



Good start to 2014

Quarterly financial statements as at 31 March 2014

8 May 2014

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Munich RE 

Agenda



Financial reporting Q1 2014

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Munich Re (Group) – Financial highlights Q1 2014

Good start to 2014



Munich Re (Group) – Q1 2014

NET RESULT €924m	SHAREHOLDERS' EQUITY €27.4bn (+4.4% vs. 31.12.)	INVESTMENT RESULT Rol of 3.8%
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Good operating performance across all segments – sound underwriting, low major losses and resilient investment result

Strong capitalisation according to all metrics providing high degree of financial flexibility – continuation of share buy-backs

Solid return given low-yield environment – higher disposal gains

Reinsurance	Primary insurance	Munich Health
NET RESULT €750m	NET RESULT €154m	NET RESULT €20m
647	44 33 77	20

P-C
Combined ratio 86.9% – Major loss ratio of only 1.0%

LIFE
Technical result (€104m) in line with annual guidance of >€400m

P-C
Combined ratio 95.0% (Germany: 95.1%, international: 94.9%)

LIFE
Pleasant investment result

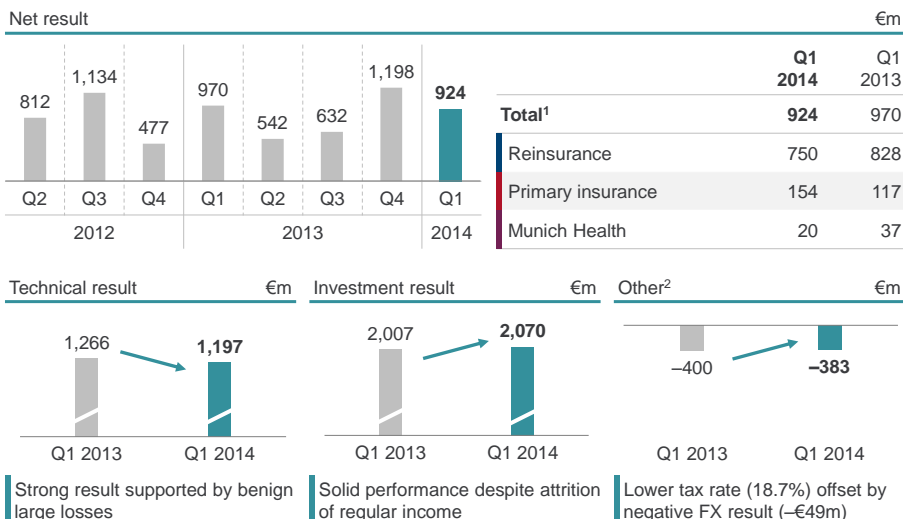
HEALTH
Solid, stable performance

REINSURANCE
Combined ratio 99.7% (98.8% in Q1 2013)

PRIMARY INSURANCE
Combined ratio 99.4% (101.0% in Q1 2013)

Munich Re (Group) – Financial highlights Q1 2014

Sound underwriting and resilient investment result

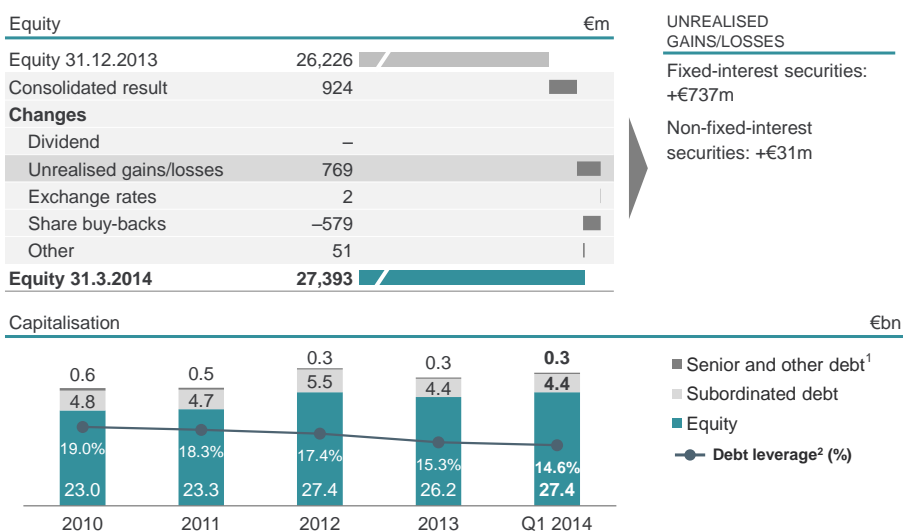


¹ Segments do not add up to total amount; difference relates to the segment "asset management".
² Other non-operating result, goodwill impairments, net finance costs, taxes.

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Munich Re (Group) – Capitalisation

IFRS capital position



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

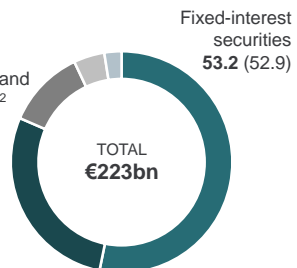
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Munich Re (Group) – Investment portfolio

Investment portfolio

Munich RE Investment portfolio¹

%

Land and buildings
2.5 (2.5)Shares, equity funds and
participating interests²
4.5 (4.6)Miscellaneous³
11.5 (11.8)Loans
28.3 (28.2)

Portfolio management

At Group level, duration gap between assets and liabilities remains very low

Expansion of US, Spanish and Italian at the expense of German government bonds

Slight reduction and ongoing geographic diversification of covered bonds

Slight reduction of corporate bonds and structured products

Small decrease of equity-backing ratio to 4.2% net of hedges

Portfolio duration⁴

	Assets	Liabilities	Net DV01 (€m)
Reinsurance	4.5 (4.4)	3.6 (3.1)	-0.8
Primary insurance	7.6 (7.4)	8.1 (8.1)	8.8
Munich Re (Group)	6.5 (6.4)	6.4 (6.2)	8.0

¹ Fair values as at 31.3.2014 (31.12.2013). ² Net of hedges: 4.2% (4.5%). ³ Deposits retained on assumed reinsurance, unit-linked investments, deposits with banks, investment funds (excl. equities), derivatives and investments in renewable energies and gold. ⁴ As at 31.3.2014 (31.12.2013). Net DV01: Sensitivity to parallel upward shift of yield curve by one basis point reflecting portfolio size.

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Munich Re (Group) – Investment result

Investment result

Munich RE 

Investment result	Q1 2014		Return ¹	Q1 2013		Return ¹
Regular income	1,712		3.1%	1,806		3.2%
Write-ups/write-downs	-127		-0.2%	-103		-0.2%
Disposal gains/losses	512		0.9%	324		0.6%
Other income/expenses ²	-27		0.0%	-20		0.0%
Investment result	2,070		3.8%	2,007		3.6%

	Write-ups/write-downs	Q1 2014	Q1 2013	Disposal gains/losses	Q1 2014	Q1 2013
Regular income						
Q1 2014 vs. Q4 2013 unchanged 3-month average reinvestment yield of ~2.5% (~2.2% in Q1 2013)	Equities	-20	-23	Fixed-income	365	392
	Derivatives	-108	-16	Equities	145	54
	Thereof interest-rate hedging programme	75	-17	Derivatives	-14	-122
	Other	1	-64	Other	16	-

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

² Including impact from unit-linked business. Q1 2014: €111m (0.2%-points). Q1 2013: €137m (0.2%-points).

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Financial reporting Q1 2014

Munich Re (Group)

Primary insurance

Munich Health

Reinsurance

Outlook

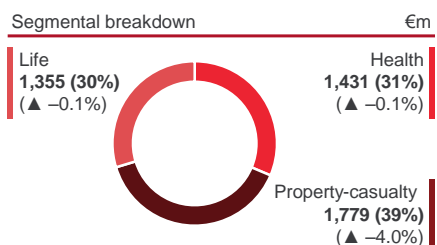
Backup

Primary insurance – Premium development

Primary insurance – Premium development



Gross premiums written	€m
Q1 2013	4,643
Foreign-exchange effects	-23
Divestment/Investment	-
Organic change	-55
Q1 2014	4,565



Gross premiums written	€m
Q1 2013	4,643
Life	-2
Health	-1
Property-casualty	-75
Q1 2014	4,565

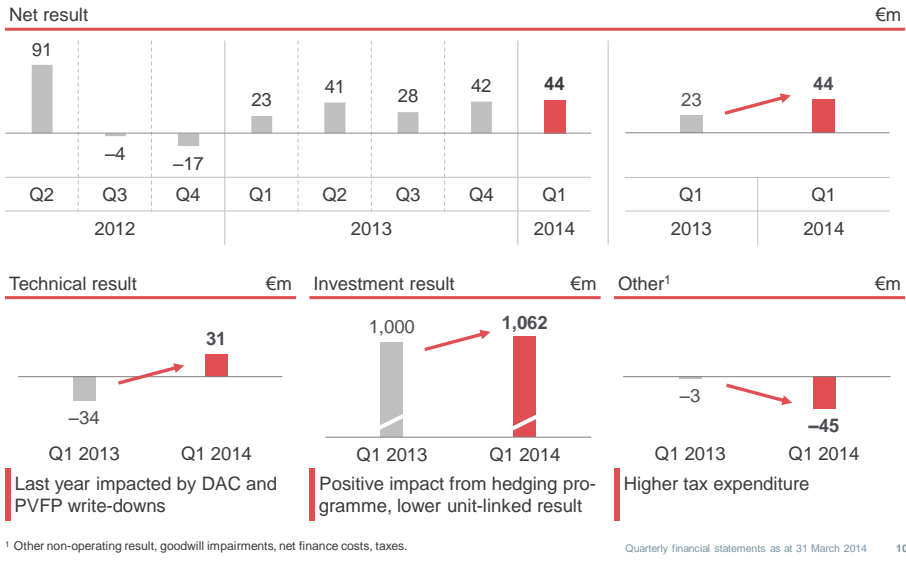
Life: Growth in international business (13.3%), decline in Germany (-4.4%)

Health: Growth in supplementary and travel, decline in comprehensive business

P-C: Decrease mainly from commercial/industrial business and international legal expenses

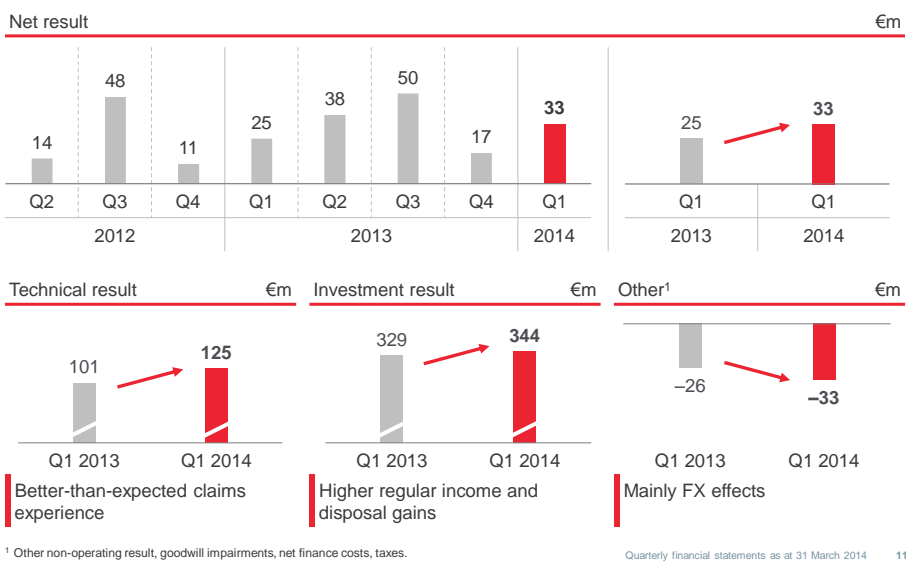
Primary insurance life – Key figures

Primary insurance life – Key figures



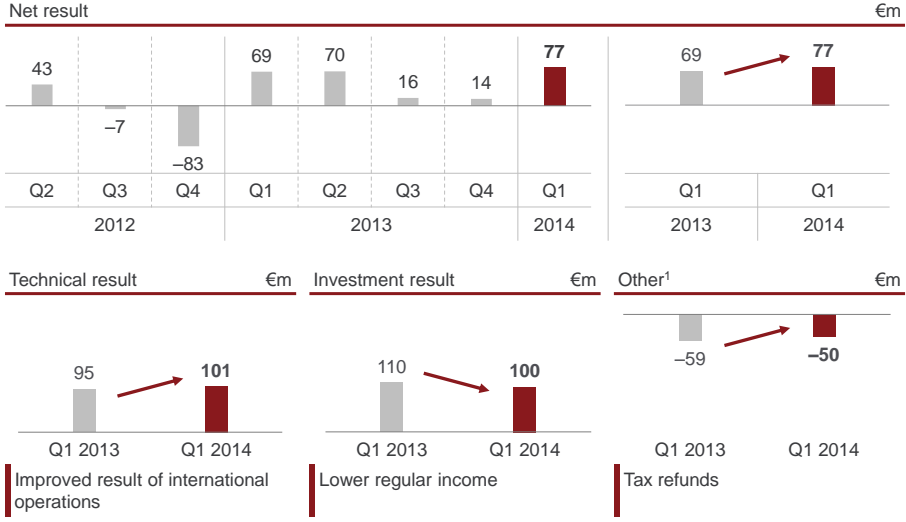
Primary insurance health – Key figures

Primary insurance health – Key figures



Primary insurance property-casualty – Key figures

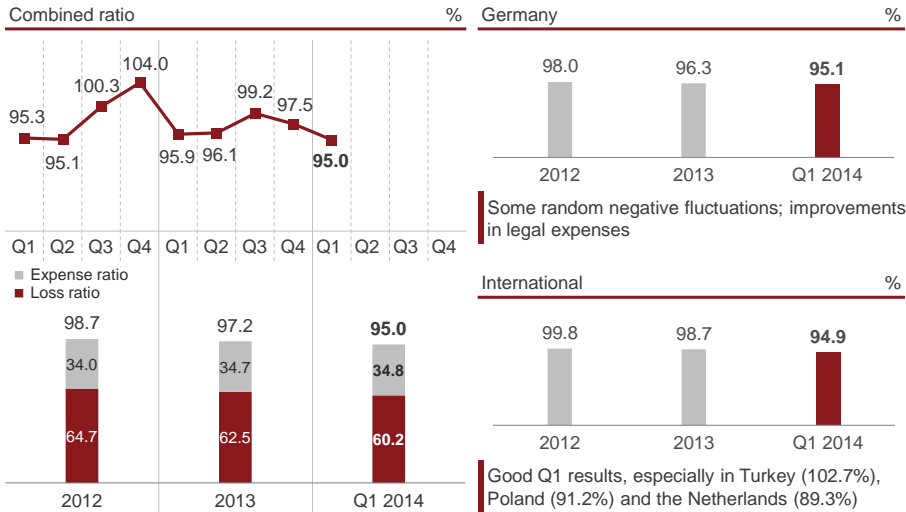
Primary insurance property-casualty – Key figures



¹ Other non-operating result, goodwill impairments, net finance costs, taxes.

Primary insurance property-casualty – Combined ratio

Combined ratio



Agenda



Financial reporting Q1 2014

Munich Re (Group)

Primary insurance

Munich Health

Reinsurance

Outlook

Backup

Munich Health – Premium development

Munich Health – Premium development



Gross premiums written		€m
Q1 2013	1,674	
Foreign-exchange effects	-104	
Divestment/Investment	-180	
Organic change	111	
Q1 2014	1,501	

Segmental breakdown €m



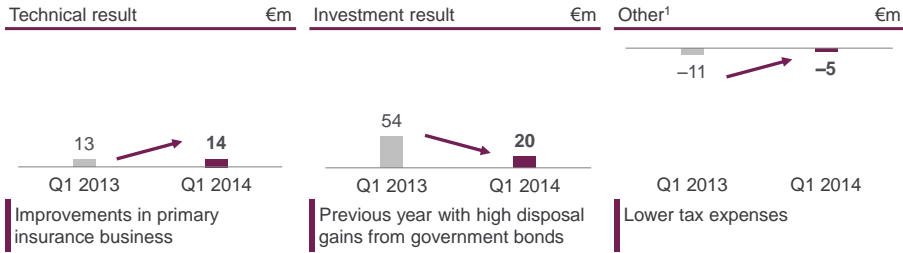
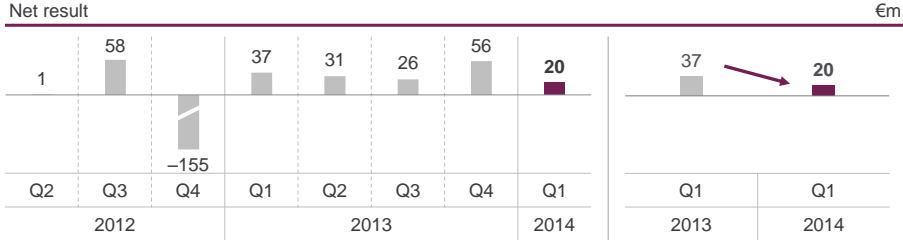
Gross premiums written		€m
Q1 2013	1,674	
Reinsurance	-10	
Primary insurance	-163	
Q1 2014	1,501	

Reinsurance
Negative FX effects (–€104m) – organic growth in US business and Middle East

Primary insurance
Sale of Windsor Health Group at end of last year (–€180m)

Munich Health – Key figures

Munich Health – Key figures



¹ Other non-operating result, goodwill impairments, net finance costs, taxes.

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Financial reporting Q1 2014

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

Reinsurance

Outlook

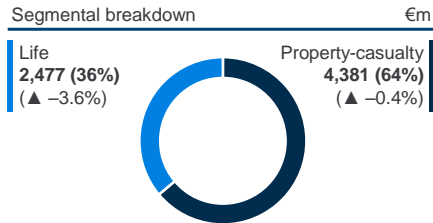
Backup

Reinsurance – Premium development

Reinsurance – Premium development



Gross premiums written		€m
Q1 2013	6,967	
Foreign-exchange effects	-422	
Divestment/Investment	-	
Organic change	313	
Q1 2014	6,858	



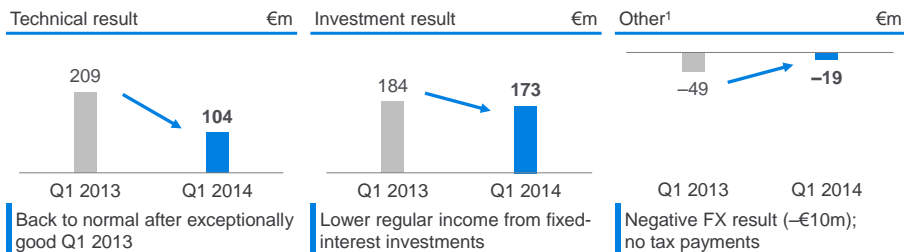
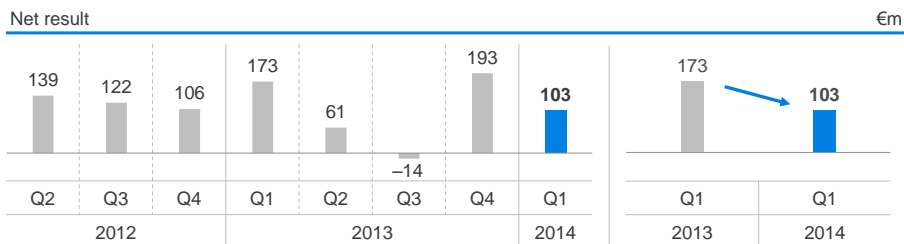
Gross premiums written		€m
Q1 2013	6,967	
Life	-92	
Property-casualty	-17	
Q1 2014	6,858	

Life
Organic growth (€121m), especially in USA and Australia – negative FX effects (–€213m), mainly Can\$

Property-casualty
Organic growth (€192m) mainly due to new large quota-share motor treaties – negative FX effects (–€209m), mainly US\$ and Aus\$

Reinsurance life – Key figures

Reinsurance life – Key figures



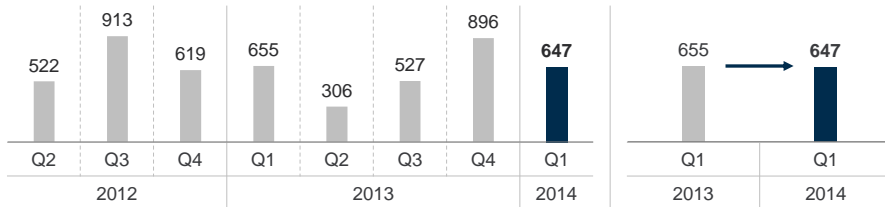
¹ Other non-operating result, goodwill impairments, net finance costs, taxes.

Reinsurance property-casualty – Key figures

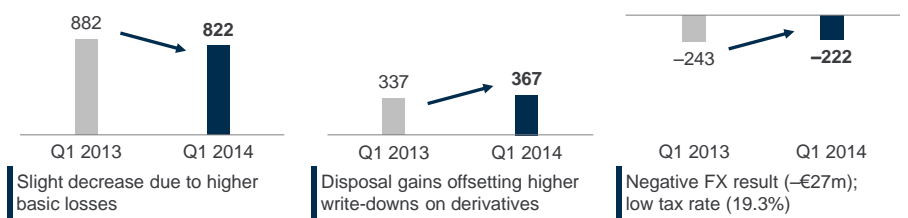
Reinsurance property-casualty – Key figures



Net result €m



Technical result €m Investment result €m Other¹ €m



Slight decrease due to higher basic losses

Disposal gains offsetting higher write-downs on derivatives

Negative FX result (–€27m); low tax rate (19.3%)

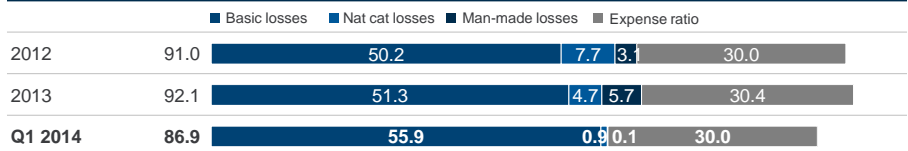
¹ Other non-operating result, goodwill impairments, net finance costs, taxes.

Reinsurance property-casualty – Combined ratio

Combined ratio



Combined ratio %



Combined ratio %



Large losses Q1 2014 %

	Total	Nat cat losses	Man-made losses
Actual Q1 2014	1.0	0.9	0.1
Avg. annual expectation	~12.0	~8.5	~3.5

Reserve releases basic losses ¹	€m	%-points
Q1 2014	~140	~3.5

¹ Balance of increases (e.g. agriculture) and releases (e.g. fire, motor and marine).

Reinsurance property-casualty – April renewals 2014

April renewals – Regional focus on Japan and USA, high nat cat share



Total property-casualty book¹ %

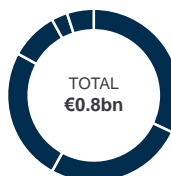
Remaining business	31	Business up for January renewal	51
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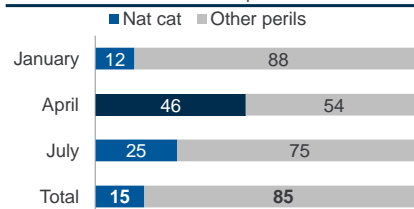
Business up for July renewal	13	Business up for April renewal	5
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Regional allocation of April renewal %

Rest ²	5	Worldwide	32
Europe	3	Japan	26
Latin America	9	North America	25



Nat cat shares of renewable portfolio %



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

Reinsurance property-casualty – April renewals 2014

Market trends observed in January continuing in April renewals



Market environment

- Persistent abundant reinsurance capacity
- Softening reinsurance prices, particularly in nat cat
- Declining prices in Japan from high levels seen after the 2011 earthquake
- Primary markets more disciplined than reinsurance market
- Stable or improving primary rates vs. increasing commissions

Competitors

Supply ↑

- Increased capital base of the (re)insurance sector
- Continued inflow of alternative capital in
- Competition in Japan driven almost only by traditional reinsurance players

Munich Re portfolio

- Active portfolio management – shift from property to casualty (incl. several new quota-share treaties)
- Proportional: Profitable growth benefiting from continued positive pricing trend in primary insurance (US casualty) and adequate margins (earthquake Japan)
- XL: Reduction driven by lower nat cat premiums

Clients

Demand ↓

- Rising retention levels
- More centralised buying and streamlined reinsurance programmes
- Change in demand towards tailor-made solutions

Reinsurance property-casualty – April renewals 2014

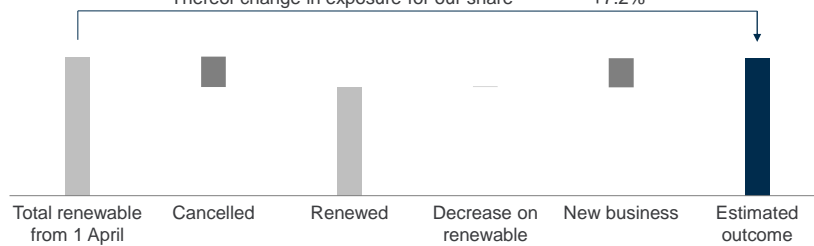
Despite rate decline, prices remain at an attractive level



April renewals 2014

%	100	-21.9	78.1	-0.1	20.8	98.8
€m	824	-180	643	-1	172	814

Change in premium **-1.2%**
 Thereof price movement¹ ~ -8.4%
 Thereof change in exposure for our share +7.2%



Portfolio profitability continues to meet our return targets

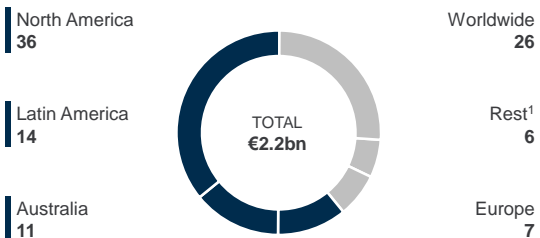
¹ Price movement is risk-adjusted, i.e. includes claims inflation/loss trend and is adjusted for portfolio mix effects. Furthermore, price movement is calculated on a wing-to-wing basis (including cancelled and new business). Quarterly financial statements as at 31 March 2014 24

Reinsurance non-life – Renewals – Outlook

High capacity and competition expected to persist



Regional allocation of July renewals



Outlook for July renewal

- Ongoing competitive market environment unless major losses occur
- Pressure on prices expected to be moderate following several renewals in the USA with price reductions

Renewal focus:	Main renewal date	Nat cat share
North and Latin America	in Australia	~25%

Ongoing strict bottom-line orientation to maintain portfolio quality in a competitive market environment

¹ Asia, Pacific and Africa. Quarterly financial statements as at 31 March 2014 25

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Financial reporting Q1 2014

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

Outlook

Backup

Outlook 2014



Munich Re (Group)

GROSS PREMIUMS WRITTEN		RETURN ON INVESTMENT		NET RESULT	
Target 2014 ¹	~€48bn (prev. ~€50bn)	Target 2014	~3.3%	Target 2014	€3bn

Focus on bottom-line prevails; reduction due to FX

Solid return given ongoing low interest-rate environment

RoRaC target of 15% after tax over the cycle to stand

Reinsurance

Primary insurance

Munich Health

COMBINED RATIO		COMBINED RATIO		COMBINED RATIO	
Target 2014	~94%	Target 2014	~95%	Target 2014	~99%

NET RESULT		NET RESULT		NET RESULT	
Target 2014	€2.3–2.5bn	Target 2014	€400–500m	Target 2014	~€100m

¹ By segment: Reinsurance slightly above €26bn, primary insurance ~€16.5bn, Munich Health slightly below €5.5bn.

Agenda



Financial reporting Q1 2014

- Munich Re (Group)
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- Munich Health
- Reinsurance

Outlook

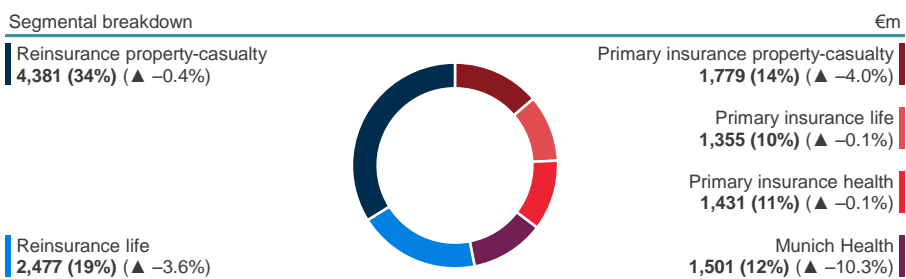
Backup

Backup: Munich Re (Group)

Premium development



Gross premiums written		€m
Q1 2013	13,284	
Foreign-exchange effects	-549	
Divestment/Investment	-180	
Organic change	369	
Q1 2014	12,924	



Backup: Munich Re (Group)

Reconciliation of operating to net result

Munich RE 

Reconciliation of operating to net result		€m
	Q1 2014	Q1 2013
Operating result	1,307	1,370
Other non-operating result	-114	110
Goodwill impairments	-	-
Net finance costs	-56	-68
Taxes	-213	-442
Net result	924	970

Other non-operating result		€m	Tax rates		%
	Q1 2014	Q1 2013		Q1 2014	Q1 2013
Foreign exchange	-49	153	Group	18.7	31.5
Restructuring charges	-12	-7	Reinsurance	17.1	32.7
Other	-53	-36	Primary insurance	23.0	19.6
			Munich Health	20.0	22.9

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Backup: Munich Re (Group)

Actual vs. analysts' consensus

Munich RE 

Operating result – Actual vs. analysts' consensus ¹				€m	Major developments in Q1 2014
	Actual	Consensus	Delta		
Reinsurance property-casualty	869	916	-47		Reinsurance property-casualty Investment result lower than in Q4 2013 Reserve releases: ~€140m/~3.5% of NEP Major loss ratio: 1.0% – significantly below expectation of ~12%
Reinsurance life	122	189	-67		Reinsurance life Technical result (€104m) in line with annual guidance of >€400m
Primary insurance life/health	155	122	33		Primary insurance life Positive contribution from interest-rate hedge (€75m/€18m gross/net)
Primary insurance property-casualty	127	132	-5		Munich Health Solid technical performance, but decreasing investment result
Munich Health	25	44	-19		
Operating result	1,307	1,402	-95		
FX	-49	-	-		
Other	-121	-	-		
Taxes	-213	-	-		
Net result	924	954	-30		

¹ Simple average of estimates the Munich Re investor relations team has gathered from analysts covering Munich Re, not taking into account any external data providers.

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Backup: Primary insurance life – New business

Primary insurance life – New business (statutory premiums)



Total	€m			APE ¹
	Total	Regular premiums	Single premiums	
Q1 2013	399	123	276	151
Q1 2014	439	115	324	147
▲	10.0%	-6.5%	17.4%	-2.6%

Comments

Germany

Lower single premiums from short-term investment product "MaxiZins" – difficult environment for regular premium business; new life product making up >70% of new business in private pensions²

International business

Considerable increase in single premiums mainly in Poland, Italy and Austria – regular premiums stable

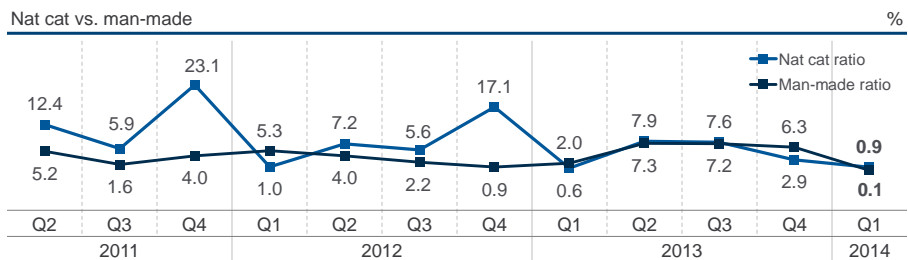
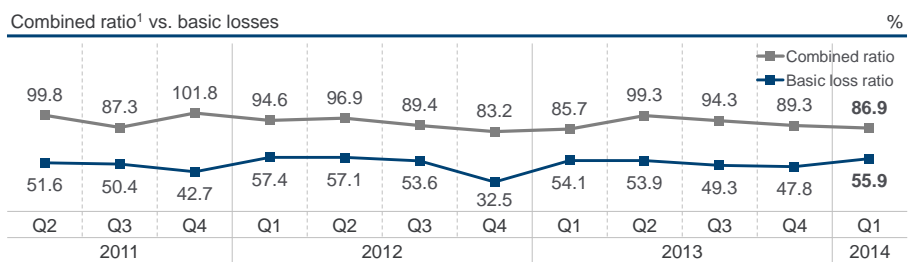
Germany	€m			APE ¹
	Total	Regular premiums	Single premiums	
Q1 2013	241	75	166	92
Q1 2014	219	67	152	82
▲	-9.1%	-10.7%	-8.4%	-10.9%

International	€m			APE ¹
	Total	Regular premiums	Single premiums	
Q1 2013	158	48	110	59
Q1 2014	220	48	172	65
▲	39.2%	0.0%	56.4%	10.2%

¹ Annual premium equivalent (APE = regular premiums +10% single premiums).
² APE, only third-layer private provision and tied agent organisations.

Backup: Reinsurance property-casualty – Combined ratio

Development of combined ratio



Backup: Reinsurance property-casualty – Combined ratio

Normalised combined ratio

Munich RE

Normalised combined ratio							%
	Reported combined ratio	Reported major losses	Expectation major losses ¹	Reported reserve releases ²	Changes sliding-scale provisions	Modelled assumption on reserve releases	Normalised combined ratio
Q1	85.7	-2.6	+12.0	+2.5	-0.0	-4.0	93.6
Q2	99.3	-15.2	+12.0	+4.0	-0.0	-4.0	96.1
Q3	94.3	-14.8	+12.0	+6.0	-0.7	-4.0	92.8
Q4	89.3	-9.2	+12.0	+9.0	-2.3	-4.0	94.8
FY 2013	92.1	-10.4	+12.0	+5.2	-0.8	-4.0	94.1
Q1 2014	86.9	-1.0	+12.0	+3.5	+0.2	-4.0	97.6

¹ Simplified assumption of evenly distributed major losses over every quarter.² Basic losses.

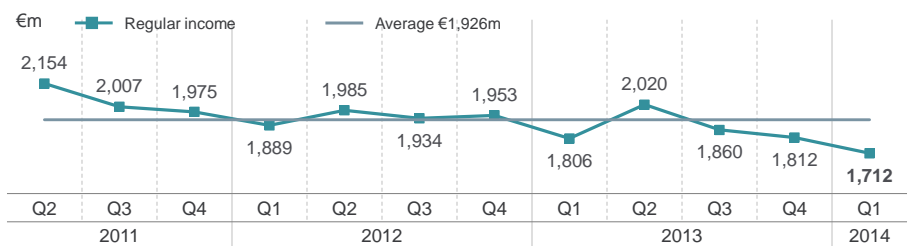
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Backup: Investments

Breakdown of regular income

Munich RE

Investment result – Regular income (€m)	Q1 2014	Q1 2013	Change
Afs fixed-interest	872	944	-72
Afs non-fixed-interest	72	49	23
Derivatives	32	61	-29
Loans	548	553	-5
Real estate	82	86	-4
Deposits retained on assumed reinsurance and other investments	106	113	-7
Total regular income	1,712	1,806	-94



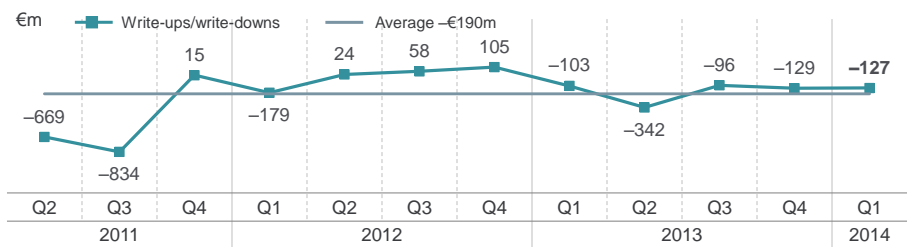
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Backup: Investments

Breakdown of write-ups/write-downs



Investment result – Write-ups/write-downs (€m)	Q1 2014	Q1 2013	Change
Afs fixed-interest	-1	-1	-
Afs non-fixed-interest	-20	-23	3
Derivatives	-108	-16	-92
Loans	1	-	1
Real estate	-15	-24	9
Deposits retained on assumed reinsurance and other investments	16	-39	55
Total net write-ups/write-downs	-127	-103	-24



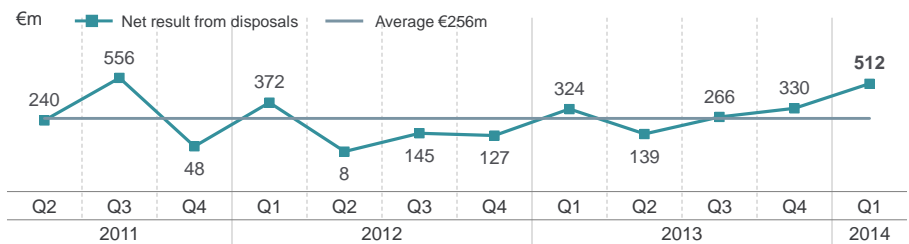
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Backup: Investments

Breakdown of net result from disposals



Investment result – Net result from disposal of investments (€m)	Q1 2014	Q1 2013	Change
Afs fixed-interest	237	283	-46
Afs non-fixed-interest	145	54	91
Derivatives	-14	-122	108
Loans	128	109	19
Real estate	4	-	4
Deposits retained on assumed reinsurance and other investments	12	-	12
Total net result from disposals	512	324	188



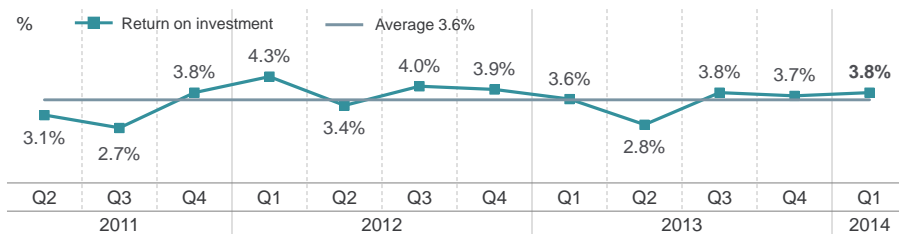
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Backup: Investments

Return on investment by asset class and segment

Munich RE 

% ¹	Regular income	Write-ups/downs	Disposal result	Other inc./exp.	RoI	Market value ³
Afs fixed-interest	3.0	–	0.8	–	3.8	115,905
Afs non-fixed-interest	2.4	–0.7	4.8	–	6.5	12,181
Derivatives	6.4	–21.5	–2.8	–3.2	–21.1	2,006
Loans	3.5	–	0.9	–	4.4	62,232
Real estate	6.0	–1.1	0.3	–	5.2	5,508
Other ²	1.9	0.3	0.2	–0.2	2.2	22,769
Total	3.1	–0.2	0.9	–	3.8	220,601
Reinsurance	2.9	–1.1	1.2	–0.3	2.7	80,261
Primary insurance	3.3	0.2	0.8	0.1	4.4	135,469
Munich Health	1.5	–	0.8	–0.1	2.2	3,685

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

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Backup: Investments

Investment result by segment

Munich RE 

Investment result – Reinsurance – Life

€m

	Q1 2014	Return ¹	Q1 2013	Return ¹
Regular income	200	3.4%	222	3.7%
Write-ups/write-downs	–35	–0.6%	5	0.1%
Disposal gains/losses	38	0.6%	2	0.0%
Other income/expenses	–30	–0.5%	–45	–0.7%
Investment result	173	2.9%	184	3.1%
Average market value	23,529		24,093	

Investment result – Reinsurance – Property-casualty

€m

	Q1 2014	Return ¹	Q1 2013	Return ¹
Regular income	389	2.8%	436	2.8%
Write-ups/write-downs	–178	–1.3%	–53	–0.3%
Disposal gains/losses	202	1.4%	6	0.0%
Other income/expenses	–46	–0.3%	–52	–0.3%
Investment result	367	2.6%	337	2.2%
Average market value	56,732		61,294	











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

Quarterly financial statements as at 31 March 2014 39











Backup: Investments

Investment result by segment

Munich RE Investment result – Primary insurance – Life €m

	Q1 2014	Return ¹	Q1 2013	Return ¹
Regular income	695 	3.2%	713 	3.2%
Write-ups/write-downs	103 	0.5%	-29 	-0.1%
Disposal gains/losses	190 	0.9%	216 	1.0%
Other income/expenses ²	74 	0.3%	100 	0.5%
Investment result	1,062 	4.9%	1,000 	4.6%
Average market value	86,724		87,798	

Investment result – Primary insurance – Property-casualty €m

	Q1 2014	Return ¹	Q1 2013	Return ¹
Regular income	65 	2.6%	72 	2.9%
Write-ups/write-downs	-8 	-0.3%	-4 	-0.2%
Disposal gains/losses	48 	1.9%	48 	2.0%
Other income/expenses	-5 	-0.2%	-6 	-0.2%
Investment result	100 	4.0%	110 	4.5%
Average market value	10,114		9,829	











¹ Return on quarterly weighted investments (market values) in % p.a.² Including impact from unit-linked business. Q1 2014: €111m (0.5%-points). Q1 2013: €137m (0.6%-points).

Quarterly financial statements as at 31 March 2014 40











Backup: Investments

Investment result by segment

Munich RE Investment result – Primary insurance – Health €m

	Q1 2014	Return ¹	Q1 2013	Return ¹
Regular income	346 	3.6%	338 	3.6%
Write-ups/write-downs	-9 	-0.1%	-11 	-0.1%
Disposal gains/losses	25 	0.3%	18 	0.2%
Other income/expenses	-18 	-0.2%	-16 	-0.2%
Investment result	344 	3.6%	329 	3.5%
Average market value	38,631		37,283	

Investment result – Munich Health €m

	Q1 2014	Return ¹	Q1 2013	Return ¹
Regular income	14 	1.5%	22 	2.2%
Write-ups/write-downs	0 	0.0%	-1 	-0.1%
Disposal gains/losses	7 	0.8%	34 	3.3%
Other income/expenses	-1 	-0.1%	-1 	-0.1%
Investment result	20 	2.2%	54 	5.3%
Average market value	3,685		4,084	

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

Quarterly financial statements as at 31 March 2014 41

Backup: Investments

Investment portfolio

Fixed-interest securities and miscellaneous



Investment portfolio	%
Miscellaneous	11.5 (11.8)
Fixed-interest securities	53.2 (52.9)

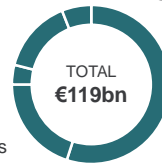


Loans	28.3 (28.2)
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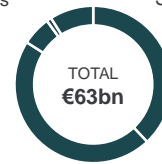
Miscellaneous	%
Other	9 (9)
Derivatives	5 (5)
Investment funds	9 (10)
Bank deposits	13 (12)
Deposits on reinsurance	37 (38)
Unit-linked	27 (26)



Fixed-interest securities ¹	%
Structured products	6 (6)
Corporates	15 (16)
Banks	4 (4)
Pfandbriefe/ Covered bonds	20 (21)
Governments/ Semi-government	55 (53)



Loans ¹	%
Loans to policyholders/ Mortgage loans	9 (9)
Corporates	1 (1)
Banks	6 (6)
Governments/ Semi-government	38 (38)
Pfandbriefe/ Covered bonds	46 (46)



¹ Approximation – not fully comparable with IFRS figures. Fair values as at 31.3.2014 (31.12.2013).

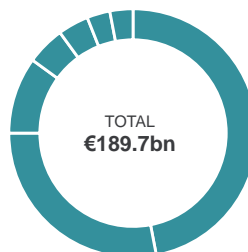
Backup: Investments

Fixed-income portfolio

Total



Fixed-income portfolio	%
Loans to policyholders/ Mortgage loans	3 (3)
Bank bonds	3 (3)
Structured products	4 (4)
Cash/Other	5 (5)
Corporate bonds	10 (10)
Pfandbriefe/ Covered bonds	28 (29)
Governments/ Semi-government	47 (46)



Approximation – not fully comparable with IFRS figures. Fair values as at 31.3.2014 (31.12.2013).

Backup: Investments



Fixed-income portfolio Total

Munich RE

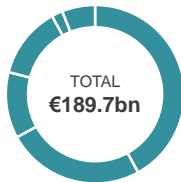
Rating structure %

<BB and NR
6 (6) AAA
42 (42)

BB
2 (2)

BBB
13 (12)

A
12 (12) AA
25 (26)



Maturity structure %

n.a.
2 (2) 0–1 years
9 (9)

>10 years
32 (31) 1–3 years
15 (16)

7–10 years
14 (14) 3–5 years
15 (15)

5–7 years
13 (13)



Regional breakdown %

	Without	With	Total	
	policyholder participation		31.3. 2014	31.12. 2013
Germany	5.1	26.4	31.5	32.2
US	12.7	1.1	13.8	13.7
France	2.3	5.6	7.9	7.9
UK	3.3	2.8	6.1	6.4
Netherlands	1.9	3.0	4.9	4.8
Canada	3.3	0.1	3.4	3.5
Supra-nationals	0.7	2.6	3.3	3.3
Spain	1.3	1.9	3.2	2.8
Italy	1.0	2.0	3.0	2.7
Ireland	1.0	1.8	2.8	2.7
Austria	0.5	2.1	2.6	2.7
Other	9.1	8.4	17.5	17.3
Total	42.2	57.8	100.0	100.0

Approximation – not fully comparable with IFRS figures. Fair values as at 31.3.2014 (31.12.2013).

Quarterly financial statements as at 31 March 2014 44

Backup: Investments



Fixed-income portfolio Governments/Semi-government

Munich RE

Rating structure %

BB
1 (1) AAA
48 (47)

BBB
12 (10)

A
5 (6)

AA
34 (36)



Maturity structure %

>10 years
40 (39) 0–1 years
10 (9)

1–3 years
15 (17)

3–5 years
12 (13)

5–7 years
12 (12)



Regional breakdown %

	Without	With	Total	
	policyholder participation		31.3. 2014	31.12. 2013
Germany	5.0	25.9	30.9	33.0
US	14.4	0.5	14.9	13.9
Supra-nationals	1.5	5.4	6.9	7.2
Canada	5.3	0.1	5.4	5.9
UK	4.4	0.2	4.6	4.5
Italy	1.1	2.9	4.0	3.7
France	2.0	1.8	3.8	3.6
Austria	0.8	2.8	3.6	3.9
Belgium	0.6	2.2	2.8	3.0
Spain	1.3	1.2	2.5	1.9
Ireland	0.3	1.5	1.8	1.7
Other	13.5	5.3	18.8	17.7
Total	50.2	49.8	100.0	100.0

Approximation – not fully comparable with IFRS figures. Fair values as at 31.3.2014 (31.12.2013).

Quarterly financial statements as at 31 March 2014 45

Backup: Investments



Fixed-income portfolio Pfandbriefe/Covered bonds

Munich RE

Rating structure %

BBB 3 (4)	AAA 60 (61)
--------------	----------------

A
11 (9)AA
26 (26)

Maturity structure %

>10 years 37 (38)	0–1 years 3 (4)
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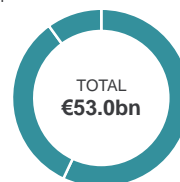
7–10 years
20 (19)

Regional breakdown %

	31.3.2014	31.12.2013
Germany	35.8	36.2
France	17.8	18.0
UK	8.3	9.1
Netherlands	6.9	6.7
Sweden	6.0	6.0
Spain	5.9	5.6
Norway	5.7	5.6
Ireland	3.4	3.2
Italy	0.9	0.7
Other	9.3	8.9

Covered pools %

Mixed and other 10 (10)	Mortgage 57 (57)
----------------------------	---------------------



Approximation – not fully comparable with IFRS figures. Fair values as at 31.3.2014 (31.12.2013).

Quarterly financial statements as at 31 March 2014 46

Backup: Investments



Fixed-income portfolio Corporate bonds (excluding bank bonds)

Munich RE

Rating structure %

<BB and NR 1 (1)	AAA 1 (1)
---------------------	--------------

BB
9 (9)BBB
48 (48)

Maturity structure %

>10 years 13 (13)	0–1 years 5 (7)
----------------------	--------------------

7–10 years
17 (18)5–7 years
18 (17)

Sector breakdown %

	31.3.2014	31.12.2013
Utilities	21.2	19.7
Oil and gas	12.9	12.2
Industrial goods and services	12.7	13.2
Telecommunications	9.9	10.0
Healthcare	5.9	6.2
Food and beverages	5.1	5.3
Financial services	4.6	4.4
Media	4.3	4.4
Technology	4.0	4.7
Retail	3.4	3.4
Basic resources	3.2	3.2
Automobiles	3.0	2.8
Personal and household goods	2.6	2.7
Other	7.2	7.8

Approximation – not fully comparable with IFRS figures. Fair values as at 31.3.2014 (31.12.2013).

Quarterly financial statements as at 31 March 2014 47

Backup: Investments



Fixed-income portfolio Structured products

Munich RE

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

€m

		Rating						Region		Total	Market-to-par
		AAA	AA	A	BBB	<BBB	NR	USA + RoW	Europe		
ABS	Consumer-related ABS ¹	305	251	275	45	4	–	268	612	880	101%
	Corporate-related ABS ²	102	123	160	91	9	13	–	498	498	100%
	Subprime HEL	–	3	1	3	–	–	7	–	7	99%
CDO/CLN	Subprime-related	–	–	–	–	–	–	–	–	–	0%
	Non-subprime-related	359	412	289	67	–	22	209	940	1,149	97%
MBS	Agency	1,758	81	–	–	–	–	1,839	–	1,839	103%
	Non-agency prime	422	281	258	88	5	–	38	1,016	1,054	99%
	Non-agency other (not subprime)	125	76	41	1	–	–	12	231	243	100%
	Commercial MBS	633	77	287	103	132	3	630	605	1,235	101%
Total 31.3.2014		3,704	1,304	1,311	398	150	38	3,004	3,901	6,905	100%
In %		53%	19%	19%	6%	2%	1%	43%	57%	100%	
Total 31.12.2013		3,875	1,353	1,293	382	159	63	3,145	3,980	7,125	99%

¹ Consumer loans, auto, credit cards, student loans.² Asset-backed CPs, business and corporate loans, commercial equipment. Approximation – not fully comparable with IFRS figures. Fair values as at 31.3.2014.

Quarterly financial statements as at 31 March 2014 48

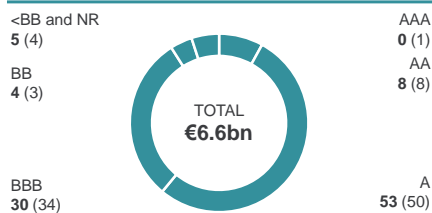
Backup: Investments



Fixed-income portfolio Bank bonds

Munich RE

Rating structure %



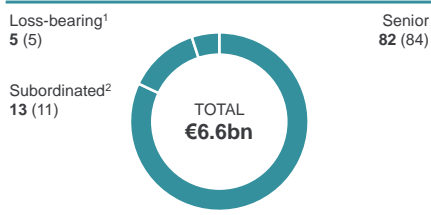
Maturity structure %



Regional breakdown %

				Total	
	Senior bonds	Sub-ordinated	Loss-bearing	31.3.2014	31.12.2013
Germany	24.1	4.4	4.0	32.5	34.7
US	25.0	4.1	0.3	29.5	29.6
UK	9.2	1.4	0.2	10.7	10.2
Ireland	5.3	–	–	5.3	5.4
Canada	2.6	0.7	0.1	3.4	3.6
Australia	3.3	–	–	3.3	3.5
Austria	1.7	0.6	0.3	2.5	2.7
France	1.7	0.4	–	2.1	1.9
Jersey	1.8	0.1	0.0	2.0	2.1
Other	7.1	1.4	0.1	8.7	6.3

Investment category of bank bonds %



¹ Classified as Tier 1 and upper Tier 2 capital for solvency purposes. ² Classified as lower Tier 2 and Tier 3 capital for solvency purposes. Approximation – not fully comparable with IFRS figures. Fair values as at 31.3.2014 (31.12.2013).

Quarterly financial statements as at 31 March 2014 49

Backup: Investments

Sensitivities to interest rates, spreads and equity markets

Munich RE 

Sensitivity to risk-free interest rates – Basis points	–50	–25	+50	+100
Change in gross market value (€bn)	+6.8	+3.3	–6.2	–11.7
Change in on-balance-sheet reserves, net (€bn) ¹	+1.6	+0.8	–1.5	–2.9
Change in off-balance-sheet reserves, net (€bn) ¹	+0.4	+0.2	–0.4	–0.7
P&L impact (€bn) ¹	–0.1	–0.1	+0.1	+0.2
Sensitivity to spreads² (change in basis points)			+50	+100
Change in gross market value (€bn)			–4.5	–8.4
Change in on-balance-sheet reserves, net (€bn) ¹			–1.0	–1.9
Change in off-balance-sheet reserves, net (€bn) ¹			–0.3	–0.5
P&L impact (€bn) ¹			+0.0	+0.1
Sensitivity to equity and commodity markets³	–30%	–10%	+10%	+30%
EURO STOXX 50 (3,162 as at 31.3.2014)	2,213	2,846	3,478	4,111
Change in gross market value (€bn)	–3.7	–1.2	+1.2	+3.8
Change in on-balance-sheet reserves, net (€bn) ¹	–1.0	–0.5	+0.7	+2.2
Change in off-balance-sheet reserves, net (€bn) ¹	–0.6	–0.2	+0.2	+0.6
P&L impact (€bn) ¹	–1.4	–0.3	+0.1	+0.3

¹ Rough calculation with limited reliability assuming unchanged portfolio as at 31.3.2014. After rough estimation of policyholder participation and deferred tax; linearity of relations cannot be assumed. Approximation – not fully comparable with IFRS figures.

² Sensitivities to changes of spreads are calculated for every category of fixed-interest securities, except government securities with AAA ratings.

³ Worst-case scenario assumed including commodities; impairment as soon as market value is below acquisition cost. Approximation – not fully comparable with IFRS figures.

Quarterly financial statements as at 31 March 2014 50

Backup: Investments

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

Munich RE 

€m	31.12. 2010	31.12. 2011	31.12. 2012	31.12. 2013	31.3. 2014
Market value of investments	196,398	207,108	224,537	217,738	223,463
Total reserves	7,374	11,236	22,478	15,192	18,931
On-balance-sheet reserves					
Fixed-interest securities	2,201	4,892	9,980	4,661	6,568
Non-fixed-interest securities	1,634	693	1,503	1,975	2,032
Other on-balance-sheet reserves ¹	249	250	291	292	306
Subtotal	4,084	5,835	11,774	6,928	8,906
Off-balance-sheet reserves					
Real estate ²	1,425	1,435	1,519	1,763	1,772
Loans and investments (held to maturity)	1,554	3,633	8,831	6,071	7,887
Associates	311	333	354	430	366
Subtotal	3,290	5,401	10,704	8,264	10,025
Reserve ratio (%)	3.8%	5.4%	10.0%	7.0%	8.5%

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

² Excluding reserves from owner-occupied property.

Quarterly financial statements as at 31 March 2014 51

Backup: Investments

On-balance-sheet reserves

Munich RE 

On-balance-sheet reserves		€m
Q1 2014		
Investments afs	8,600	
Valuation at equity	109	
Unconsolidated affiliated enterprises	159	
Cash flow hedging	38	
Total on-balance-sheet reserves (gross)	8,906	
Provision for deferred premium refunds	-3,659	
Deferred tax	-1,126	
Minority interests	-9	
Consolidation and currency effects	36	
Shareholders' stake	4,148	

Quarterly financial statements as at 31 March 2014 52

Backup: Investments

Off-balance-sheet reserves

Munich RE 

Off-balance-sheet reserves		€m
Q1 2014		
Real estate ¹	1,772	
Loans and investments (held to maturity)	7,887	
Associates	366	
Total off-balance-sheet reserves (gross)	10,025	
as if		
Provision for deferred premium refunds	-7,140	
Deferred tax	-861	
Minority interests	0	
Shareholders' stake	2,024	

¹ Excluding reserves for owner-occupied property.

Quarterly financial statements as at 31 March 2014 53

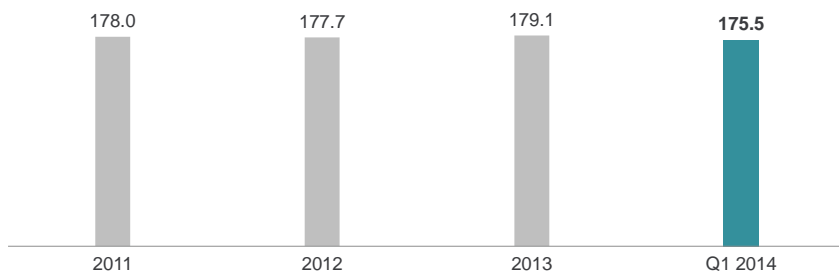
Backup: Shareholder information

Development of shares in circulation

Munich RE 

Shares millions	31.12. 2013	Acquisition of own shares in Q1 2014	Retirement of own shares in Q1 2014	31.3. 2014
Shares in circulation	177.4	-3.7	-	173.7
Own shares held	1.9	3.7	-	5.6
Total	179.3	-	-	179.3

Weighted average number of shares in circulation (millions)



Quarterly financial statements as at 31 March 2014 54

Backup: Shareholder information

Financial calendar

Munich RE 

FINANCIAL CALENDAR

27 May 2014	Deutsche Bank "Global Financial Services Investor Conference", New York
4 June 2014	Commerzbank "European Corporate Day 2014", London
10-11 June 2014	Goldman Sachs "18 th Annual European Financial Conference", Madrid
21 July 2014	Analysts' / Investor Briefing, London
7 August 2014	Interim report as at 30 June 2014, half-year press conference
6 November 2014	Interim report as at 30 September 2014

Quarterly financial statements as at 31 March 2014 55

Backup: Shareholder information

For information, please contact



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

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