



Rising dividend after good results

Preliminary financial statements as at 31 December 2014

5 February 2015

Torsten Jeworrek
Jörg Schneider

Good annual profit of €3.2bn – Dividend increasing to €7.75 per share

Munich Re (Group) – Q4 2014 (FY 2014)

NET RESULT
€0.7bn (€3.2bn)

2014 net result of €3.2bn meets annual guidance – Q4 earnings impacted by significant countervailing one-off effects

OPERATING RESULT
€0.7bn (€4.0bn)

Operating result in Q4 adjusted for policyholder participation in prior-year tax credit: ~€1.1bn

SHAREHOLDERS' EQUITY
€30.3bn (+3.6% vs. 30.9.)

Strong capital position allows us to increase dividend per share to €7.75 (subject to approval of Supervisory Board and AGM)

ECONOMIC CAPITAL POSITION

Lower interest rates slightly reduce the very comfortable economic solvency position

INVESTMENT RESULT
Rol of 3.4% (3.6%)

Solid return given low interest rates

JANUARY RENEWALS

Munich Re strictly focused on bottom-line
Premium change: –9.5%
Price change: ~ –1.3%

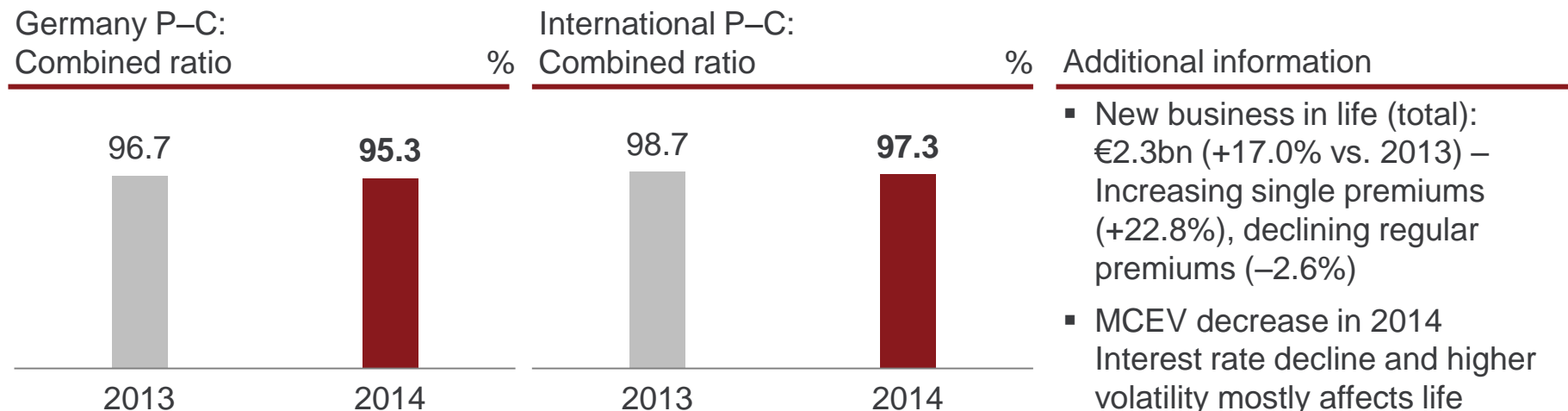
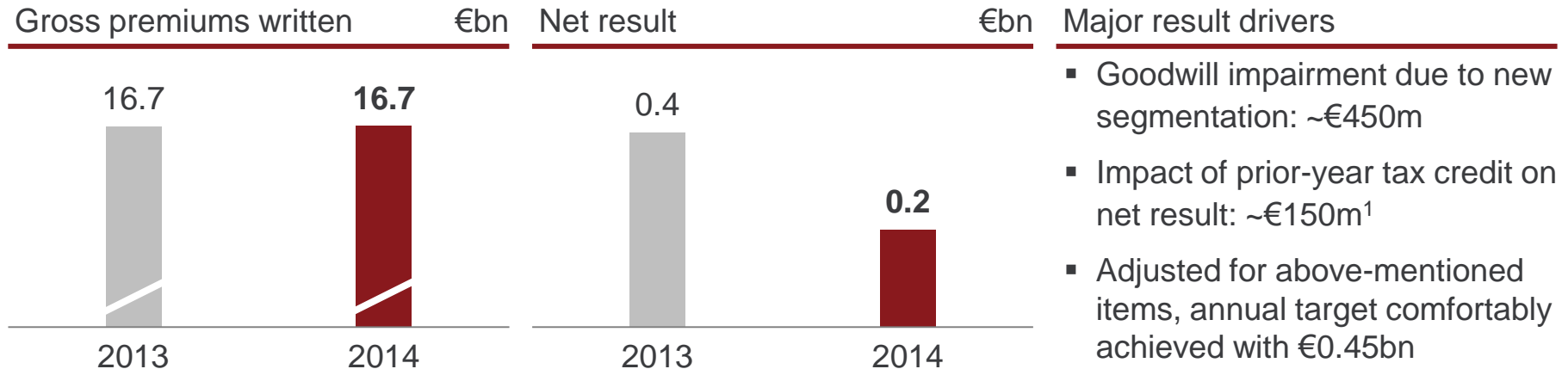
Investment result

Investment result	€bn		
	FY 2014	FY 2013	Q4 2014
Regular income	7.2	7.4	1.8
Write-ups/write-downs	-0.2	-0.4	-0.1
Disposal gains/losses	2.6	1.7	1.0
Derivative result	-1.1	-1.0	-0.5
Other income/expenses	-0.5	-0.5	-0.2
Investment result	8.0	7.2	2.0
Insurance-related investment result ¹	0.4	0.4	0.1

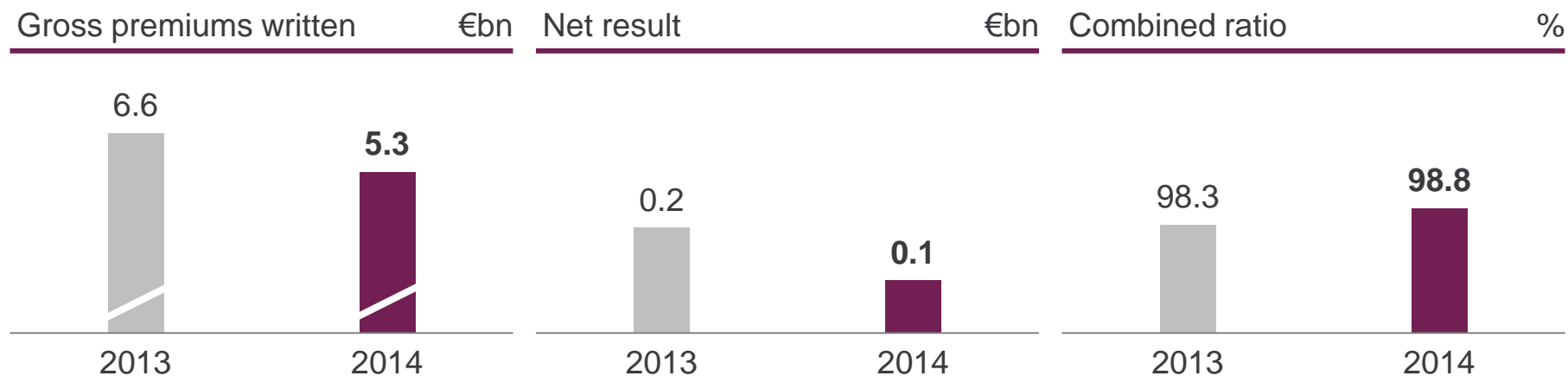
Highlights

- Regular income: Further decline of interest rates in Q4 – Average reinvestment yield down to ~2.1% vs. ~2.2% in Q3 2014
- Sharp increase in valuation reserves – higher disposal gains following usual portfolio turnover
- Use of derivatives in our economic steering (e.g. for the purpose of inflation hedging) leads to IFRS losses in spite of gains from interest-rate hedging in primary life insurance

¹ Unit-linked and other insurance-related investments no longer a part of the investment result (see backup). Impact from unit-linked business: FY 2014: €0.5bn, Q4 2014: €0.1bn.



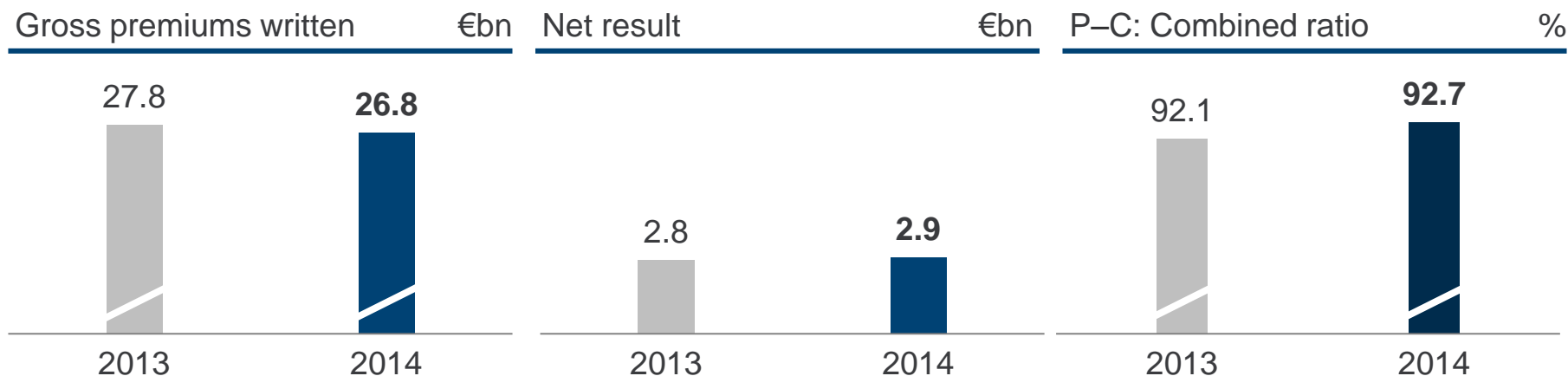
¹ Tax credit for prior years ~€500m less policyholder participation of ~€350m.



Major result drivers

- Premium decline driven by currency effects, reduced share of large-volume deals, and sale of Windsor Health Group at end of 2013
- Net result meets annual guidance of ~€100m

Reinsurance – Key financials



Life: Major result drivers

- Technical result: ~€0.3bn – Reserve strengthening of €0.1bn for Australian disability business in Q4
- MCEV increase in 2014 – Strong new business, negative operating variances and overall positive impact of interest rate development

P-C: Large losses

	Total	Nat cat	Man-made
FY 2014	7.2	3.3	3.9
Q4 2014	6.1	2.7	3.4

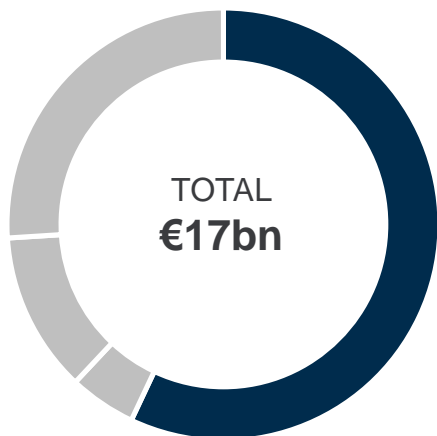
Reserve releases ¹	€bn	%
FY 2014	~1.1	~6.9
Q4 2014	~0.6	~15.4

¹ Basic losses. Adjusted for commission effects FY 2014: ~5.3%, Q4 2014: ~9.1%.

January renewals – Regional focus on Europe

Total property-casualty book¹ %

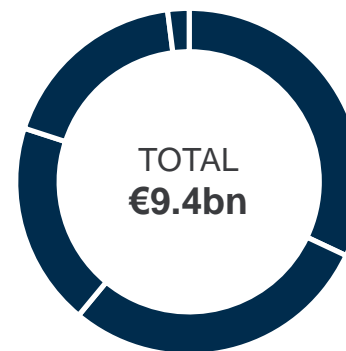
Remaining business	26	Business up for January renewal ²	57
--------------------	----	--	----



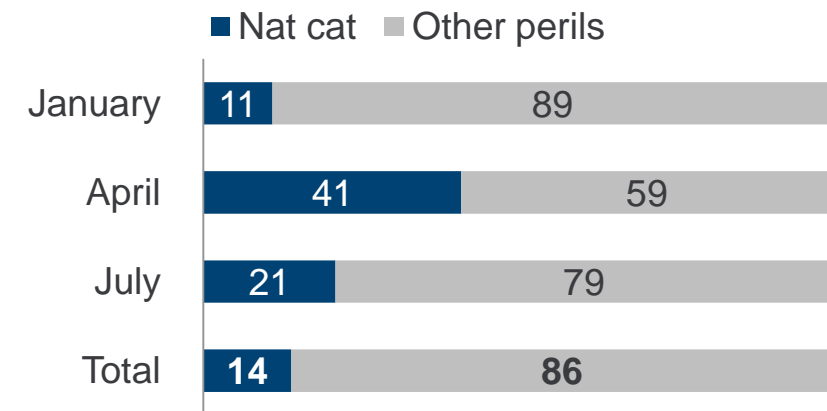
Business up for July renewal	12	Business up for April renewal	5
------------------------------	----	-------------------------------	---

Regional allocation of January renewals %

Latin America	2	Europe	32
Asia-Pacific, Africa	18	Worldwide	29
North America	19		



Nat cat shares of renewable portfolio %



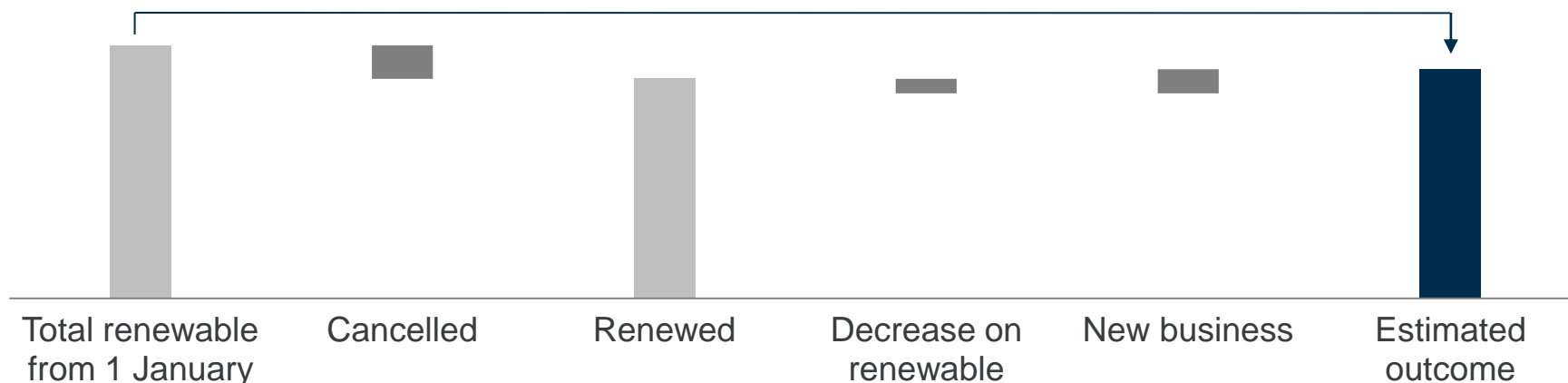
¹ Gross premiums written. Economic view – not fully comparable with IFRS figures.
² Including Risk Solutions business (11% of January renewal).

Consistent cycle management leads to top-line reduction – Portfolio profitability remains sound

January renewals 2015

%	100	-13.2	86.8	-5.8	9.5	90.5
€m	9,445	-1,246	8,199	-546	899	8,552

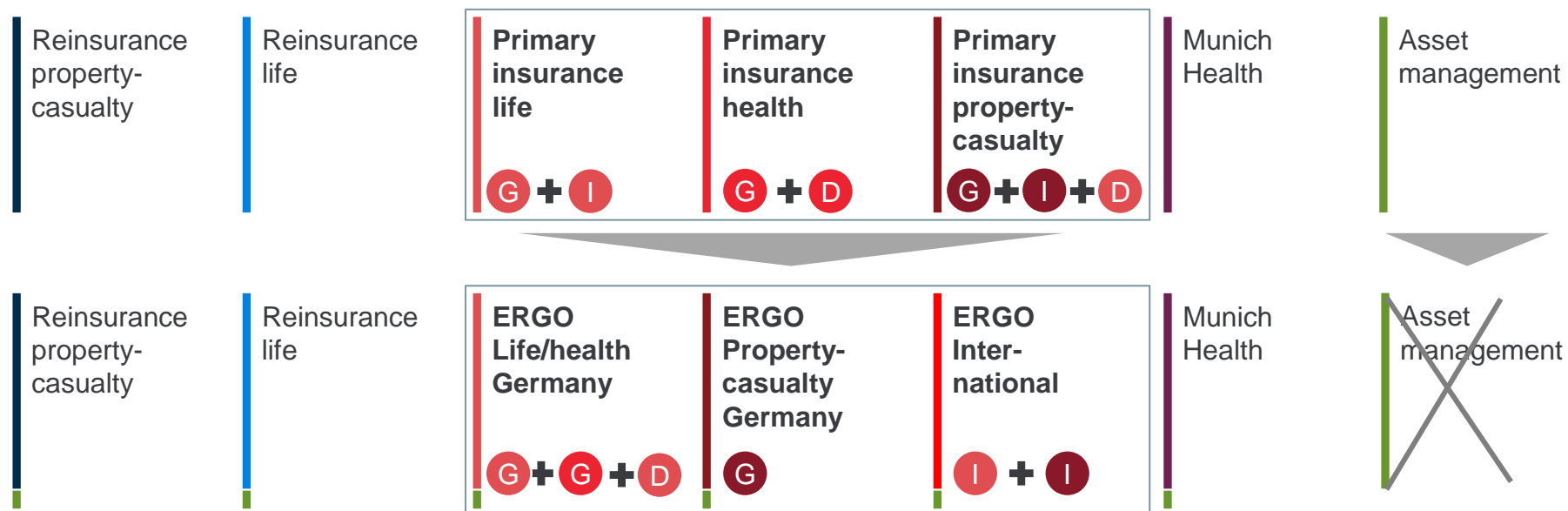
Change in premium	-9.5%
Thereof price movement ¹	~ -1.3%
Thereof change in exposure for our share	-8.2%



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

¹ Price movement is calculated on a wing-to-wing basis (including cancelled and new business) and risk-adjusted (including claims inflation/loss trend and portfolio mix effects).

New segment reporting – Consistency with our management approach



Main changes

- Asset management segment to be dissolved and allocated to remaining segments
- International part of primary life and p-c bundled within the new ERGO International segment
- German part of primary life together with primary health and whole ERGO Direkt allocated to the new ERGO Life/health Germany segment
- German part of primary p-c allocated to the new ERGO Property-casualty Germany segment

Rationale of new segmentation for ERGO

- Better reflection of internal steering in external reporting according to IFRS 8
- Separate segment “ERGO International” enhancing transparency

Treatment of ERGO goodwill

- New segmentation triggering reallocation of ERGO goodwill (€1.75bn) to new segments ...
- ... leading to goodwill write-down of €0.45bn in Q4 2014

Old P&L structure

Gross premiums written

1. Earned premiums

- Gross
- Ceded
- Net

2. Income from technical interest

3. Net expenses for claims and benefits

- Gross
- Ceded share
- Net

4. Operating expenses

- Gross
- Ceded share
- Net

Thereof:

- Write-downs of PVFP

5. Technical result

6. Investment result

- Investment income
- Investment expenses
- Total

7. Other operating income

8. Other operating expenses

9. Deduction of income from technical interests

10. Non-technical result**11. Operating result**

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

13. Taxes on income

14. Consolidated result

Netting/aggregation

Netting/aggregation

Netting/aggregation

Netting/aggregation

Extracting unit-linked, etc.

Netting/aggregation

New P&L structure

Gross premiums written

1. Net earned premiums

2. Income from technical interest

3. Net expenses for claims and benefits

4. Net operating expenses

5. Technical result

6. Investment result

7. Insurance-related investment result¹

8. Other operating result

9. Deduction of income from technical interest

10. Non-technical result**11. Operating result**

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

13. Taxes on income

14. Consolidated result

¹ Including investment result of unit-linked business and investments not reported in accordance with ALM principles (insurance-linked derivatives, GmxB, weather- and commodity derivatives and physical gas).

Actual vs. analysts' consensus

Q4 2014 – Preliminary actual vs. consensus¹

€bn	Actual	Consensus	Delta
Reinsurance	0.8	0.9	-0.1
ERGO	-0.2	0.2	-0.4
Munich Health	0.0	0.0	-
Operating result	0.7	1.2	-0.5
Operating result adj. for PH participation in tax credit (€0.35bn)	1.1	1.2	-0.1
FX	0.2	-	-
Other	-0.7	-	-
Taxes	0.6	-	-
Net result	0.7	0.8	-0.1

Major developments in Q4

Reinsurance

P-C: Combined ratio of 91.2% below consensus estimate (92.0%), net reserve releases: ~9.1%
 Life: Reserve strengthening for Australian disability business: €0.1bn

ERGO

P-C: In line with consensus
 Life: Policyholder participation in prior-year tax credit ~€0.35bn

Other

Goodwill impairment due to new segmentation: €0.45bn

Taxes

Adjustment of tax receivables and liabilities for prior years: ~€0.9bn

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. Figures do not add up due to rounding.

11 March	Balance sheet press conference for 2014 financial statements Analysts' conference with videocast
23 April	Annual General Meeting, ICM – International Congress Centre Munich
7 May	Interim report as at 31 March 2015
30 June	Investor Day, London
6 August	Interim report as at 30 June 2015
5 November	Interim report as at 30 September 2015

INVESTOR RELATIONS TEAM

Christian Becker-Hussong

Head of Investor & Rating Agency Relations
Tel.: +49 (89) 3891-3910
E-mail: cbecker-hussong@munichre.com

Thorsten Dzuba

Tel.: +49 (89) 3891-8030
E-mail: tdzuba@munichre.com

Christine Franziszi

Tel.: +49 (89) 3891-3875
E-mail: cfranziszi@munichre.com

Britta Hamberger

Tel.: +49 (89) 3891-3504
E-mail: bhamberger@munichre.com

Ralf Kleinschroth

Tel.: +49 (89) 3891-4559
E-mail: rkleinschroth@munichre.com

Andreas Silberhorn

Tel.: +49 (89) 3891-3366
E-mail: asilberhorn@munichre.com

Angelika Rings

Tel.: +49 (211) 4937-7483
E-mail: angelika.rings@ergo.de

Andreas Hoffmann

Tel.: +49 (211) 4937-1573
E-mail: andreas.hoffmann@ergo.de

Ingrid Grunwald

Tel.: +49 (89) 3891-3517
E-mail: igrunwald@munichre.com

Münchener Rückversicherungs-Gesellschaft | Investor & Rating Agency Relations | Königinstraße 107 | 80802 München, Germany
Fax: +49 (89) 3891-9888 | E-mail: IR@munichre.com | Internet: www.munichre.com

This presentation contains forward-looking statements that are based on current assumptions and forecasts of the management of Munich Re. Known and unknown risks, uncertainties and other factors could lead to material differences between the forward-looking statements given here and the actual development, in particular the results, financial situation and performance of our Company. The Company assumes no liability to update these forward-looking statements or to conform them to future events or developments.

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

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