

Tear Sheet:

Munich Reinsurance Co.

November 25, 2025

This report does not constitute a rating action.

Munich Re continues to benefit from sound technical performance across business lines and stable investment returns, in our view. Its business is split across property and casualty (P/C) reinsurance, life and health reinsurance, global specialty insurance, and primary insurance arm ERGO. The group recorded a strong net income of €5.2 billion and a solid return on equity (ROE) of 21% in third-quarter 2025. Combined ratios of P/C reinsurance (62.7%), global specialty insurance (82.8%), ERGO Germany (88.7%), and ERGO International (88.7%) also remained strong in the first nine months of 2025.

The group benefitted from lower-than-anticipated natural catastrophe losses, and strong underwriting results and significant diversification across its verticals. Munich Re earned about 50% of its income outside P/C reinsurance in the first three quarters of the year. Revenue from the P/C segment declined by about 6% following price reductions in the global reinsurance market and the group's cautious approach. Munich Re's life reinsurance segment continues to contribute significantly to the group's net profit, albeit less than a year earlier due to negative experiences related to biometric analytics in its main markets.

We note that the group expects sizable losses, in mid-triple-digit million euros, from Hurricane Melissa (that occurred at the end of October 2025). That said, Munich Re has indicated the losses could be within its natural catastrophe budget for the fourth quarter of 2025.

We forecast Munich Re's net income of about €6 billion, ROE of over 16%, and a consolidated combined ratio of 84%-87%. In our base-case scenario for 2025, we initially factored in 16 percentage points (pps)-17 pps of the P/C reinsurance segment's combined ratio to stem from natural catastrophe and large losses caused by human activity. The group, however, reported only 7.9 pps of the combined ratio in the first three quarters in 2025. At the same time, we expect about 6 pps will come from positive run-off results from loss reserves in the previous year.

We also anticipate that the group will maintain very strong capital and earnings in 2025 and 2026, supported by capital adequacy well above the 99.95% confidence level under S&P Global Ratings' risk-based capital model and a conservative approach to reserves.

Munich Re's Solvency II ratio remained high, at 293%, at the end of third-quarter 2025, and compares well with that of peers. We expect that the group's conservative balance sheet and

Primary Contact

Johannes Bender
Frankfurt
49-693-399-9196
johannes.bender
@spglobal.com

Secondary Contact

Jean Paul Huby Klein
Frankfurt
49-693-399-9198
jeanpaul.hubyklein
@spglobal.com

strong reserves will enable it to cope well with challenges such as social inflation in the U.S. and capital market volatility.

Business risk: **Very strong**



Competitive position: Excellent

IICRA: Intermediate risk

Financial risk: **Strong**



Capital and earnings: Very strong

Risk exposure: Moderately high

Funding structure: Neutral

Anchor

aa-

SACP

Holding company ICR

AA/Stable/--

ICR--Issuer credit rating, IICRA--Insurance industry and country risk assessment, SACP--Stand-alone credit profile.

Outlook

The stable outlook indicates that, in our view, the group is likely to preserve its excellent competitive position and conservative capital management over the next two years, supported by its strong and diversified earnings profile.

Downside scenario

We could lower the ratings within the next 12-24 months if the group appears likely to perform below our expectations or 'AA' rated peers for a prolonged time, or if its risk-based capital adequacy declines and is forecast to remain below the 99.95% confidence level for a similar period. This could occur if Munich Re incurs materially higher investment charges or suffers significant and unexpected losses from large-scale natural catastrophes.

Upside scenario

An upgrade is very unlikely over the next 24 months, given the potential for Munich Re's earnings profile to be more volatile than those of higher rated peers.

Related Criteria

- [General Criteria: Hybrid Capital: Methodology And Assumptions](#), Feb. 10, 2025
- [Criteria | Insurance | General: Insurer Risk-Based Capital Adequacy--Methodology And Assumptions](#), Nov. 15, 2023
- [General Criteria: Environmental, Social, And Governance Principles In Credit Ratings](#), Oct. 10, 2021
- [Criteria | Insurance | General: Insurers Rating Methodology](#), July 1, 2019
- [General Criteria: Group Rating Methodology](#), July 1, 2019
- [General Criteria: Guarantee Criteria](#), Oct. 21, 2016
- [General Criteria: Principles Of Credit Ratings](#), Feb. 16, 2011

Related Research

Munich Reinsurance Co., April 30, 2025

Ratings Detail (as of November 25, 2025)*

Operating Companies Covered By This Report

Munich Reinsurance Co.

Financial Strength Rating

Local Currency AA/Stable/--

Issuer Credit Rating AA/Stable/--

Junior Subordinated A+

American Alternative Insurance Corp.

Financial Strength Rating

Local Currency AA/Stable/--

Issuer Credit Rating

Local Currency AA/Stable/--

ERGO Group AG

Issuer Credit Rating

Local Currency A+/Stable/--

ERGO Versicherung AG

Financial Strength Rating

Local Currency AA/Stable/--

Issuer Credit Rating

Local Currency AA/Stable/--

Great Lakes Insurance SE

Financial Strength Rating

Local Currency AA/Stable/--

Issuer Credit Rating AA/Stable/--

Great Lakes Insurance SE (Australia Branch)

Financial Strength Rating

Local Currency AA/Stable/--

Issuer Credit Rating

Local Currency AA/Stable/--

Great Lakes Insurance UK Ltd.

Financial Strength Rating

Local Currency AA/Stable/--

Issuer Credit Rating

Local Currency AA/Stable/--

Munich American Reassurance Co.

Financial Strength Rating

Local Currency AA/Stable/--

Issuer Credit Rating

Local Currency AA/Stable/--

Munich Re America Corp.

Munich Reinsurance Co.

Ratings Detail (as of November 25, 2025)*

Issuer Credit Rating	
<i>Local Currency</i>	A/Stable/--
<u>Munich Reins America Inc.</u>	
Financial Strength Rating	
<i>Local Currency</i>	AA/Stable/--
Issuer Credit Rating	
<i>Local Currency</i>	AA/Stable/--
<u>Munich Reinsurance Co. of Australasia Ltd.</u>	
Financial Strength Rating	
<i>Local Currency</i>	AA/Stable/--
Issuer Credit Rating	
<i>Local Currency</i>	AA/Stable/--
<u>Munich Reinsurance Co. of Canada</u>	
Financial Strength Rating	
<i>Local Currency</i>	AA/Stable/--
Issuer Credit Rating	
<i>Local Currency</i>	AA/Stable/--
<u>Munich Re of Bermuda, Ltd.</u>	
Financial Strength Rating	
<i>Local Currency</i>	AA/Stable/--
<u>Munich Re of Malta PLC</u>	
Financial Strength Rating	
<i>Local Currency</i>	AA/Stable/--
Issuer Credit Rating	
	AA/Stable/--
<u>Munich Re Trading LLC</u>	
Issuer Credit Rating	
<i>Local Currency</i>	AA-/Stable/--
<u>New Reinsurance Co. Ltd</u>	
Financial Strength Rating	
<i>Local Currency</i>	AA/Stable/--
Issuer Credit Rating	
	AA/Stable/--
<u>Princeton Excess & Surplus Lines Insurance Co.</u>	
Financial Strength Rating	
<i>Local Currency</i>	AA/Stable/--
Issuer Credit Rating	
<i>Local Currency</i>	AA/Stable/--
<u>Temple Insurance Co.</u>	
Financial Strength Rating	
<i>Local Currency</i>	AA-/Stable/--
Issuer Credit Rating	
<i>Local Currency</i>	AA-/Stable/--
Domicile	
	Germany

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or

Ratings Detail (as of November 25, 2025)*

obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

Copyright © 2025 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Some of the Content may have been created with the assistance of an artificial intelligence (AI) tool. Published Content created or processed using AI is composed, reviewed, edited, and approved by S&P personnel.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.spglobal.com/ratings (free of charge), and www.ratingsdirect.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.spglobal.com/usratingsfees.

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.