1bn (2.0bn)

We gear the selection of our investments to the economic characteristics of our technical provisions and liabilities. In addition, we use derivative financial instruments for portfolio management and hedging against fluctuations on the interest-rate, equity and currency markets. Volatility in the markets results in changes in the values of derivatives, which under IFRS accounting we recognise in profit or loss.

Investment mix

	Reinsurance					
		Life		Property-casualty		Life
€m	31.3.2014	31.12.2013	31.3.2014	31.12.2013	31.3.2014	31.12.2013
Land and buildings, including buildings on third-party land	255	263	1,217	1,218	1,330	1,358
Investments in affiliated companies	19	19	82	81	45	44
Investments in associates	–	–	749	737	89	93
Loans	38	34	147	125	35,131	35,185
Other securities held to maturity	–	–	–	–	3	5
Other securities available for sale						
Fixed-interest	13,217	12,822	45,324	43,156	34,495	33,037
Non-fixed-interest	1,324	1,273	5,604	6,096	2,569	2,537
Other securities at fair value through profit or loss						
Held for trading						
Fixed-interest	–	–	17	595	31	52
Non-fixed-interest	–	–	37	36	–	–
Derivatives	631	650	340	406	850	823
Designated as at fair value through profit or loss						
Fixed-interest	–	–	–	–	189	163
Non-fixed-interest	–	–	–	–	1	1
Deposits retained on assumed reinsurance	7,522	7,847	1,310	1,279	109	128
Other investments	407	409	1,451	1,451	816	901
Investments for the benefit of life insurance policyholders who bear the investment risk	–	–	–	–	6,925	6,698
Total	**23,413**	**23,317**	**56,278**	**55,180**	**82,583**	**81,025**

		Primary insurance								
	Health		Property-casualty		Munich Health		Asset management		Total	
	31.3.2014	31.12.2013	31.3.2014	31.12.2013	31.3.2014	31.12.2013	31.3.2014	31.12.2013	31.3.2014	31.12.2013
	750	755	93	93	9	10	65	65	3,719	3,762
	11	11	60	49	1	1	9	9	227	214
	171	169	162	163	88	93	35	45	1,294	1,300
	17,969	17,916	1,950	1,961	24	22	2	2	55,261	55,245
	–	–	–	–	–	–	–	–	3	5
	15,654	15,179	6,008	5,929	3,086	2,858	356	690	118,140	113,671
	1,298	1,053	1,130	1,071	111	125	94	76	12,130	12,231
	–	–	–	–	–	–	–	–	48	647
	–	–	–	–	1	1	–	–	38	37
	122	127	27	31	3	2	–	–	1,973	2,039
	–	–	–	–	–	–	–	–	189	163
	–	–	–	–	–	–	–	–	1	1
	1	1	8	5	300	376	–	–	9,250	9,636
	427	207	577	323	71	80	490	453	4,239	3,824
	–	–	–	–	1	1	–	–	6,926	6,699
	36,403	**35,418**	**10,015**	**9,625**	**3,695**	**3,569**	**1,051**	**1,340**	**213,438**	**209,474**

Distribution of investments by type

Total: €213bn (209bn)

Fixed-interest securities	55%	(55%)
Loans	26%	(26%)
Miscellaneous investments	12%	(12%)
Shares and equity funds	4%	(4%)
Real estate	2%	(2%)
Participating interests	1%	(1%)

The carrying amount of our investment portfolio, which continues to be dominated by fixed-interest securities, loans and short-term fixed-interest investments, rose slightly compared with the position at the beginning of the year. At 31 March 2014, the carrying amount of our investments amounted to €213.4bn (209.5bn). Falling risk-free interest rates and credit risk spreads led to increasing market values.

In the period under review, we reduced our portfolio of covered bonds to some extent and instead invested more in government bonds.

The fall in interest rates led to an increase in on- and off-balance-sheet gains and losses, which would be posted to the income statement upon disposal of the relevant investments. Excluding owner-occupied property, these climbed from €15.2bn at 31 December 2013 to €18.9bn at 31 March 2014.

Other securities available for sale

	Carrying amounts		On-balance-sheet unrealised gains and losses		At amortised cost	
€m	31.3.2014	31.12.2013	31.3.2014	31.12.2013	31.3.2014	31.12.2013
Fixed-interest	118,140	113,671	6,568	4,661	111,572	109,010
Non-fixed-interest	12,130	12,231	2,032	1,975	10,098	10,256
Total	**130,270**	**125,902**	**8,600**	**6,636**	**121,670**	**119,266**

Off-balance-sheet unrealised gains and losses

	Fair values		Off-balance-sheet unrealised gains and losses		Carrying amounts	
€m	31.3.2014	31.12.2013	31.3.2014	31.12.2013	31.3.2014	31.12.2013
Land and buildings[1]	8,378	8,353	2,197	2,172	6,181	6,181
Associates	1,652	1,721	366	430	1,286	1,291
Loans	63,148	61,316	7,887	6,071	55,261	55,245
Other securities	3	5	–	–	3	5
Total	**73,181**	**71,395**	**10,450**	**8,673**	**62,731**	**62,722**

1 Including owner-occupied property.

As at the reporting date, our portfolio of fixed-interest securities was made up as follows:

Fixed-interest portfolio according to economic categories[1]

Total: €190bn (184bn)

Government bonds[2]	47%	(46%)
Thereof: Inflation-linked bonds	8%	(8%)
Pfandbriefs/Covered bonds	28%	(29%)
Corporate bonds	10%	(10%)
Cash/Other	5%	(5%)
Structured products (credit structures)	4%	(4%)
Bank bonds	3%	(3%)
Policy and mortgage loans	3%	(3%)

1 Presentation essentially shows fixed-interest securities and loans, including deposits with banks, at market value. The approximation is not fully comparable with the IFRS figures.
2 Including other public issuers and government-guaranteed bank bonds.

Nearly half of our fixed-interest portfolio is invested in government bonds. In the current financial year, we have invested in US, Spanish and Italian government bonds, and reduced our holdings of bonds and notes from German and Belgian issuers. The vast majority of our government bonds continue to be from countries with a high credit rating. As part of our risk management, we gear our risk capital requirements and limits to the ratings of the relevant issuers. At present, almost 50% of our government bond portfolio is made up of German and US bonds, with only 8% from Italian, Spanish and Irish issuers. We no longer have any government bonds from Greece, Portugal or Cyprus in our portfolio.

Fixed-interest securities: Bank bonds[1]

%	31.3.2014	31.12.2013
Senior bonds	82	84
Loss-bearing bonds	5	5
Subordinated bonds	13	11

1 Presentation essentially shows fixed-interest securities and loans at market value. The approximation is not fully comparable with the IFRS figures.

Over the course of the last few years, we have reduced our holdings of bank bonds to only 3% (3%) of our fixed-interest portfolio. At the reporting date, approximately 7% (7%) of this related to southern European and Irish issuers.

Corporate bonds from other sectors account for 10% (10%) of our fixed-interest portfolio, our exposure being increased by a further percentage point through credit derivatives.

Thanks to our active duration management, the economic interest-rate risk within the Group remains at a low level.

The market value of our equity portfolio (before taking derivatives into account, and including investments in affiliated companies and associates at market value) is almost unchanged. Our equity-backing ratio was 4.5% (4.6%). In the first quarter of 2014, the derivatives used to hedge our equity portfolio were marginally expanded, thus slightly reducing our equity exposure. Including hedges, our equity-backing ratio was 4.2%

(4.5%). Besides this, we are protecting ourselves against accelerated inflation in an environment of continuing low interest rates. For this, we hold inflation-linked bonds with a volume of €7.2bn (6.8bn) and inflation-linked swaps for which the exposure is €4.5bn (4.4bn). Real assets like shares, property, commodities, and investments in renewable energies and infrastructure also serve as protection against inflation, and have a positive diversification effect on the overall portfolio.

Investment result[1]

	Q1 2014	Return[2]	Q1 2013	Return[2]
	€m	%	€m	%
Regular income	1,712	3.1	1,806	3.2
Write-ups/write-downs	–127	–0.2	–103	–0.2
Net realised capital gains	512	0.9	324	0.6
Other income/expenses	–27	0.0	–20	0.0
Total	**2,070**	**3.8**	**2,007**	**3.6**

1 Details of the result by type of investment are shown on page 64 f.
2 Annualised return in % p.a. on the average market value of the investment portfolio at the quarterly reporting dates.

Regular income

In the first quarter of 2014, regular income was again down slightly year on year. Despite a rise in the reinvestment return in the course of 2013 and in the first quarter of 2014, yields on the fixed-interest securities newly purchased in the period under review were, at 2.5%, still lower than the average return on our existing portfolio.

Write-ups and write-downs

In the first three months, we posted net write-downs of €127m (103m), particularly on our interest-rate and equity derivatives. As the gold price developed positively, we were able to make write-ups of €21m in our gold portfolio.

The main reason for the higher write-downs compared with the previous year is the fall in the market values both of our equity derivatives and of our interest-rate derivatives in reinsurance in the past quarter. By contrast, in an environment of falling interest rates, our interest-rate hedges in life primary insurance appreciated in value. We use these to ensure that we can meet the long-term interest-rate guarantees extended to our clients. Even if derivatives are not sold, the changes in their value are reflected in the net balance from write-ups and write-downs.

Realised gains/losses on investments

In the first quarter of the 2014 financial year, we posted net gains on disposal of €512m (324m) through active asset management, primarily from our portfolio of fixed-interest securities, most notably on government bonds, as well as equities.

The year-on-year improvement in our result from disposals was due chiefly to gains realised on the disposal of our fixed-interest derivatives. In the past quarter, we also benefited from higher realised gains in our equity portfolio.

Insurance-linked derivatives

Insurance-linked derivatives

	31.3.2014	31.12.2013	Change
	€m	€m	%
Insurance-linked derivatives in investments	568	569	–0.2
Liabilities from insurance-linked derivatives	416	427	–2.6
	Q1 2014	Q1 2013	Change
	€m	€m	%
Result from insurance-linked derivatives	–10	–4	–150.0

Under insurance-linked derivatives, we subsume the derivative portions of natural catastrophe bonds and of securitisations of mortality and morbidity risks, individually structured insurance-linked derivatives, and derivative components which are separated from their host contract in accounting. This category also includes retrocessions in the form of derivatives to hedge insurance risks assumed, and embedded derivatives in variable annuities and their derivative hedging instruments. All income and expenditure arising from our insurance-linked derivatives is shown as a result from derivatives in the investment result.

Asset management for clients

MEAG MUNICH ERGO AssetManagement GmbH (MEAG) is the asset manager of Munich Re. MEAG also offers its expertise to private and institutional clients directly and via funds from its investment company.

Assets under management for third parties

	31.3.2014	31.12.2013	Change
	€bn	€bn	%
Third-party investments	12.8	12.9	–0.6
Thereof: External institutional investors	10.0	10.2	–1.9
Thereof: Private-client business	2.8	2.7	4.7

Prospects

— Premium income of around €48bn expected
— Anticipated return on investment of around 3.3%
— Profit guidance of €3bn for 2014 still valid

Our expectations for the future are based primarily on planning figures and forecasts whose realisation we of course cannot guarantee. Losses from natural catastrophes and other major losses, for example, can have a strong effect on the result of the reporting period in which they randomly and unforeseeably occur. Late-reported claims for major loss events can also lead to significant fluctuations in individual quarterly or annual results. In addition, changes in fiscal parameters and other special factors can have a considerable impact. The results of individual quarters are therefore not always a reliable indicator for the results of the financial year as a whole.

Fluctuations of the capital markets and exchange rates as well as the special features of IFRS accounting also make it difficult to provide a forecast. Thus, there may be significant fluctuations in the investment result, currency result and consolidated result, despite the fact that our assets are geared to the characteristics of our liabilities. Changes in the market value and net gains or losses on the disposal of derivatives used by us as hedging instruments and for fine-tuning investments can also substantially impact the result. Changes in exchange rates influence our premium income and results in different directions, depending on which foreign currencies are affected. There may be significant swings if exchange-rate fluctuations are strong, although economically speaking – relative to the volume of our business and our investments – we hold few open currency items on our books.

Reinsurance

Reinsurance remains an attractive business field, with a wide variety of earnings opportunities for us. Although insurance density in the western industrialised countries and some Asian nations is already high, these markets have an additional need for insurance cover because, for example, weather-related natural hazards exposure is rising as the climate changes. In regions with very rapid economic development, the demand for insurance protection remains significant for protecting the large centres of high-quality industrial manufacturing and the rising prosperity of the population. As a result, the strongly increasing capacity supply in the primary insurance and reinsurance sectors at present is matched by largely untapped demand potential in many classes of business.

Munich Re offers its cedants specialist consulting services and extensive solutions, also for tasks such as balance sheet management, risk modelling and asset-liability management. Reinsurance provides primary insurers with efficient and flexible protection against major claims and accumulation losses, and strengthens their capital base. In addition to this, we devise innovative coverage concepts that go beyond the scope of traditional reinsurance and to an increasing extent also beyond the conventional boundaries of insurability. And we partner our clients in the often challenging task of adjusting to changes in regulatory requirements, which will be altered significantly in many countries in the coming years.

We therefore see further good development opportunities in life reinsurance. Stimuli will derive in particular from the dynamic expansion of the Asian life insurance markets and from the ongoing privatisation trends in provision for old age, long-term care and disability. We structure our products so that they are tailored to our clients' needs while conforming to our risk strategy.

We expect increasing demand for the management of investment risks in life insurance portfolios. There will also continue to be demand for solutions geared to the optimisation of capital and balance sheets. Despite a principally intact growth trend, premium volume in primary insurance has seen stagnation in many important regions for us. This is due to the weak economy and reduced readiness to purchase insurance because of the financial crisis, which – together with a tendency towards increased retentions – has also had a dampening effect on the demand for reinsurance.

For 2014, we expect gross premiums written in life reinsurance to be in the region of around €9.5bn. The decline of about €1bn compared with the forecast we made in our annual report for 2013 is solely due to negative currency translation effects. The technical result should amount to over €400m.

In property-casualty reinsurance, which is traditionally exposed to pricing cycles and random fluctuations in the amount of major losses, Munich Re will maintain its clear, profit-oriented underwriting policy and accept risks only at commensurate prices, terms and conditions. We are currently seeing unrelenting competition. On the one hand, given their good capitalisation, primary insurers are ceding fewer risks to reinsurers. On the other hand, reinsurers are able to provide ample capacity, since their capital base has also continued to improve thanks to the good results posted in 2013. There is thus surplus capacity on the supply side. Last but not least, insurance-linked securities are increasingly being favoured by institutional investors such as pension funds in their search for a reasonable return. This capital is mainly being channelled into non-proportional catastrophe business such as covers for hurricane losses in the USA, whilst reinsurers that previously focused on this segment are seeking to diversify into other segments. Prices, terms and conditions for reinsurance cover in non-proportional catastrophe business are accordingly under pressure. Munich Re's portfolio is not quite as strongly affected by this development, because proportional treaty business accounts for the major part – around two-thirds – of premium volume from traditional property business. However, competition in all lines of business has increased at least temporarily, and weak growth in many markets that have traditionally been highly insured is not being offset by rising demand from the growth regions.

As a well-diversified reinsurer with extensive know-how, we are able to offer tailor-made solutions, in contrast to most providers. These include multi-year treaties (occasionally incorporating cross-line and cross-regional covers), retroactive reinsurance solutions, transactions for capital relief, comprehensive consultation on capital management, and the insurance of complex liability, credit and large industrial risks. Moreover, with our technical expertise and risk knowledge, we are in a position to support rapidly growing industries and to judiciously extend the boundaries of insurability with needs-based covers.

In the renewals at 1 April 2014, a volume of around €0.8bn, or 5% of the overall portfolio, was up for renewal in the property-casualty reinsurance segment. Roughly a quarter of this figure derives from Japan, with the renewal of Korean business essentially having been brought forward to January. Another 40% or so of the renewal volume stems from North America and global clients. These renewals also involved a high percentage of natural catastrophe business – somewhat more than 40% of the premium worldwide. There was considerable pressure on prices and conditions, in particular for non-proportional catastrophe business. Premium volume remained largely constant, with prices falling by around 8%. In Japan, price erosion was especially strong, starting from a high level after the earthquake of 2011.

The renewals at 1 July 2014 will chiefly concern treaty business in the US market, Australia, and Latin America. They will also mainly involve natural catastrophe business, albeit somewhat less than the April renewals. If there are no major loss events by the end of June, competition should remain intense, but following the deterioration in prices in recent renewal rounds, the pressure on prices should ease.

For 2014, we anticipate that gross premiums written in property-casualty reinsurance will total just over €16.5bn. The decrease compared with the figure of around €17.5bn we forecast in our 2013 annual report is solely attributable to adverse currency translation effects. We are still aiming for a combined ratio of around 94% of net earned premiums. The relief effect from the low major-loss expenditure over the year thus far has partially been offset by the effects of price reductions and a change in the portfolio mix. In particular, there has been an increase in the share of long-tail casualty business, which can still be profitable even if loss ratios are higher.

Gross premiums in reinsurance as a whole should be somewhat over €26bn overall in 2014, although currency translation effects could potentially continue to have a considerable impact on this estimate. We project that the consolidated result for 2014 in reinsurance will be in the range of €2.3–2.5bn.

Primary insurance

We see good opportunities for primary insurance not only in evolving foreign markets but also in various sectors of the German market.

As at 1 April 2014, the ERGO Insurance Group successfully introduced its new sales organisation structures, including a new division for insurances of the person pooling the German areas of life, health and travel insurance. In its new customer and sales division, ERGO will in future combine all of its service-oriented and administrative functions in connection with insurance contracts. ERGO's new advice and sales company, ERGO Beratung und Vertrieb AG, was also launched at the beginning of the second quarter. The currently five tied agents' organisations of ERGO have thus been merged into two homogeneous organisations, each of which will have a competitive size and uniform structures. By pooling the strengths of several long-standing and highly successful sales organisations, ERGO has created a modern infrastructure and effective support structures, thus safeguarding the quality of customer advice and the future of our sales partners.

ERGO also intends to explore innovative ways of designing products. Its new product concept, which ERGO introduced in 2013 initially only for unsponsored private provision for old age and which was marketed by its tied agency sales force, is to be extended in 2014 to include "Rürup" pension plans and company pension schemes.

In life primary insurance, our total premium income is likely to be just under €7bn, with gross premiums written ranging between €5bn and €5.5bn. Given the persistently low interest rates worldwide and a climate that is thus not conducive to private provision for old age, the environment remains challenging. Development will be substantially influenced by volatile, heavily interest-rate-dependent single-premium business. With the product generation we launched in the German market in summer 2013, we see good opportunities to position ourselves promisingly in this difficult market.

For the health primary insurance segment, we are proceeding on the assumption that gross premiums written will amount to slightly over €5.5bn. In private health insurance, the premium adjustment we make in the financial year 2014 will be lower than in 2013. The falling number of insureds in our portfolio is leading to a decline in premium in comprehensive health cover. In supplementary health business, by contrast, we see good growth opportunities overall, particularly in supplementary long-term care insurance and company health insurance, and we therefore expect a moderate increase in premium in this portion of our portfolio.

In property-casualty primary insurance, gross premiums written are likely to amount to a little under €5.5bn. For German business, we are anticipating a total of around €3.3bn. At the same time, we are attaching great importance to adequate prices. Particularly in the highly competitive German motor market, we are consistently implementing measures to improve the earnings situation. In international business, we project gross premium volume of around €2.1bn. The combined ratio in property-casualty business should be down by around two percentage points and amount to a good level of around 95%, with domestic business in particular contributing to the improvement in the further course of the year.

Total premium income in primary insurance in 2014 should be somewhat under €18bn, with gross premiums written totalling around €16.5bn.

For the primary insurance segment, we project a consolidated result for 2014 in the range of €400–500m, with €350–450m for the ERGO Group. The difference between the consolidated result targets for the primary insurance segment and ERGO is mainly attributable to intra-Group business between primary insurance and reinsurance.

Munich Health

We remain convinced that, owing to medical advances and improved life expectancy, there is a wide range of growth opportunities available to Munich Health in the international healthcare markets. We intend to utilise these opportunities even better in future, following an adjustment of our strategic orientation. In reinsurance, we expect growth to result from our clients' increasing numbers of insureds and a rise in demand for non-traditional reinsurance solutions. Based on the outcome of the main treaty renewals in January, we are anticipating a moderate strengthening of profitability. Following the sale of WHG, we project stable development in primary insurance business, with the profitability of our major subsidiaries in Spain and Belgium remaining high.

We are proceeding on the assumption that gross premiums written will amount to just under €5.5bn in 2014. The combined ratio is likely to be around 99%. Altogether, we expect a profit of around €100m for 2014.

Munich Re (Group)

We estimate that the Group's gross premiums written for 2014 will total around €48bn.

We are adhering to our long-term objective of a 15% return on our risk-adjusted capital (RORAC) after tax across the cycle of the insurance and interest-rate markets. However, this target will be difficult to achieve given the currently very low level of interest rates on low-risk investments.

Provided that loss experience is average, our assumption for 2014 is that Munich Re will post a technical result of the same level as last year's €3.7bn.

The investment result for 2014 should total almost €7.5bn. The return of 3.8% on our investments in the first quarter of 2014 cannot be extrapolated to the year as a whole, because we project lower gains on the disposal of investments in the remaining three quarters. We currently anticipate a total return on our investments of around 3.3% for the financial year 2014.

Our consolidated result target of €3bn for 2014 remains unchanged.

The share buy-back programme we launched in November 2013 was concluded as planned on 22 April 2014. As part of this programme, we bought back a total of 6.4 million Munich Re shares with a volume of €1bn. The shares were retired on 30 April 2014. Including the dividend for the financial year 2013, which was paid out in May 2014, we have returned over €16.5bn to our shareholders since 2006.

Our good capitalisation enables us to continue taking selective advantage of opportunities for profitable growth in individual regions and classes of business. We intend to carry on returning excess capital to equity holders in future as well. We aim to repurchase further shares with a volume of up to €1bn before the Annual General Meeting on 23 April 2015, provided no major upheavals occur on the capital markets or in underwriting business.

Beyond this, the statements relating to opportunities and risks as presented in the Munich Re Group Annual Report 2013 apply unchanged.

Interim consolidated financial statements
Consolidated balance sheet as at 31 March 2014

Assets

			31.3.2014	31.12.2013		Change
	€m	€m	€m	€m	€m	%
A. Intangible assets						
I. Goodwill		3,300		3,292	8	0.2
II. Other intangible assets		1,345		1,380	–35	–2.5
			4,645	**4,672**	**–27**	**–0.6**
B. Investments						
I. Land and buildings, including buildings on third-party land		3,719		3,762	–43	–1.1
II. Investments in affiliated companies, associates and joint ventures		1,521		1,514	7	0.5
Thereof: Associates and joint ventures accounted for using the equity method		1,286		1,291	–5	–0.4
III. Loans		55,261		55,245	16	0.0
IV. Other securities						
1. Held to maturity	3			5	–2	–40.0
2. Available for sale	130,270			125,902	4,368	3.5
3. At fair value through profit or loss	2,249			2,887	–638	–22.1
		132,522		128,794	3,728	2.9
V. Deposits retained on assumed reinsurance		9,250		9,636	–386	–4.0
VI. Other investments		4,239		3,824	415	10.9
			206,512	**202,775**	**3,737**	**1.8**
C. Investments for the benefit of life insurance policyholders who bear the investment risk			**6,926**	**6,699**	**227**	**3.4**
D. Ceded share of technical provisions			**5,447**	**5,305**	**142**	**2.7**
E. Receivables						
I. Current tax receivables		660		602	58	9.6
II. Other receivables		12,098		11,357	741	6.5
			12,758	**11,959**	**799**	**6.7**
F. Cash at bank, cheques and cash in hand			**2,739**	**2,820**	**–81**	**–2.9**
G. Deferred acquisition costs						
Gross		9,626		9,603	23	0.2
Ceded share		65		61	4	6.6
Net			9,561	9,542	19	0.2
H. Deferred tax assets			**6,744**	**6,989**	**–245**	**–3.5**
I. Other assets			**3,542**	**3,527**	**15**	**0.4**
Total assets			**258,874**	**254,288**	**4,586**	**1.8**

Equity and liabilities

		31.3.2014	31.12.2013		Change
	€m	€m	€m	€m	%
A. Equity					
I. Issued capital and capital reserve	7,414		7,426	–12	–0.2
II. Retained earnings	15,679		12,875	2,804	21.8
III. Other reserves	3,149		2,369	780	32.9
IV. Consolidated result attributable to Munich Reinsurance Company equity holders	919		3,313	–2,394	–72.3
V. Non-controlling interests	232		243	–11	–4.5
		27,393	**26,226**	**1,167**	**4.4**
B. Subordinated liabilities		**4,377**	**4,424**	**–47**	**–1.1**
C. Gross technical provisions					
I. Unearned premiums	8,638		7,994	644	8.1
II. Provision for future policy benefits	111,635		111,427	208	0.2
III. Provision for outstanding claims	52,802		53,061	–259	–0.5
IV. Other technical provisions	14,942		13,519	1,423	10.5
		188,017	**186,001**	**2,016**	**1.1**
D. Gross technical provisions for life insurance policies where the investment risk is borne by the policyholders		**7,251**	**7,043**	**208**	**3.0**
E. Other accrued liabilities[1]		**3,749**	**3,742**	**7**	**0.2**
F. Liabilities					
I. Bonds and notes issued	248		248	–	–
II. Deposits retained on ceded business	2,976		2,762	214	7.7
III. Current tax liabilities	3,009		2,795	214	7.7
IV. Other liabilities[1]	13,443		12,859	584	4.5
		19,676	**18,664**	**1,012**	**5.4**
G. Deferred tax liabilities		**8,411**	**8,188**	**223**	**2.7**
Total equity and liabilities		**258,874**	**254,288**	**4,586**	**1.8**

1 Previous year's figures adjusted owing to IAS 8, see "Recognition and measurement".

Consolidated income statement
1 January to 31 March 2014

Items

			Q1 2014	Q1 2013		Change
	€m	€m	€m	€m	€m	%
Gross premiums written	**12,924**			**13,284**	**-360**	**-2.7**
1. Earned premiums						
Gross	12,273			12,500	-227	-1.8
Ceded	378			404	-26	-6.4
Net		11,895		12,096	-201	-1.7
2. Income from technical interest		**1,922**		**1,841**	**81**	**4.4**
3. Expenses for claims and benefits						
Gross	10,119			9,748	371	3.8
Ceded share	128			168	-40	-23.8
Net		9,991		9,580	411	4.3
4. Operating expenses						
Gross	2,694			3,151	-457	-14.5
Ceded share	65			60	5	8.3
Net		2,629		3,091	-462	-14.9
5. Technical result (1-4)			**1,197**	**1,266**	**-69**	**-5.5**
6. Investment result						
Investment income	3,253			3,043	210	6.9
Investment expenses	1,183			1,036	147	14.2
Total		**2,070**		**2,007**	**63**	**3.1**
Thereof: Income from associates and joint ventures accounted for using the equity method		5		-9	14	-
7. Other operating income		**177**		**155**	**22**	**14.2**
8. Other operating expenses		**215**		**217**	**-2**	**-0.9**
9. Deduction of income from technical interest		**-1,922**		**-1,841**	**-81**	**-4.4**
10. Non-technical result (6-9)			**110**	**104**	**6**	**5.8**
11. Operating result (5 + 10)			**1,307**	**1,370**	**-63**	**-4.6**
12. Other non-operating result			**-114**	**110**	**-224**	**-**
13. Impairment losses of goodwill			**-**	**-**	**-**	**-**
14. Net finance costs			**-56**	**-68**	**12**	**17.6**
15. Taxes on income			**213**	**442**	**-229**	**-51.8**
16. Consolidated result (11-15)			**924**	**970**	**-46**	**-4.7**
Thereof: Attributable to Munich Reinsurance Company equity holders			919	963	-44	-4.6
Attributable to non-controlling interests			5	7	-2	-28.6
			€	€	€	%
Basic earnings per share			**5.24**	**5.39**	**-0.15**	**-2.8**

Consolidated income statement (quarterly breakdown)

Items

	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
	€m	€m	€m	€m	€m
Gross premiums written	**12,924**	**12,470**	**12,497**	**12,809**	**13,284**
1. Earned premiums					
Gross	12,273	12,771	12,544	13,025	12,500
Ceded	378	411	433	420	404
Net	11,895	12,360	12,111	12,605	12,096
2. Income from technical interest	**1,922**	**1,720**	**1,735**	**1,468**	**1,841**
3. Expenses for claims and benefits					
Gross	10,119	9,967	10,687	10,296	9,748
Ceded share	128	155	228	231	168
Net	9,991	9,812	10,459	10,065	9,580
4. Operating expenses					
Gross	2,694	3,322	2,731	3,486	3,151
Ceded share	65	85	83	98	60
Net	2,629	3,237	2,648	3,388	3,091
5. Technical result (1–4)	**1,197**	**1,031**	**739**	**620**	**1,266**
6. Investment result					
Investment income	3,253	3,415	3,315	3,423	3,043
Investment expenses	1,183	1,420	1,216	1,867	1,036
Total	**2,070**	**1,995**	**2,099**	**1,556**	**2,007**
Thereof: Income from associates and joint ventures accounted for using the equity method	5	-54	37	33	-9
7. Other operating income	**177**	**264**	**165**	**198**	**155**
8. Other operating expenses	**215**	**294**	**211**	**200**	**217**
9. Deduction of income from technical interest	**-1,922**	**-1,720**	**-1,735**	**-1,468**	**-1,841**
10. Non-technical result (6–9)	**110**	**245**	**318**	**86**	**104**
11. Operating result (5 + 10)	**1,307**	**1,276**	**1,057**	**706**	**1,370**
12. Other non-operating result	**-114**	**-235**	**-407**	**-141**	**110**
13. Impairment losses of goodwill	**–**	**29**	**–**	**–**	**–**
14. Net finance costs	**-56**	**-55**	**-59**	**-75**	**-68**
15. Taxes on income	**213**	**-241**	**-41**	**-52**	**442**
16. Consolidated result (11–15)	**924**	**1,198**	**632**	**542**	**970**
Thereof: Attributable to Munich Reinsurance Company equity holders	919	1,189	633	528	963
Attributable to non-controlling interests	5	9	-1	14	7
	€	€	€	€	€
Basic earnings per share	**5,24**	**6,65**	**3,53**	**2,94**	**5,39**

Statement of recognised income and expense
1 January to 31 March 2014

€m		Q1 2014	Q1 2013[1]
Consolidated result		**924**	**970**
Currency translation			
Gains (losses) recognised in equity	2		211
Recognised in the consolidated income statement	–		–
Unrealised gains and losses on investments			
Gains (losses) recognised in equity	994		115
Recognised in the consolidated income statement	–225		–290
Change resulting from valuation at equity			
Gains (losses) recognised in equity	15		–12
Recognised in the consolidated income statement	–		–
Change resulting from cash flow hedges			
Gains (losses) recognised in equity	1		–1
Recognised in the consolidated income statement	–		–
Other changes	13		–
I. Items where income and expenses recognised directly in equity are reallocated to the consolidated income statement.	800		23
Remeasurements of defined benefit plans	37		89
Other changes	–		–
II. Items where income and expenses recognised directly in equity are not reallocated to the consolidated income statement	37		89
Income and expense recognised directly in equity (I + II)		**837**	**112**
Total recognised income and expense		**1,761**	**1,082**
Thereof:			
Attributable to Munich Reinsurance Company equity holders		1,757	1,073
Attributable to non-controlling interests		4	9

1 Previous year's figures adjusted owing to IAS 8.

Group statement of changes in equity

€m	Issued capital	Capital reserve
Status at 31.12.2012	**585**	**6,836**
Allocation to retained earnings	–	–
Consolidated result	–	–
Income and expense recognised directly in equity	–	–
Currency translation	–	–
Unrealised gains and losses on investments	–	–
Change resulting from valuation at equity	–	–
Change resulting from cash flow hedges	–	–
Remeasurements of defined benefit plans	–	–
Other changes	–	–
Total recognised income and expense	–	–
Change in shareholdings in subsidiaries	–	–
Change in consolidated group	–	–
Dividend	–	–
Purchase/sale of own shares	3	9
Retirement of own shares	–	–
Status at 31.3.2013[1]	**588**	**6,845**
Status at 31.12.2013	**581**	**6,845**
Allocation to retained earnings	–	–
Consolidated result	–	–
Income and expense recognised directly in equity	–	–
Currency translation	–	–
Unrealised gains and losses on investments	–	–
Change resulting from valuation at equity	–	–
Change resulting from cash flow hedges	–	–
Remeasurements of defined benefit plans	–	–
Other changes	–	–
Total recognised income and expense	–	–
Change in shareholdings in subsidiaries	–	–
Change in consolidated group	–	–
Dividend	–	–
Purchase/sale of own shares	–12	–
Retirement of own shares	–	–
Status at 31.3.2014	**569**	**6,845**

1 Previous year's figures adjusted owing to IAS 8.

Equity attributable to Munich Reinsurance Company equity holders						Non-controlling interests	Total equity
Retained earnings		Other reserves			Consolidated result		
Retained earnings before deduction of own shares	Own shares held	Unrealised gains and losses	Reserve from currency translation	Valuation result from cash flow hedges			
11,015	**-77**	**5,946**	**-292**	**-4**	**3,188**	**242**	**27,439**
3,188	–	–	–	–	-3,188	–	–
–	–	–	–	–	963	7	970
81	–	-176	210	-5	–	2	112
–	–	–	210	–	–	1	211
–	–	-176	–	–	–	1	-175
-8	–	–	–	-4	–	–	-12
–	–	–	–	-1	–	–	-1
89	–	–	–	–	–	–	89
–	–	–	–	–	–	–	–
81	–	-176	210	-5	963	9	1,082
–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–
–	–	–	–	–	–	-1	-1
23	72	–	–	–	–	–	107
–	–	–	–	–	–	–	–
14,307	**-5**	**5,770**	**-82**	**-9**	**963**	**250**	**28,627**
13,170	**-295**	**3,368**	**-1,002**	**3**	**3,313**	**243**	**26,226**
3,313	–	–	–	–	-3,313	–	–
–	–	–	–	–	919	5	924
58	–	776	3	1	–	-1	837
–	–	–	3	–	–	-1	2
–	–	767	–	–	–	2	769
6	–	9	–	–	–	–	15
–	–	–	–	1	–	–	1
39	–	–	–	–	–	-2	37
13	–	–	–	–	–	–	13
58	–	776	3	1	919	4	1,761
–	–	–	–	–	–	–	–
–	–	–	–	–	–	-15	-15
–	–	–	–	–	–	–	–
–	-567	–	–	–	–	–	-579
–	–	–	–	–	–	–	–
16,541	**-862**	**4,144**	**-999**	**4**	**919**	**232**	**27,393**

Condensed consolidated cash flow statement
1 January to 31 March 2014

€m	Q1 2014	Q1 2013[1]
Consolidated result	**924**	**970**
Net change in technical provisions	972	1,610
Change in deferred acquisition costs	–20	52
Change in deposits retained and accounts receivable and payable	456	–152
Change in other receivables and liabilities	632	453
Gains and losses on the disposal of investments	–512	–324
Change in securities at fair value through profit or loss	528	–148
Change in other balance sheet items	67	–221
Other income/expenses without impact on cash flow	63	169
I. Cash flows from operating activities	3,110	2,409
Change from losing control of consolidated subsidiaries	–	–
Change from obtaining control of consolidated subsidiaries	–31	–
Change from the acquisition, sale and maturities of other investments	–2,503	–2,137
Change from the acquisition and sale of investments for unit-linked life insurance	–118	–119
Other	–37	18
II. Cash flows from investing activities	–2,689	–2,238
Inflows from increase in capital and from non-controlling interests	–	107
Outflows to ownership interests and non-controlling interests	579	–
Dividend payments	–	1
Change from other financing activities	–25	–63
III. Cash flows from financing activities	–604	43
Cash flows for the financial year (I + II + III)	**–183**	**214**
Effect of exchange rate changes on cash	102	–11
Cash at the beginning of the financial year	2,820	2,860
Cash at 31 March of the financial year	2,739	3,063

1 Previous year's figures adjusted owing to IAS 8.

Selected notes to the consolidated financial statements

Recognition and measurement

This quarterly report as at 31 March 2014 has been prepared in accordance with International Financial Reporting Standards (IFRSs) as applicable in the European Union. The condensed interim consolidated financial statements are prepared in accordance with IAS 34, Interim Financial Reporting. We have complied with all new and amended IFRSs and IFRIC interpretations whose application is compulsory for Munich Re for the first time for periods beginning on 1 January 2014. We applied IAS 36 (rev. 05/2013), Recoverable Amount Disclosures for Non-Financial Assets already in advance in the 2013 financial year. For existing or unchanged IFRSs, the same principles of recognition, measurement, consolidation and disclosure have been applied as in our consolidated financial statements as at 31 December 2013, with the exception of the changes mentioned below. In accordance with the rules of IFRS 4, underwriting items are recognised and measured on the basis of US GAAP (United States Generally Accepted Accounting Principles) at first-time adoption of IFRS 4 on 1 January 2005.

As of the financial year 2014, the following new or amended IFRSs had to be applied for the first time:

IFRS 10 (05/2011), Consolidated Financial Statements, supersedes the provisions of IAS 27 and SIC 12 and creates a uniform definition for control, irrespective of whether this control is based on company law or on contractual or economic circumstances. There are no longer any independent provisions for structured entities (special purpose entities). A situation of control exists when an investor has the ability to direct an investee's relevant activities and is exposed to the returns from those activities. Furthermore, IFRS 10 addresses issues that have not been dealt with until now, including the regulation that a situation of control exists even if an investor holds less than a majority of the voting rights but regularly has a de facto majority of voting rights at the annual general meetings. The changes do not have any major effects on Munich Re's group of consolidated companies. Only one associate is now to be recognised as a fully consolidated company. We have therefore applied the amendments prospectively, as a retrospective application for prior periods did not appear appropriate, also from a cost-benefit point of view. The conversion from the equity method to full consolidation has led to a minor result effect of less than €2m and has the effect of increasing the balance sheet total by around €10m.

IFRS 11 (05/2011), Joint Arrangements, defines joint operations and joint ventures and specifies how they are to be recognised in the balance sheet. The changes compared with IAS 31, Interest in Joint Ventures, mainly concern the elimination of the option of proportionate consolidation for joint ventures, the amended definition of joint control, and the extended scope of application of joint operations. These may now include arrangements structured through a separate vehicle. The elimination of the option of proportionate consolidation has no impact on Munich Re, as we do not avail ourselves of this option and already apply the equity method. The two other amendments do not have any major effects on Munich Re.

IFRS 12 (05/2011), Disclosure of Interests in Other Entities, combines the disclosures regarding facts and circumstances governed by IFRS 10, 11 and IAS 28. The objective of the standard is to provide information on the type and risk of interests in other entities and their implication for the consolidated financial statements. As a consequence, the information provided needs to be more comprehensive than before. In particular, IFRS 12 requires disclosures relating to unconsolidated structured entities, subsidiaries with significant non-controlling interests, discretionary judgements and assumptions in evaluating the nature of interests in other entities, as well as detailed information on each significant joint arrangement and associate. Munich Re is mainly affected by the extended disclosure requirements relating to non-consolidated structured entities and interests in joint arrangements and associates.

IAS 27 (rev. 05/2011), Separate Financial Statements, now deals only with balance sheet recognition of investments in subsidiaries, joint ventures and associates in separate single-entity financial statements in accordance with IFRS, including the relevant disclosures in the notes. The definition of control, and balance sheet recognition of subsidiaries in consolidated financial statements is now regulated by IFRS 10. The standard has no effect on Munich Re.

IAS 28 (rev. 05/2011), Investments in Associates and Joint Ventures, specifically includes amendments following from the publication of IFRS 11 and IFRS 12. Among other things, the standard integrates the balance sheet recognition of joint ventures and circumstances previously governed by SIC 13, Jointly Controlled Entities – Non-Monetary Contributions by Venturers. Furthermore, investments in associates or joint ventures held by open-ended investment funds or for unit-linked insurance, for example, are no longer excluded from the scope of application of the standard. Rather, there is now an option to measure these at fair value with impact on profit or loss. The amendments do not have any major implications for Munich Re.

In June 2012, the IASB adopted **IFRS Consolidated Financial Statements, Joint Arrangements, and Disclosure of Interests in Other Entities – Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12) (06/2012),** which clarifies that the requirement to provide adjusted comparative information on first-time application is limited to the preceding comparative period only. Insofar as first-time application results in a change in the need to consolidate an entity only for the comparative period, no adjusted comparative information for prior periods is necessary. In addition, the requirement to provide information for prior periods is removed for unconsolidated structured entities.

As mandated by the IASB, application of IFRS 10, IFRS 11 and IFRS 12 and the amendments to IAS 27 and IAS 28, including the Transition Guidance for these standards, would be mandatory for financial years beginning on or after 1 January 2013. When the standards were adopted into European law, the mandatory effective date was deferred by one year, so that the standards concerned have to be applied for the first time by entities domiciled in the European Union for financial years beginning on or after 1 January 2014; voluntary application before that date is permitted. Munich Re has chosen first-time application from 1 January 2014.

IFRS Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27) (10/2012) introduces a definition of the term "investment entities" and specifies that such entities are generally excepted from the requirement to consolidate their subsidiaries in future. Instead, they are required to measure them at fair value through profit or loss. The exception from the consolidation requirement does not apply to parents of investment entities that are not themselves investment entities. There are also additional disclosure requirements for investment entities. The amendments are of no relevance for Munich Re.

The amendments to **IAS 32 (rev. 12/2011), Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities**, clarify some issues in relation to the admissibility of offsetting financial assets and financial liabilities. These changes currently have no practical significance for Munich Re.

The amendments to **IAS 39 (rev. 06/2013), Financial Instruments: Novation of Derivatives and Continuation of Hedge Accounting,** determine that the novation to a central counterparty of a derivative that is designated as a hedging instrument will not lead to a discontinuation of hedge accounting where that novation is required by legislation or regulation. The involvement of a central counterparty is not mandatory for existing business transactions. The amendments currently do not have any material effects on Munich Re.

IFRIC Interpretation 21 (05/2013), Levies, clarifies the point of recognition of a liability within the scope of IAS 37 for levies imposed by governments, other than income taxes, that do not fall within the scope of application of other IFRSs. As well as determining the point of recognition, the Interpretation clarifies how to interpret the definition of "present obligation" within the meaning of IAS 37 with respect to such levies. This interpretation has not yet been adopted into European law and, therefore, has not yet been applied. It has no material effect for Munich Re.

Since the first quarter of 2014, we have adjusted the disclosure of "other provisions" and "miscellaneous liabilities" in order to improve the information content. Liabilities hitherto allocated to "other provisions", but more certain than provisions in terms of the timing and amount of their payment, are shown under "miscellaneous liabilities" with immediate effect. "Outstanding invoices", "bonuses", "holiday and overtime pay" and "miscellaneous" are affected. Pursuant to IAS 8.22, the modifications have been applied retrospectively and the previous year's figures have been adjusted accordingly. As a result of the modification, "miscellaneous liabilities" have increased by an overall €427m, amounting to €4,548m as at 31 December 2013. "Other provisions" have been reduced by the same amount, totalling €1,602m as at 31 December 2013. The modification came to a total of €397m as at 31 December 2012. "Miscellaneous liabilities" thus amounted to €4,399m as at 31 December 2012, and "other provisions" to €1,597m.

Changes in the consolidated group

The following disclosures regarding first-time recognition are provisional, since among other things there may still be changes in the purchase price and the net asset value.

With legal effect from 2 January 2014, via its subsidiary Cannock Chase Holding B.V., Amsterdam, Munich Re acquired 100% of the voting shares in Cannock Chase B.V., Leidschendam, 100% of the voting shares in Cannock Chase Incasso B.V., The Hague, 100% of the voting shares in Cannock Connect Center B.V., Brouwershaven, 100% of the voting shares in Mandaat B.V., Druten, 100% of the voting shares in Cannock Chase Purchase B.V., The Hague, and 62.50% of the voting shares in X-Pact B.V., The Hague. The Cannock Chase Group is the market leader in the public-sector client segment of the credit-management services market.

The acquisitions are aimed at expanding the market position of DAS Nederlandse Rechtsbijstand Verzekeringmaatschappij N.V., Amsterdam, in the area of credit management. A purchase price of €32m in cash was paid for the acquisition.

Foreign currency translation

Munich Re's presentation currency is the euro (€). The following table shows the exchange rates of the most important currencies for our business:

Currency translation rates

	Balance sheet		Income statement	
Rate for €1	**31.3.2014**	31.12.2013	**Q1 2014**	Q1 2013
Australian dollar	1.48700	1.54020	1.52779	1.27085
Canadian dollar	1.52125	1.46405	1.51090	1.33091
Pound sterling	0.82670	0.83200	0.82797	0.85064
Rand	14.49630	14.43230	14.87360	11.81310
Swiss franc	1.21745	1.22550	1.22350	1.22778
US dollar	1.37825	1.37795	1.37039	1.32006
Yen	141.9390	144.8300	140.8670	121.6110
Yuan renminbi	8.56995	8.34200	8.36070	8.21540

Segment reporting

In accordance with the "management approach", the segmentation of our business operations is based on the way in which Munich Re is managed internally.

We have consequently identified seven segments to be reported:

— Life reinsurance (global life reinsurance business)
— Property-casualty reinsurance (global property-casualty reinsurance business)
— Life primary insurance (global life primary insurance business)
— Health primary insurance (German health primary insurance business and global travel insurance business)
— Property-casualty primary insurance (global property-casualty primary insurance business)
— Munich Health (global health reinsurance business and health primary insurance business outside Germany)
— Asset management (management of assets for the Group and for external investors)

Munich Re's primary insurance segments comprise all the activities of the ERGO Insurance Group (ERGO). In addition, certain primary insurers whose business requires special solution-finding competence are coupled to reinsurance as the risk carrier. We therefore transact their business from within reinsurance and consequently allocate them to the reinsurance segment.

Munich Re uses different performance indicators and measures. The main performance metrics at Group level are economic earnings and the return on risk-adjusted capital (RORAC). Besides this, IFRS result contributions are the basis of planning and strategy in all segments. Therefore, the uniform assessment basis used for measuring the segment result is the operating result adjusted to eliminate non-operating components, and the IFRS profit for the year. The operating result is split into a technical result and a non-technical result, with an interest component allocated to the underwriting business in the form of income from technical interest. The segments reported under IFRS 8 are now shown after elimination of all intra-Group transactions (mainly dividend payments, sales, reinsurance transactions, receivables and corresponding interest income). Our segment reporting has no consolidation column. In the case of intra-Group sales of assets where a provision for premium refunds has to be posted, the latter always has to be shown by the selling segment.

Intra-Group loans are completely eliminated in the balance sheet through consolidation. By contrast, the expenditure for the borrowers and income for the lenders is shown unconsolidated under "Other operating result, impairment losses of goodwill and net finance costs" for the segments concerned. All intra-Group shareholdings are consolidated, and all earnings and expenditure of the subsidiaries are shown in their segments.

Segment assets

	Reinsurance			
		Life		Property-casualty
€m	31.3. 2014	31.12. 2013	31.3. 2014	31.12. 2013
A. Intangible assets	**154**	**159**	**1,910**	**1,920**
B. Investments				
I. Land and buildings, including buildings on third-party land	255	263	1,217	1,218
II. Investments in affiliated companies, associates and joint ventures	19	19	831	818
Thereof: Associates and joint ventures accounted for using the equity method	–	–	745	733
III. Loans	38	34	147	125
IV. Other securities				
1. Held to maturity	–	–	–	–
2. Available for sale	14,541	14,095	50,928	49,252
3. At fair value through profit or loss	631	650	394	1,037
	15,172	14,745	51,322	50,289
V. Deposits retained on assumed reinsurance	7,522	7,847	1,310	1,279
VI. Other investments	407	409	1,451	1,451
	23,413	**23,317**	**56,278**	**55,180**
C. Investments for the benefit of life insurance policyholders who bear the investment risk	–	–	–	–
D. Ceded share of technical provisions	**1,227**	**1,096**	**1,965**	**1,932**
E. Other segment assets	**6,944**	**6,885**	**10,366**	**10,041**
Total segment assets	**31,738**	**31,457**	**70,519**	**69,073**

Segment liabilities

	Reinsurance			
		Life		Property-casualty
€m	31.3. 2014	31.12. 2013	31.3. 2014	31.12. 2013
A. Subordinated liabilities	**1,113**	**1,138**	**3,209**	**3,177**
B. Gross technical provisions				
I. Unearned premiums	32	28	5,781	5,587
II. Provision for future policy benefits	13,573	13,633	26	27
III. Provision for outstanding claims	6,090	5,948	37,588	37,847
IV. Other technical provisions	400	396	15	49
	20,095	**20,005**	**43,410**	**43,510**
C. Gross technical provisions for life insurance policies where the investment risk is borne by the policyholders	–	–	–	–
D. Other accrued liabilities[1]	**164**	**160**	**478**	**471**
E. Other segment liabilities[1]	**5,960**	**5,509**	**10,684**	**10,241**
Total segment liabilities	**27,332**	**26,812**	**57,781**	**57,399**

1 Previous year's figures adjusted owing to IAS 8, see "Recognition and measurement".

	Primary insurance						Munich Health		Asset management		Total	
	Life		Health		Property-casualty							
	31.3. 2014	31.12. 2013	31.3. 2014	31.12. 2013	31.3. 2014	31.12. 2013	31.3. 2014	31.12. 2013	31.3. 2014	31.12. 2013	31.3. 2014	31.12. 2013
	943	**953**	**670**	**672**	**945**	**945**	**11**	**12**	**12**	**11**	**4,645**	**4,672**
	1,330	1,358	750	755	93	93	9	10	65	65	3,719	3,762
	134	137	182	180	222	212	89	94	44	54	1,521	1,514
	89	92	170	168	160	161	88	93	34	44	1,286	1,291
	35,131	35,185	17,969	17,916	1,950	1,961	24	22	2	2	55,261	55,245
	3	5	–	–	–	–	–	–	–	–	3	5
	37,064	35,574	16,952	16,232	7,138	7,000	3,197	2,983	450	766	130,270	125,902
	1,071	1,039	122	127	27	31	4	3	–	–	2,249	2,887
	38,138	36,618	17,074	16,359	7,165	7,031	3,201	2,986	450	766	132,522	128,794
	109	128	1	1	8	5	300	376	–	–	9,250	9,636
	816	901	427	207	577	323	71	80	490	453	4,239	3,824
	75,658	**74,327**	**36,403**	**35,418**	**10,015**	**9,625**	**3,694**	**3,568**	**1,051**	**1,340**	**206,512**	**202,775**
	6,925	**6,698**	**–**	**–**	**–**	**–**	**1**	**1**	**–**	**–**	**6,926**	**6,699**
	1,666	**1,700**	**12**	**20**	**400**	**386**	**177**	**171**	**–**	**–**	**5,447**	**5,305**
	7,692	**8,082**	**3,637**	**3,674**	**4,842**	**4,411**	**1,775**	**1,667**	**88**	**77**	**35,344**	**34,837**
	92,884	**91,760**	**40,722**	**39,784**	**16,202**	**15,367**	**5,658**	**5,419**	**1,151**	**1,428**	**258,874**	**254,288**

	Primary insurance						Munich Health		Asset management		Total	
	Life		Health		Property-casualty							
	31.3. 2014	31.12. 2013	31.3. 2014	31.12. 2013	31.3. 2014	31.12. 2013	31.3. 2014	31.12. 2013	31.3. 2014	31.12. 2013	31.3. 2014	31.12. 2013
	23	**73**	**–**	**–**	**2**	**2**	**30**	**34**	**–**	**–**	**4,377**	**4,424**
	35	30	129	99	2,235	1,766	426	484	–	–	8,638	7,994
	69,225	69,182	27,374	27,175	436	434	1,001	976	–	–	111,635	111,427
	1,722	1,758	808	941	5,715	5,730	879	837	–	–	52,802	53,061
	5,257	4,458	8,999	8,405	135	136	136	75	–	–	14,942	13,519
	76,239	**75,428**	**37,310**	**36,620**	**8,521**	**8,066**	**2,442**	**2,372**	**–**	**–**	**188,017**	**186,001**
	7,250	**7,042**	**–**	**–**	**–**	**–**	**1**	**1**	**–**	**–**	**7,251**	**7,043**
	268	**483**	**141**	**267**	**2,515**	**2,187**	**140**	**136**	**43**	**38**	**3,749**	**3,742**
	6,659	**6,492**	**1,454**	**1,213**	**2,100**	**2,082**	**1,135**	**1,165**	**95**	**150**	**28,087**	**26,852**
	90,439	**89,518**	**38,905**	**38,100**	**13,138**	**12,337**	**3,748**	**3,708**	**138**	**188**	**231,481**	**228,062**
Equity											**27,393**	**26,226**
Total equity and liabilities											**258,874**	**254,288**

Segment income statement 1.1.–31.3.2014[1]

	Reinsurance			
	Life		Property-casualty	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Gross premiums written	**2,477**	**2,569**	**4,381**	**4,398**
1. Earned premiums				
Gross	2,474	2,564	4,181	4,230
Ceded	112	101	150	154
Net	2,362	2,463	4,031	4,076
2. Income from technical interest	**167**	**174**	**295**	**298**
3. Expenses for claims and benefits				
Gross	2,169	1,887	2,317	2,349
Ceded share	58	49	22	39
Net	2,111	1,838	2,295	2,310
4. Operating expenses				
Gross	350	620	1,224	1,190
Ceded share	36	30	15	8
Net	314	590	1,209	1,182
Thereof: Amortisation and impairment losses of acquired insurance portfolios	1	–	–	–
5. Technical result (1–4)	**104**	**209**	**822**	**882**
6. Investment result				
Investment income	414	452	1,025	839
Investment expenses	241	268	658	502
Total	173	184	367	337
Thereof: Interest and similar income	169	184	293	352
Interest charges and similar expenses	1	1	2	4
Write-downs of investments	162	167	351	189
Write-ups of investments	127	172	173	136
Income from associates and joint ventures accounted for using the equity method	–	–	7	-4
7. Other operating income	**29**	**20**	**49**	**49**
Thereof: Interest and similar income	19	12	3	4
Write-ups of other operating assets	–	–	–	–
8. Other operating expenses	**17**	**17**	**74**	**72**
Thereof: Interest charges and similar expenses	2	5	6	7
Write-downs of other operating assets	–	–	1	5
9. Deduction of income from technical interest	**-167**	**-174**	**-295**	**-298**
10. Non-technical result (6–9)	**18**	**13**	**47**	**16**
11. Operating result (5 + 10)	**122**	**222**	**869**	**898**
12. Other non-operating result, net finance costs and impairment losses of goodwill	**-19**	**28**	**-67**	**80**
13. Taxes on income	**–**	**77**	**155**	**323**
14. Consolidated result (11–13)	**103**	**173**	**647**	**655**
Thereof: Attributable to Munich Reinsurance Company equity holders	103	173	647	652
Attributable to non-controlling interests	–	–	–	3

1 Previous year's figures adjusted owing to IAS 8.

				Primary insurance		Munich Health		Asset management		Total	
Life		Health		Property-casualty							
Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
1,355	1,357	1,431	1,432	1,779	1,854	1,501	1,674	–	–	12,924	13,284
1,349	1,355	1,401	1,405	1,309	1,338	1,559	1,608	–	–	12,273	12,500
19	26	4	12	49	54	44	57	–	–	378	404
1,330	1,329	1,397	1,393	1,260	1,284	1,515	1,551	–	–	11,895	12,096
1,001	933	400	374	50	52	9	10	–	–	1,922	1,841
2,042	1,923	1,505	1,502	790	811	1,296	1,276	–	–	10,119	9,748
3	23	5	6	18	16	22	35	–	–	128	168
2,039	1,900	1,500	1,496	772	795	1,274	1,241	–	–	9,991	9,580
263	400	171	175	436	445	250	321	–	–	2,694	3,151
2	4	-1	5	-1	-1	14	14	–	–	65	60
261	396	172	170	437	446	236	307	–	–	2,629	3,091
7	44	1	1	–	–	–	–	–	–	9	45
31	-34	125	101	101	95	14	13	–	–	1,197	1,266
1,241	1,176	404	376	142	140	22	57	5	3	3,253	3,043
179	176	60	47	42	30	2	3	1	10	1,183	1,036
1,062	1,000	344	329	100	110	20	54	4	-7	2,070	2,007
646	672	321	313	58	63	20	21	1	1	1,508	1,606
–	1	1	1	–	–	–	–	–	–	4	7
65	63	27	23	18	11	–	1	–	10	623	464
168	34	18	12	10	7	–	–	–	–	496	361
1	1	2	2	–	2	-6	–	1	-10	5	-9
20	18	7	11	47	32	13	13	12	12	177	155
1	1	–	–	1	1	1	2	–	–	25	20
1	–	–	–	3	3	–	–	–	–	4	3
23	25	10	16	71	57	13	22	7	8	215	217
2	1	3	3	13	13	3	6	–	1	29	36
2	2	1	1	3	5	–	1	3	–	10	14
-1,001	-933	-400	-374	-50	-52	-9	-10	–	–	-1,922	-1,841
58	60	-59	-50	26	33	11	35	9	-3	110	104
89	26	66	51	127	128	25	48	9	-3	1,307	1,370
-2	-4	-16	-11	-64	-50	–	–	-2	-1	-170	42
43	-1	17	15	-14	9	5	11	7	8	213	442
44	23	33	25	77	69	20	37	–	-12	924	970
44	23	33	25	74	67	18	35	–	-12	919	963
–	–	–	–	3	2	2	2	–	–	5	7

Non-current assets by country[1]

€m	31.3.2014	31.12.2013
Germany	7,751	7,798
USA	1,801	1,798
UK	505	511
Austria	348	358
Sweden	283	287
Italy	231	234
Poland	190	182
Netherlands	160	156
France	154	154
Spain	147	123
Switzerland	92	92
Portugal	62	61
Others	246	237
Total	**11,970**	**11,991**

1 The non-current assets mainly comprise intangible assets (especially goodwill) and our owner-occupied and investment property, as well as investments in renewable energy (RENT).

Investments in non-current assets per segment[1]

€m	Q1 2014	Q1 2013
Reinsurance life	8	6
Reinsurance property-casualty	52	15
Primary insurance life	8	3
Primary insurance health	1	1
Primary insurance property-casualty	49	46
Munich Health	12	7
Asset management	12	2
Total	**142**	**80**

1 The non-current assets mainly comprise intangible assets (especially goodwill) and our owner-occupied and investment property, as well as investments in renewable energy (RENT).

Gross premiums written

	Reinsurance		Primary insurance		Munich Health		Total	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Europe	2,104	2,235	4,564	4,638	547	490	7,215	7,363
North America	2,946	3,116	1	1	820	1,049	3,767	4,166
Asia and Australasia	1,259	1,031	–	3	32	48	1,291	1,082
Africa, Near and Middle East	179	196	–	–	98	81	277	277
Latin America	370	389	–	1	4	6	374	396
Total	**6,858**	**6,967**	**4,565**	**4,643**	**1,501**	**1,674**	**12,924**	**13,284**

Notes to the consolidated balance sheet

The main items of the consolidated balance sheet are made up as follows:

Intangible assets

Development of goodwill

	Reinsurance				Primary insurance	
Goodwill from the acquisition of	Munich Re America		Other		ERGO Insurance Group	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Gross carrying amount at 31 Dec. previous year	1,001	1,046	440	454	1,754	1,754
Accumulated impairment losses at 31 Dec. previous year	–	–	51	51	–	–
Carrying amount at 31 Dec. previous year	1,001	1,046	389	403	1,754	1,754
Currency translation differences	–	28	–	9	–	–
Additions	–	–	–	–	–	–
Disposals	–	–	–	–	–	–
Reclassifications	–	–	–	–	–	–
Impairment losses	–	–	–	–	–	–
Carrying amount at 31 March financial year	**1,001**	**1,074**	**389**	**412**	**1,754**	**1,754**
Accumulated impairment losses at 31 March financial year	–	–	51	46	–	–
Gross carrying amount at 31 March financial year	1,001	1,074	440	458	1,754	1,754

→	Primary insurance		Munich Health		Total	
Goodwill from the acquisition of	Other		Other			
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Gross carrying amount at 31 Dec. previous year	557	554	156	156	3,908	3,964
Accumulated impairment losses at 31 Dec. previous year	409	381	156	156	616	588
Carrying amount at 31 Dec. previous year	148	173	–	–	3,292	3,376
Currency translation differences	–	–	–	–	–	37
Additions	8	–	–	–	8	–
Disposals	–	–	–	–	–	–
Reclassifications	–	–	–	–	–	–
Impairment losses	–	–	–	–	–	–
Carrying amount at 31 March financial year	**156**	**173**	**–**	**–**	**3,300**	**3,413**
Accumulated impairment losses at 31 March financial year	409	381	156	156	616	583
Gross carrying amount at 31 March financial year	565	554	156	156	3,916	3,996

Breakdown of other intangible assets

€m	31.3.2014	31.12.2013
Acquired insurance portfolios	374	385
Software	357	361
Self-developed	95	102
Other	262	259
Acquired brand names	30	31
Acquired distribution networks/client bases	288	296
Acquired licences/patents	251	253
Other	45	54
Self-developed	–	–
Other	45	54
Total	**1,345**	**1,380**

Investments

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All financial instruments recognised at fair value are allocated to one of the valuation hierarchy levels of IFRS 13. This valuation hierarchy provides for three levels. The allocation reflects which of the fair values derive from transactions in the market and where valuation is based on models because market transactions are lacking.

Regularly, at each quarterly reporting date, we assess whether the allocation of our investments and liabilities to the levels of the valuation hierarchy is still appropriate. If changes in the basis of valuation have occurred – for instance, if a market is no longer active or the valuation was performed using inputs requiring another allocation – we make the necessary adjustments.

The following table provides an overview of the methods used to measure the fair values of our investments.

Valuation models

Bonds	Pricing method	Parameters	Pricing model
Interest-rate risks			
Loans against borrower's note/ registered bonds	Theoretical price	Sector-, rating- or issuer-specific yield curve	Present-value method
Cat bond (host)	Theoretical price	Interest-rate curve	Present-value method
Mortgage loans	Theoretical price	Sector-specific yield curve	Present-value method

Derivatives	Pricing method	Parameters	Pricing model
Equity and index risks			
OTC stock options	Theoretical price	Listing of underlying shares Effective volatilities Money-market interest rate Dividend yield	Black-Scholes (European) Cox, Ross and Rubinstein (American) Monte-Carlo simulation
Equity forwards	Theoretical price	Listing of underlying shares Money-market interest rate Dividend yield	Present-value method
Interest-rate risks			
Interest-rate swaps	Theoretical price	Swap curve Money-market interest-rate curve	Present-value method
Swaptions/interest-rate guarantee	Theoretical price	At-the-money volatility index and skew swap curve Money-market interest-rate curve	Black-76
Interest-rate currency swaps	Theoretical price	Swap curve Money-market interest-rate curve Currency spot rates	Present-value method
Inflation swaps	Theoretical price	Zero-coupon inflation swap rates Swap curve Money-market interest-rate curve	Present-value method
Currency risks			
Currency options	Theoretical price	At-the-money volatility Currency spot rates Money-market interest-rate curve	Garman-Kohlhagen (European)
Currency forwards	Theoretical price	Currency spot rates Money-market interest-rate curve	Present-value method
Other transactions			
Insurance-linked derivatives (excluding variable annuities)	Theoretical price	Market values of cat bonds Historical event data Interest-rate curve	Present-value method
Insurance-linked derivatives (variable annuities)	Theoretical price	Biometric and lapse rates Volatilities Interest-rate curve Currency spot rates	Present-value method
Credit default swaps	Theoretical price	Credit spreads Recovery rates Interest-rate curve	Present-value method ISDA CDS Standard Model
Total return swaps on commodities	Theoretical price	Listing of underlying index	Index ratio calculation
Commodity options	Theoretical price	Listing of underlying shares Effective volatilities Money-market interest rate	Black-Scholes (European) Cox, Ross and Rubinstein (American)

Bonds with embedded options	Pricing method	Parameters	Pricing model
Callable bonds	Theoretical price	Money-market/swap interest-rate curve Issuer-specific spreads Volatility matrix	Hull-White model
CMS floaters	Theoretical price	Money-market/swap interest-rate curve Issuer-specific spreads Volatility matrix	Hull-White model
Zero-to-coupon switchable bonds	Theoretical price	Money-market/swap interest-rate curve Issuer-specific spreads Volatility matrix	Hull-White model
Zero-to-CMS switchable bonds	Theoretical price	Money-market/swap interest-rate curve Issuer-specific spreads Volatility matrix	LIBOR market model
Volatility bonds	Theoretical price	Money-market/swap interest-rate curve Issuer-specific spreads Volatility matrix	LIBOR market model
CMS floaters with variable cap	Theoretical price	Money-market/swap interest-rate curve Issuer-specific spreads Volatility matrix	Replication model (Hagan)
CMS steepeners	Theoretical price	Money-market/swap interest-rate curve Issuer-specific spreads Volatility matrix Correlation matrix	Replication model (Hagan)
Dax-Cliquet	Theoretical price	Listing of underlying shares Volatilities Issuer-specific spreads Money-market/swap interest-rate curve	Black-Scholes (European) Present-value method
Convergence bonds	Theoretical price	Money-market/swap interest-rate curves Issuer-specific spreads Volatility matrix Correlation matrix	LIBOR market model
Multi-tranches	Theoretical price	At-the-money volatility index and skew swap curve Money-market interest-rate curve Sector-, rating- or issuer-specific curve	Black-76, present value method
FIS loans against borrower's note	Theoretical price	At-the-money volatility index and skew swap curve Money-market interest-rate curve Sector-, rating- or issuer-specific curve	Black-76, present value method
Swaption notes	Theoretical price	At-the-money volatility index and skew swap curve Money-market interest-rate curve Sector-, rating- or issuer-specific curve	Black-76, present value method

Fund	Pricing method	Parameters	Pricing model
Real estate funds	–	–	Net asset value
Private equity funds	–	–	Net asset value

Insurance-linked derivatives (excluding variable annuities) are allocated to Level 3 of the fair value hierarchy. The valuation of the derivative components of catastrophe bonds is based on the values supplied by brokers for the underlying bonds, which is why it is not possible to quantify the inputs used that were not based on observable market data. If no observable inputs are available for customised insurance-linked derivatives, valuation is made using the present-value method on the basis of current interest-rate curves and historical event data. Due to the low volume, the effects of alternative inputs and assumptions are immaterial.

At Munich Re, the valuation of variable annuities is performed on a fully market-consistent basis. The parameters requiring consideration in this valuation are biometric and lapse rates, volatilities, interest-rate curves and currency spot rates. The lapse rates used are modelled dynamically and range between 0.5% and 20%, depending on the specific insurance product and current situation of the capital markets. The assumptions with regard to mortality are based on published mortality tables, which are adjusted with a view to the target markets and the actuaries' expectations. The dependency between different capital market parameters is modelled by correlation matrices. Since parameters not observable on the market were also used in valuation, we allocate these products to Level 3 of the fair value hierarchy.

The other investments allocated to Level 3 are mainly external fund units (in particular, private equity and real estate) as well as relatively illiquid credit structures (especially collateralised mortgage-backed securities and credit-linked obligations). In the case of the former, market data are not available on a regular basis; rather, net asset values (NAVs) are provided by the asset managers. With regard to the latter, the quality of the market quotes available from market data providers is insufficient, so we resort to broker valuations. With these investments, we thus do not perform our own valuations using inputs not based on observable market data, but rely on what is supplied by the brokers. We regularly subject the valuations supplied to plausibility tests on the basis of comparable investments.

At 31 March 2014, around 11% of the investments measured at fair value were allocated to Level 1 of the fair value hierarchy, 85% to Level 2 and 4% to Level 3.

Allocation of investments measured at fair value to levels of the fair value hierarchy

				31.3.2014
€m	Level 1	Level 2	Level 3	Total
Investments in affiliated companies measured at fair value	–	–	227	227
Investments in associates and joint ventures measured at fair value	–	–	8	8
Other securities available for sale				
Fixed-interest	808	114,676	2,656	118,140
Non-fixed-interest	8,015	2,016	2,099	12,130
Other securities at fair value through profit or loss				
Held for trading, and hedging derivatives[1]	191	2,024	73	2,288
Designated as at fair value through profit or loss	–	190	–	190
Other investments	–	11	–	11
Investments for the benefit of life insurance policyholders who bear the investment risk	6,344	582	–	6,926
Total	**15,358**	**119,499**	**5,063**	**139,920**

→ €m	Level 1	Level 2	Level 3	31.12.2013 Total
Investments in affiliated companies measured at fair value	38	–	176	214
Investments in associates and joint ventures measured at fair value	–	–	9	9
Other securities available for sale				
Fixed-interest	769	110,125	2,777	113,671
Non-fixed-interest	8,092	2,032	2,107	12,231
Other securities at fair value through profit or loss				
Held for trading, and hedging derivatives[1]	783	2,092	77	2,952
Designated as at fair value through profit or loss	–	164	–	164
Other investments	–	31	–	31
Investments for the benefit of life insurance policyholders who bear the investment risk	6,135	564	–	6,699
Total	**15,817**	**115,008**	**5,146**	**135,971**

1 Included are hedging derivatives of €229m (229m) accounted for under "other assets".

Since the beginning of the year, we have not made any change in the allocation to the individual levels of the fair value hierarchy

The only investments held for trading that are allocated to Level 3 are derivatives.

The following table presents the reconciliation from the opening balances to the closing balances for investments allocated to Level 3.

Reconciliation for investments allocated to Level 3

	Investments in affiliated companies measured at fair value		Investments in associates and joint ventures measured at fair value	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Carrying amount at 31 Dec. previous year	176	194	9	16
Gains and losses	2	2	–	–
Gains (losses) recognised in the income statement	–	-1	–	–
Gains (losses) recognised in equity	2	3	–	–
Acquisitions	23	1	–	–
Disposals	12	2	1	–
Transfer to Level 3	38	–	–	–
Transfer out of Level 3	–	–	–	–
Changes in the market value of derivatives	–	–	–	–
Carrying amount at 31 March financial year	**227**	**195**	**8**	**16**
Gains (losses) recognised in the income statement that are attributable to investments shown at 31 March of the financial year	–	-1	–	–

→

	Other securities available for sale			
	Fixed-interest		Non-fixed-interest	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Carrying amount at 31 Dec. previous year	2,777	2,118	2,107	1,978
Gains and losses	13	24	–8	–
Gains (losses) recognised in the income statement	5	15	–	–
Gains (losses) recognised in equity	8	9	–8	–
Acquisitions	250	585	30	65
Disposals	386	527	30	22
Transfer to Level 3	3	11	–	1
Transfer out of Level 3	1	95	–	–
Changes in the market value of derivatives	–	–	–	–2
Carrying amount at 31 March financial year	**2,656**	**2,116**	**2,099**	**2,020**
Gains (losses) recognised in the income statement that are attributable to investments shown at 31 March of the financial year	7	10	–	–

→

	Other securities at fair value through profit or loss				Total	
	Held for trading, and hedging derivates		Designated as at fair value through profit or loss			
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Carrying amount at 31 Dec. previous year	77	33	–	–	5,146	4,339
Gains and losses	34	9	–	–	41	35
Gains (losses) recognised in the income statement	34	8	–	–	39	22
Gains (losses) recognised in equity	–	1	–	–	2	13
Acquisitions	14	19	–	–	317	670
Disposals	53	17	–	–	482	568
Transfer to Level 3	–	–	–	–	41	12
Transfer out of Level 3	–	–	–	–	1	95
Change in the market value of derivatives	1	–	–	–	1	–2
Carrying amount at 31 March financial year	**73**	**44**	**–**	**–**	**5,063**	**4,391**
Gains (losses) recognised in the income statement that are attributable to investments shown at 31 March of the financial year	6	8	–	–	13	17

Further explanatory information on investments can be found in the “Investment performance” section of the interim management report.

Equity

Number of shares in circulation and number of own shares held

	31.3.2014	31.12.2013
Number of shares in circulation	173,681,094	177,421,900
Number of own shares held	5,660,118	1,919,312
Total	**179,341,212**	**179,341,212**

Non-controlling interests

€m	31.3.2014	31.12.2013
Unrealised gains and losses	9	8
Consolidated result	5	29
Other equity	218	206
Total	**232**	**243**

These are mainly non-controlling interests in individual companies of the primary insurance group and a real-estate company in Stockholm.

Subordinated liabilities

Breakdown of subordinated liabilities

€m	Identification number	A.M. Best	Fitch	Moody's	S&P	31.3.2014	Prev. year
Munich Reinsurance Company, Munich, 6.25% until 2022, thereafter floating, €900m, Bonds 2012/2042	WKN: A1ML16 ISIN: XS0764278528 Reuters: DE076427852= Bloomberg: MUNRE	a+	A	–	A	894	893
Munich Reinsurance Company, Munich, 6.625% until 2022, thereafter floating, £450m, Bonds 2012/2042	WKN: A1ML15 ISIN: XS0764278288 Reuters: DE076427828= Bloomberg: MUNRE	a+	A	–	A	542	539
Munich Reinsurance Company, Munich, 6.00% until 2021, thereafter floating, €1,000m, Bonds 2011/2041	WKN: A1KQYJ ISIN: XS0608392550 Reuters: DE060839255= Bloomberg: MUNRE	a+	A	–	A	990	990
Munich Reinsurance Company, Munich, 5.767% until 2017, thereafter floating, €1,349m, Bonds 2007/perpetual	WKN: A0N4EX ISIN: XS0304987042 Reuters: DE030498704= Bloomberg: MUNRE	a+	A	A3 (hyb)	A	1,528	1,531
Munich Reinsurance Company, Munich, 7.625% until 2018, thereafter floating, £300m, Bonds 2003/2028	WKN: 843449 ISIN: XS0167260529 Reuters: DE016726052= Bloomberg: MUNRE	a+	A	A2 (hyb)	A	361	359
ERGO Versicherung Aktiengesellschaft, Vienna, 4.95%, €50m[1], Registered bonds 2004/2014		–	–	–	–	–	50
ERGO Versicherung Aktiengesellschaft, Vienna, secondary market yield on federal government bonds (Austria) +70 BP, €12m[2], Registered bonds 2001/perpetual		–	–	–	–	12	12
ERGO Versicherung Aktiengesellschaft, Vienna, secondary market yield on federal government bonds (Austria) +70 BP, €13m[3], Registered bonds 1998/perpetual		–	–	–	–	13	13
HSB Group Inc., Delaware, LIBOR +91 BP, US$ 76m, Bonds 1997/2027		–	–	–	–	37	37
Total						**4,377**	**4,424**

1 In the first quarter 2014, the issuer redeemed bonds with a nominal value of €50m.
2 ERGO International AG holds bonds with a nominal value of €3m; the volume outstanding has been reduced accordingly.
3 ERGO Versicherungsgruppe AG holds bonds with a nominal value of €3m; the volume outstanding has been reduced accordingly.

The fair value of the subordinated liabilities at the balance sheet date amounted to €4,857m (4,828m). For the Munich Reinsurance Company bonds, we take the stock market prices as fair values. For the other subordinated liabilities, we determine the fair values using net present value methods with observable market parameters.

Liabilities

Breakdown of bonds and notes issued

€m	Identification number	A.M. Best	Fitch	Moody's	S&P	31.3.2014	31.12.2013
Munich Re America Corporation, Wilmington, 7.45%, US$ 342m, Senior Notes 1996/2026	CUSIP No.: 029163AD4 ISIN, Reuters: – Bloomberg: AMER RE CORP MUNRE	a–	A+	A2	A–	248	248
Total						**248**	**248**

We use the prices provided by price quoters to determine the fair value of the notes issued. The fair value at the reporting date amounts to €320m (309m).

The following table shows the allocation of the other liabilities measured at fair value to levels of the fair value hierarchy.

Allocation of other liabilities measured at fair value to levels of the fair value hierarchy

				31.3.2014				31.12.2013
€m	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Other liabilities								
Derivatives	84	759	168	1,011	127	681	147	955

In the other liabilities, only derivatives with a negative market value are currently recognised at fair value. Of these, we allocate the derivative portions of catastrophe bonds, weather derivatives, and derivative components of variable annuities to Level 3 of the fair value hierarchy. As regards the valuation models used, please refer to the notes on investments.

The following table presents the reconciliation from the opening balances to the closing balances for other liabilities allocated to Level 3.

Reconciliation for liabilities allocated to Level 3

	Other liabilities at fair value through profit or loss	
€m	Q1 2014	Q1 2013
Carrying amount at 31 Dec. previous year	147	191
Gains and losses	–46	29
Gains (losses) recognised in the income statement	–46	31
Gains (losses) recognised in equity	–	–2
Acquisitions	18	1
Disposals	45	2
Transfer to Level 3	1	–
Transfer out of Level 3	–	–
Change in the market value of derivatives	1	–
Carrying amount at 31 March financial year	**168**	**161**
Gains (losses) recognised in the income statement that are attributable to investments shown at 31 **March** of the financial year	–15	31

Notes to the consolidated income statement

The main items of the consolidated income statement are made up as follows:

Premiums

	Reinsurance			
	Life		Property-casualty	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Gross premiums written	2,477	2,569	4,381	4,398
Change in unearned premiums – Gross	3	5	200	168
Gross earned premiums	**2,474**	**2,564**	**4,181**	**4,230**
Ceded premiums written	112	101	248	284
Change in unearned premiums – Ceded share	–	–	98	130
Earned premiums ceded	**112**	**101**	**150**	**154**
Net earned premiums	**2,362**	**2,463**	**4,031**	**4,076**

→	Primary insurance					
	Life		Health		Property-casualty	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Gross premiums written	1,355	1,357	1,431	1,432	1,779	1,854
Change in unearned premiums – Gross	6	2	30	27	470	516
Gross earned premiums	**1,349**	**1,355**	**1,401**	**1,405**	**1,309**	**1,338**
Ceded premiums written	19	26	-3	14	63	61
Change in unearned premiums – Ceded share	–	–	-7	2	14	7
Earned premiums ceded	**19**	**26**	**4**	**12**	**49**	**54**
Net earned premiums	**1,330**	**1,329**	**1,397**	**1,393**	**1,260**	**1,284**

→	Munich Health		Total	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Gross premiums written	1,501	1,674	12,924	13,284
Change in unearned premiums – Gross	-58	66	651	784
Gross earned premiums	**1,559**	**1,608**	**12,273**	**12,500**
Ceded premiums written	40	45	479	531
Change in unearned premiums – Ceded share	-4	-12	101	127
Earned premiums ceded	**44**	**57**	**378**	**404**
Net earned premiums	**1,515**	**1,551**	**11,895**	**12,096**

Income from technical interest

	Reinsurance			
	Life		Property-casualty	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Income from technical interest	167	174	295	298

→

	Primary insurance					
	Life		Health		Property-casualty	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Income from technical interest	1,001	933	400	374	50	52

→

	Munich Health		Total	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Income from technical interest	9	10	1,922	1,841

Expenses for claims and benefits

	Reinsurance			
	Life		Property-casualty	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Gross				
Claims and benefits paid	2,008	1,921	2,643	2,463
Changes in technical provisions				
Provision for future policy benefits	9	-90	-1	–
Provision for outstanding claims	152	51	-325	-115
Provision for premium refunds	–	–	–	1
Other technical result	–	5	–	–
Gross expenses for claims and benefits	**2,169**	**1,887**	**2,317**	**2,349**
Ceded share				
Claims and benefits paid	93	157	86	134
Changes in technical provisions				
Provision for future policy benefits	-14	-25	–	–
Provision for outstanding claims	-7	-77	-64	-95
Provision for premium refunds	–	–	–	–
Other technical result	-14	-6	–	–
Expenses for claims and benefits – Ceded share	**58**	**49**	**22**	**39**
Net				
Claims and benefits paid	1,915	1,764	2,557	2,329
Changes in technical provisions				
Provision for future policy benefits	23	-65	-1	–
Provision for outstanding claims	159	128	-261	-20
Provision for premium refunds	–	–	–	1
Other technical result	14	11	–	–
Net expenses for claims and benefits	**2,111**	**1,838**	**2,295**	**2,310**

→						Primary insurance
		Life		Health		Property-casualty
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Gross						
Claims and benefits paid	1,540	1,509	1,108	1,073	800	813
Changes in technical provisions						
Provision for future policy benefits	172	230	257	272	2	4
Provision for outstanding claims	–32	–11	–133	–79	–21	–12
Provision for premium refunds	313	157	273	238	6	5
Other technical result	49	38	–	–2	3	1
Gross expenses for claims and benefits	**2,042**	**1,923**	**1,505**	**1,502**	**790**	**811**
Ceded share						
Claims and benefits paid	51	36	7	5	17	18
Changes in technical provisions						
Provision for future policy benefits	–23	5	–	–	–	–
Provision for outstanding claims	–9	–1	–2	1	3	–3
Provision for premium refunds	–	–	–	–	–1	–
Other technical result	–16	–17	–	–	–1	1
Expenses for claims and benefits – Ceded share	**3**	**23**	**5**	**6**	**18**	**16**
Net						
Claims and benefits paid	1,489	1,473	1,101	1,068	783	795
Changes in technical provisions						
Provision for future policy benefits	195	225	257	272	2	4
Provision for outstanding claims	–23	–10	–131	–80	–24	–9
Provision for premium refunds	**313**	**157**	**273**	**238**	**7**	**5**
Other technical result	65	55	–	–2	4	–
Net expenses for claims and benefits	**2,039**	**1,900**	**1,500**	**1,496**	**772**	**795**

Continued on next page

→	Munich Health		Total	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Gross				
Claims and benefits paid	1,227	1,330	9,326	9,109
Changes in technical provisions				
Provision for future policy benefits	25	21	464	437
Provision for outstanding claims	44	-48	-315	-214
Provision for premium refunds	–	–	**592**	**401**
Other technical result	–	-27	52	15
Gross expenses for claims and benefits	**1,296**	**1,276**	**10,119**	**9,748**
Ceded share				
Claims and benefits paid	12	34	266	384
Changes in technical provisions				
Provision for future policy benefits	–	–	-37	-20
Provision for outstanding claims	10	1	-69	-174
Provision for premium refunds	–	–	-1	–
Other technical result	–	–	-31	-22
Expenses for claims and benefits – Ceded share	**22**	**35**	**128**	**168**
Net				
Claims and benefits paid	1,215	1,296	9,060	8,725
Changes in technical provisions				
Provision for future policy benefits	25	21	501	457
Provision for outstanding claims	34	-49	-246	-40
Provision for premium refunds	–	–	593	401
Other technical result	–	-27	83	37
Net expenses for claims and benefits	**1,274**	**1,241**	**9,991**	**9,580**

Operating expenses[1]

			Reinsurance	
	Life		Property-casualty	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Acquisition costs, profit commission and reinsurance commission paid	268	529	985	922
Administrative expenses	69	68	289	307
Change in deferred acquisition costs and contingent commissions, amortisation and impairment losses of acquired insurance portfolios	13	23	-50	-39
Gross operating expenses	**350**	**620**	**1,224**	**1,190**
Ceded share of acquisition costs, profit commission and reinsurance commission paid	36	33	17	11
Ceded share of change in deferred acquisition costs and contingent commissions	–	-3	-2	-3
Operating expenses – Ceded share	**36**	**30**	**15**	**8**
Net operating expenses	**314**	**590**	**1,209**	**1,182**

1 Previous year's figures adjusted owing to IAS 8.

						Primary insurance
		Life		Health		Property-casualty
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2014
Acquisition costs, profit commission and reinsurance commission paid	170	186	130	141	284	295
Administrative expenses	60	58	48	43	181	188
Change in deferred acquisition costs and contingent commissions, amortisation and impairment losses of acquired insurance portfolios	33	156	-7	-9	-29	-38
Gross operating expenses	**263**	**400**	**171**	**175**	**436**	**445**
Ceded share of acquisition costs, profit commission and reinsurance commission paid	2	6	-1	5	1	–
Ceded share of changes in deferred acquisition costs and contingent commissions	–	-2	–	–	-2	-1
Operating expenses – Ceded share	**2**	**4**	**-1**	**5**	**-1**	**-1**
Net operating expenses	**261**	**396**	**172**	**170**	**437**	**446**

		Munich Health		Total
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Acquisition costs, profit commission and reinsurance commission paid	167	259	2,004	2,332
Administrative expenses	23	43	670	707
Change in deferred acquisition costs and contingent commissions, amortisation and impairment losses of acquired insurance portfolios	60	19	20	112
Gross operating expenses	**250**	**321**	**2,694**	**3,151**
Ceded share of acquisition costs, profit commission and reinsurance commission paid	13	3	68	58
Ceded share of change in deferred acquisition costs and contingent commissions	1	11	-3	2
Operating expenses – Ceded share	**14**	**14**	**65**	**60**
Net operating expenses	**236**	**307**	**2,629**	**3,091**

Investment result by investment class and segment (before deduction of technical interest)

	Reinsurance			
	Life		Property-casualty	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Land and buildings, including buildings on third-party land	4	5	23	24
Investments in affiliated companies	–	–	–	–1
Investments in associates and joint ventures	–	–	7	–4
Loans	1	–	4	–
Other securities held to maturity	–	–	–	–
Other securities available for sale				
Fixed-interest	124	131	414	408
Non-fixed-interest	20	3	97	30
Other securities at fair value through profit or loss				
Held for trading				
Fixed-interest	–	–	–	2
Non-fixed-interest	–	–	1	1
Derivatives	–29	1	–179	–83
Designated as at fair value through profit or loss				
Fixed-interest	–	–	–	–
Non-fixed-interest	–	–	–	–
Deposits retained on assumed reinsurance, and other investments	71	69	37	1
Investments for the benefit of life insurance policyholders who bear the investment risk	–	–	–	–
Expenses for the management of investments, other expenses	18	25	37	41
Total	173	184	367	337

→

	Primary insurance					
	Life		Health		Property-casualty	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Land and buildings, including buildings on third-party land	28	16	14	14	1	1
Investments in affiliated companies	–	–	–2	–3	–	–
Investments in associates and joint ventures	1	1	2	2	–	2
Loans	473	465	181	176	18	21
Other securities held to maturity	–	–	–	–	–	–
Other securities available for sale						
Fixed-interest	339	419	149	148	54	72
Non-fixed-interest	26	14	16	5	37	20
Other securities at fair value through profit or loss						
Held for trading						
Fixed-interest	1	–1	–	–	–	–
Non-fixed-interest	–	–	–	–	–	–
Derivatives	110	–16	–1	–	–7	–2
Designated as at fair value through profit or loss						
Fixed-interest	8	–1	–	–	–	–
Non-fixed-interest	–	–	–	–	–	–
Deposits retained on assumed reinsurance, and other investments	2	2	–	–	2	2
Investments for the benefit of life insurance policyholders who bear the investment risk	111	137	–	–	–	–
Expenses for the management of investments, other expenses	37	36	15	13	5	6
Total	1,062	1,000	344	329	100	110

→	Munich Health		Asset management		Total	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Land and buildings, including buildings on third-party land	–	–	1	2	71	62
Investments in affiliated companies	–	–	–	–	-2	-4
Investments in associates and joint ventures	-6	–	1	-10	5	-9
Loans	–	–	–	–	677	662
Other securities held to maturity	–	–	–	–	–	–
Other securities available for sale						
Fixed-interest	27	47	1	1	1,108	1,226
Non-fixed-interest	–	8	1	–	197	80
Other securities at fair value through profit or loss						
Held for trading						
Fixed-interest	–	–	–	–	1	1
Non-fixed-interest	–	–	–	–	1	1
Derivatives	–	–	–	–	-106	-100
Designated as at fair value through profit or loss						
Fixed-interest	–	–	–	–	8	-1
Non-fixed-interest	–	–	–	–	–	–
Deposits retained on assumed reinsurance, and other investments	–	–	–	–	112	74
Investments for the benefit of life insurance policyholders who bear the investment risk	–	–	–	–	111	137
Expenses for the management of investments, other expenses	1	1	–	–	113	122
Total	20	54	4	-7	2,070	2,007

Investment income by segment (before deduction of technical interest)

	Reinsurance			
		Life		Property-casualty
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Regular income	200	222	389	436
Thereof: Interest income	169	184	293	352
Income from write-ups	127	172	173	136
Gains on the disposal of investments	87	58	463	267
Other income	–	–	–	–
Total	**414**	**452**	**1,025**	**839**

→	Primary insurance					
		Life		Health		Property-casualty
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Regular income	695	713	346	338	65	72
Thereof: Interest income	646	672	321	313	58	63
Income from write-ups	168	34	18	12	10	7
Gains on the disposal of investments	214	239	40	26	67	61
Other income	164	190	–	–	–	–
Total	**1,241**	**1,176**	**404**	**376**	**142**	**140**

→		Munich Health		Asset management		Total
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Regular income	14	22	3	3	1,712	1,806
Thereof: Interest income	20	21	1	1	1,508	1,606
Income from write-ups	–	–	–	–	496	361
Gains on the disposal of investments	8	35	2	–	881	686
Other income	–	–	–	–	164	190
Total	**22**	**57**	**5**	**3**	**3,253**	**3,043**

Investment expenses by segment (before deduction of technical interest)

	Reinsurance			
	Life		Property-casualty	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Write-downs of investments	162	167	351	189
Losses on the disposal of investments	49	56	261	261
Management expenses, interest charges and other expenses	30	45	46	52
Thereof: Interest charges	1	1	2	4
Total	**241**	**268**	**658**	**502**

→	Primary insurance					
	Life		Health		Property-casualty	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Write-downs of investments	65	63	27	23	18	11
Losses on the disposal of investments	24	23	15	8	19	13
Management expenses, interest charges and other expenses	90	90	18	16	5	6
Thereof: Interest charges	–	1	1	1	–	–
Total	**179**	**176**	**60**	**47**	**42**	**30**

→	Munich Health		Asset management		Total	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Write-downs of investments	–	1	–	10	623	464
Losses on the disposal of investments	1	1	–	–	369	362
Management expenses, interest charges and other expenses	1	1	1	–	191	210
Thereof: Interest charges	–	–	–	–	4	7
Total	**2**	**3**	**1**	**10**	**1,183**	**1,036**

Other operating result[1]

	Reinsurance			
	Life		Property-casualty	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Other operating income	29	20	49	49
Other operating expenses	17	17	74	72

→	Primary insurance					
	Life		Health		Property-casualty	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Other operating income	20	18	7	11	47	32
Other operating expenses	23	25	10	16	71	57

→	Munich Health		Asset management		Total	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Other operating income	13	13	12	12	177	155
Other operating expenses	13	22	7	8	215	217

1 Previous year's figures adjusted owing to IAS 8.

Other operating income mainly comprises income of €116m (112m) from services rendered, interest and similar income of €25m (20m), income of €21m (13m) from the release/reduction of miscellaneous provisions and provisions for bad and doubtful debts, and income of €8m (6m) from owner-occupied property, some of which is also leased out.

In addition to expenses of €89m (87m) for services rendered, other operating expenses chiefly include interest charges and similar expenses of €29m (36m), other write-downs of €8m (9m), and other tax of €24m (17m). They also contain expenses of €3m (8m) for owner-occupied property, some of which is also leased out.

Other non-operating result, impairment losses of goodwill and net finance costs

	Reinsurance			
	Life		Property-casualty	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Other non-operating income	123	198	238	447
Other non-operating expenses	133	153	276	333
Impairment losses of goodwill	–	–	–	–
Net finance costs	-9	-17	-29	-34

→	Primary insurance					
	Life		Health		Property-casualty	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Other non-operating income	41	38	72	155	58	67
Other non-operating expenses	53	54	89	167	94	89
Impairment losses of goodwill	–	–	–	–	–	–
Net finance costs	10	12	1	1	-28	-28

→	Munich Health		Asset management		Total	
€m	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Other non-operating income	5	6	1	1	538	912
Other non-operating expenses	5	5	2	1	652	802
Impairment losses of goodwill	–	–	–	–	–	–
Net finance costs	–	-1	-1	-1	-56	-68

The other non-operating income and expenses are unrelated to the conclusion, administration or settlement of insurance contracts or the administration of investments.

Besides foreign-currency exchange gains of €509m (864m), the other non-operating income contains other non-technical income of €29m (48m).

The other non-operating expenses comprise foreign-currency exchange losses of €558m (711m), write-downs of €16m (21m) on other intangible assets, and other non-technical expenses of €78m (70m), such as restructuring expenses and other amounts that cannot be allocated elsewhere.

Non-current assets and disposal groups held for sale and sold in the reporting period

In the reporting period, no non-current assets or disposal groups were held for sale or sold.

Related parties

Transactions between Munich Reinsurance Company and subsidiaries that are to be deemed related parties have been eliminated in consolidation and are not disclosed in the notes. Business relations with unconsolidated subsidiaries are of subordinate importance as a whole; this also applies to business relations with associates and joint ventures.

Munich Reinsurance Company has established a contractual trust agreement in the form of a two-way trust for its unfunded company pension obligations. The Munich Re pension scheme is considered a related party in accordance with IAS 24. Contributions to the pension scheme are recognised as expenses for defined contribution plans.

No notifiable transactions were conducted between Board members and Munich Re.

Number of staff

The number of staff employed by the Group as at 31 March 2014 totalled 22,790 (23,131) in Germany and 21,457 (21,534) in other countries.

Number of staff

	31.3.2014	31.12.2013
Reinsurance	11,341	11,315
Primary insurance	29,143	29,595
Munich Health	2,919	2,913
Asset management	844	842
Total	**44,247**	**44,665**

Contingent liabilities, other financial commitments

In comparison with the situation at 31 December 2013, financial commitments of significance for the assessment of the Group's financial position show no material changes.

Earnings per share

Diluting effects to be disclosed for the calculation of earnings per share were not present either in the current reporting period or in the same period last year. Earnings per share can be potentially diluted in future through the issue of shares or subscription rights from amounts authorised for increasing the share capital and from contingent capital.

The earnings per share figure is calculated by dividing the consolidated result for the reporting period attributable to Munich Reinsurance Company equity holders by the weighted average number of outstanding shares.

Earnings per share

		Q1 2014	Q1 2013
Consolidated result attributable to Munich Reinsurance Company equity holders	€m	919	963
Weighted average number of outstanding shares		175,501,084	178,966,142
Earnings per share	€	5.24	5.39

Events after the balance sheet date

No events of material significance have occurred since the balance sheet date.

Drawn up and released for publication
Munich, 7 May 2014

The Board of Management

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Important dates 2014

7 August 2014
Interim report as at 30 June 2014

7 August 2014
Half-year press conference

6 November 2014
Interim report as at 30 September 2014

Important dates 2015

11 March 2015
Balance sheet press conference
for 2014 consolidated financial statements

23 April 2015
Annual General Meeting

7 May 2015
Interim report as at 31 March 2015

6 August 2015
Interim report as at 30 June 2015

6 August 2015
Half-year press conference

5 November 2015
Interim report as at 30 September 2015

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