


The Munich Re Group

Balance sheet press conference

15 April 2004



Münchener Rück
Munich Re Group

An aerial photograph of a vast ocean with numerous white-capped waves, creating a textured, blue and white surface. The horizon is visible in the upper right corner, where the ocean meets a clear blue sky.

Firm focus on a profitable future

Nikolaus von Bomhard

Chairman of the Board of Management

Balance sheet press conference

Munich Re Group

Munich Re segment results in €m	2003
Reinsurance	1,632
Primary insurance	–1,091
Asset management	20
Consolidation	–995
Profit for the year	–434

Management

- Controlling tools and planning methods
- ERGO: Modernisation of management structure in line with market needs
- IT overhaul

Assets

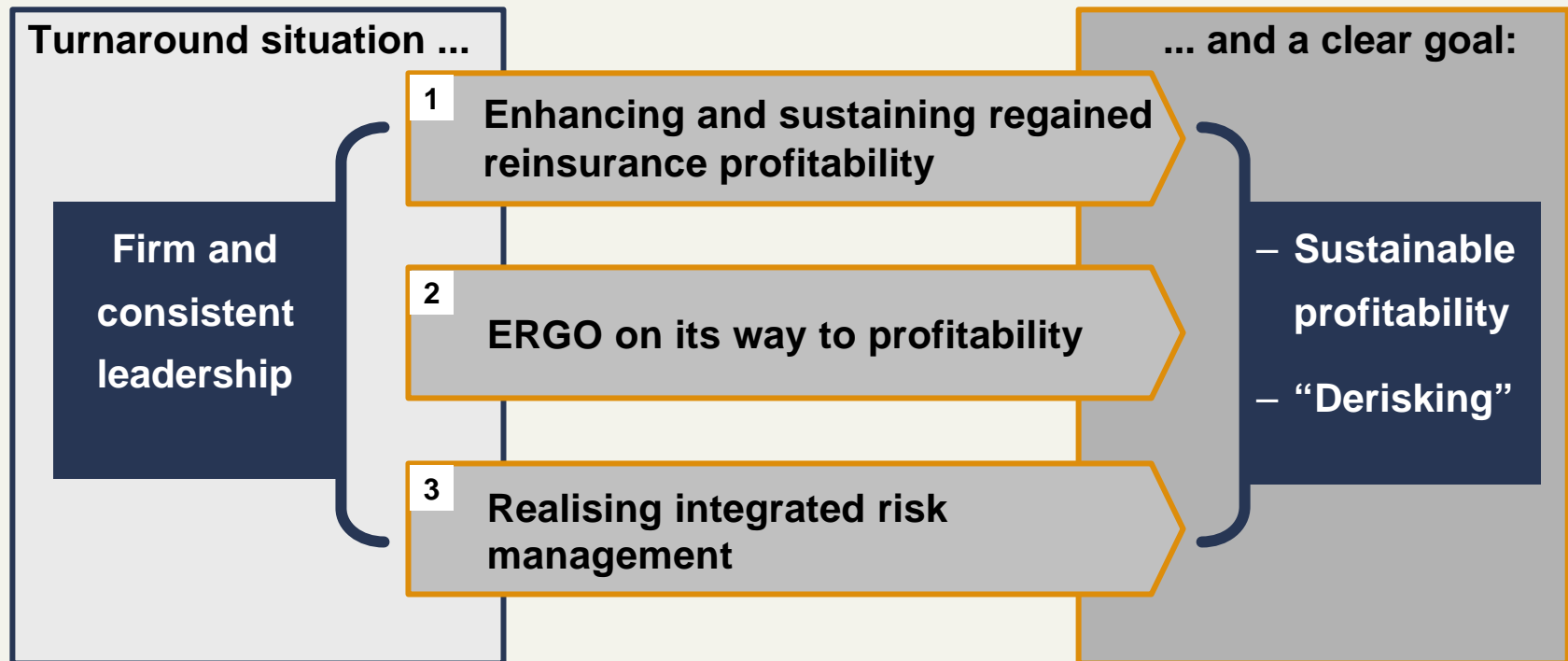
- Divestment in non-strategic participations
- Reduction of crossholdings

Equity and liabilities

- Reinforce capital base
- Optimise portfolio

Asset-liability management

Firm focus on a profitable future



Where we are now

Group targets and performance 2003

Profitable future

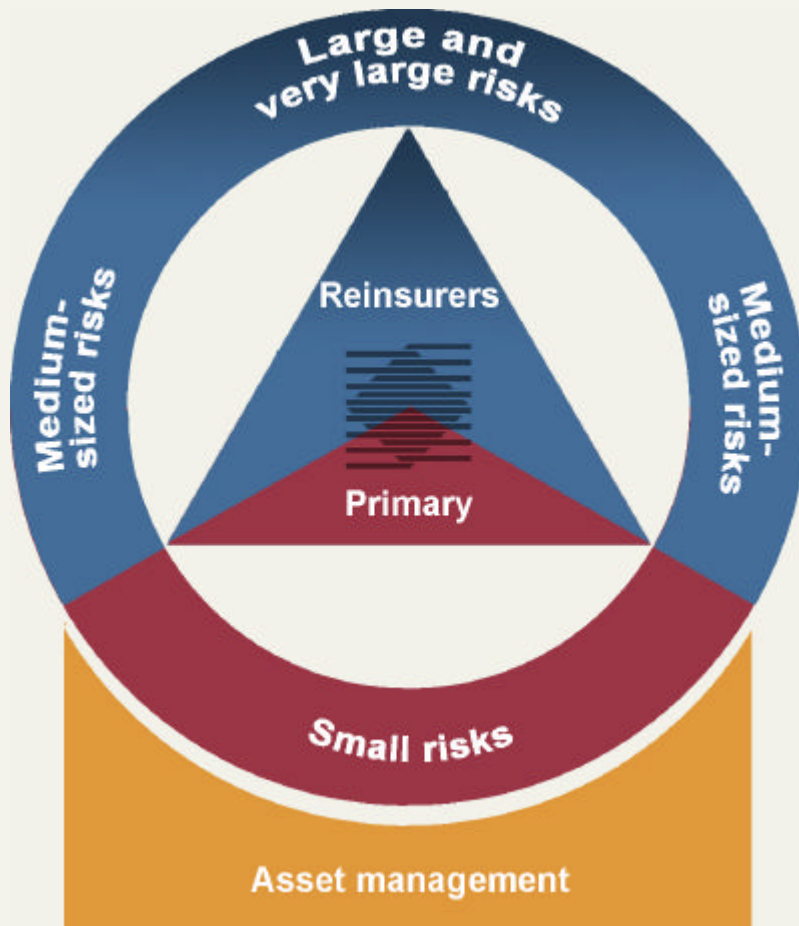
Financials

Primary insurance

Reinsurance

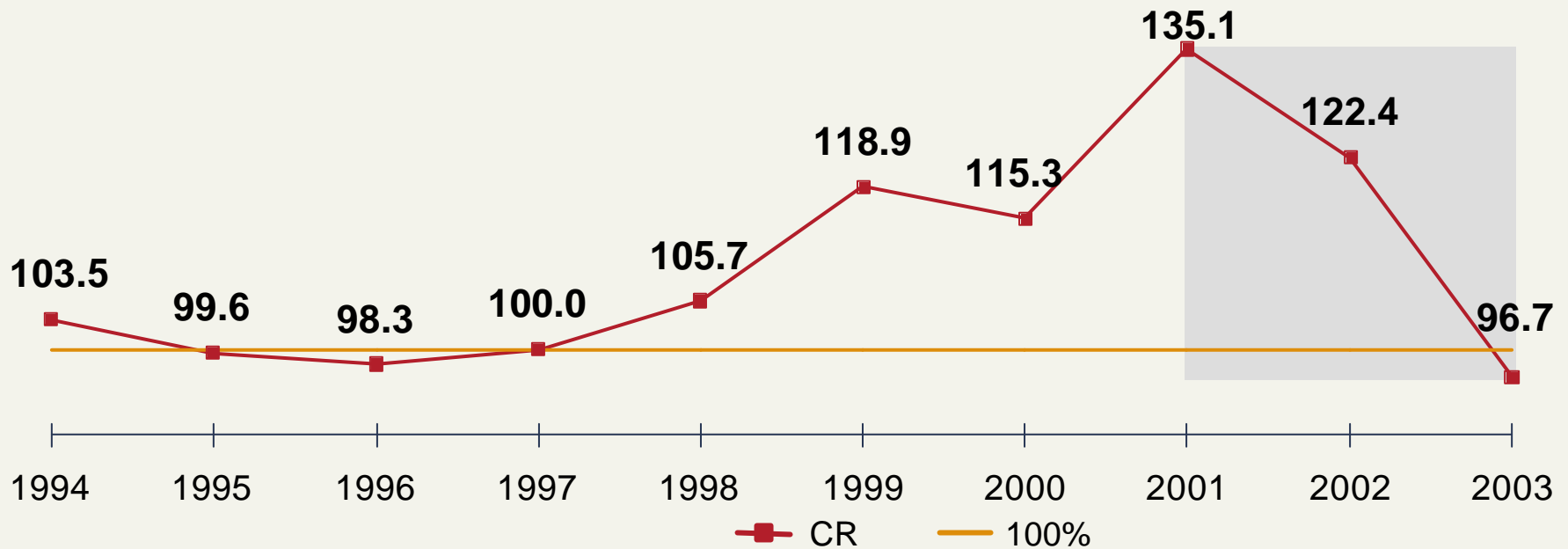
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Segment	Business group	Key figures	Target for 2003	Actual 2003
Reinsurance	Non-life	Combined ratio	<100%	96.7%
	Life	Embedded value operating earnings	>10%	13.3%
Primary insurance	Property-casualty	Combined ratio	97%	96.4%
	Life and health	Embedded value operating earnings	>10%	9.1%



- Carrying, managing and financing risks
- Synergies between different risk segments
- Command of the crucial added-value stages of all risk segments
- Direct market access to all clients in all segments (retail and wholesale)
- Diversification as an important value proposition

Combined ratio in %



ERGO:

On the way back to profitability

Profitable future

Financials

Primary insurance

Reinsurance

9

ERGO action programme

New management structure

- Clear result responsibility
- Consistent segment responsibility
- Congruency of task/competencies and responsibilities

Single back-office strategy

- Efficient process organisation through centralisation of segment responsibilities
- Implementation of two new divisions
 - Customer Service / Organisation / IT
 - Personnel and Service

Multi-channel strategy

- Established set of brands gives sustainable access to different customer segments

**Stringent
management**

Synergies

**Franchise
strength**

Integrated risk management

Example: Life insurance

Profitable future

Financials

Primary insurance

Reinsurance

10

- Mismatch risks, i.e. lack of coordination between assets and liabilities, are the most highly leveraged risks assumed by the life companies
- Influenced by investment strategy, hedging strategy and management actions
- Greatest potential to improve our return for risk intermediation or capital productivity

Managing the liabilities



Managing the assets

The improvement aimed at in capital productivity requires optimising management actions on both sides of the balance sheet

Integrated risk management

Example: Lower concentration risk

Profitable future

Financials

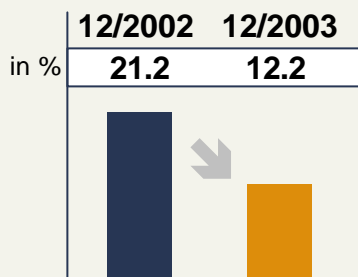
Primary insurance

Reinsurance

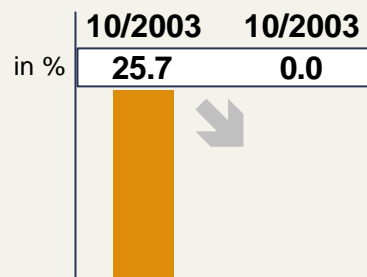
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Reduced exposure to German financial sector

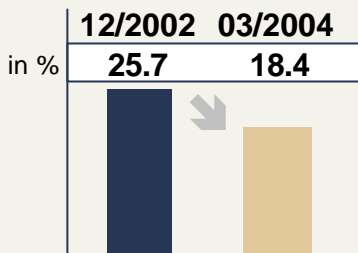
Allianz



Hypo Real Estate Holding

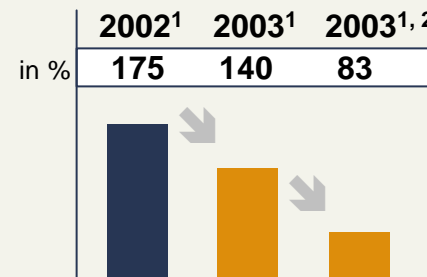


HypoVereinsbank



Reduced gearing to equity investments

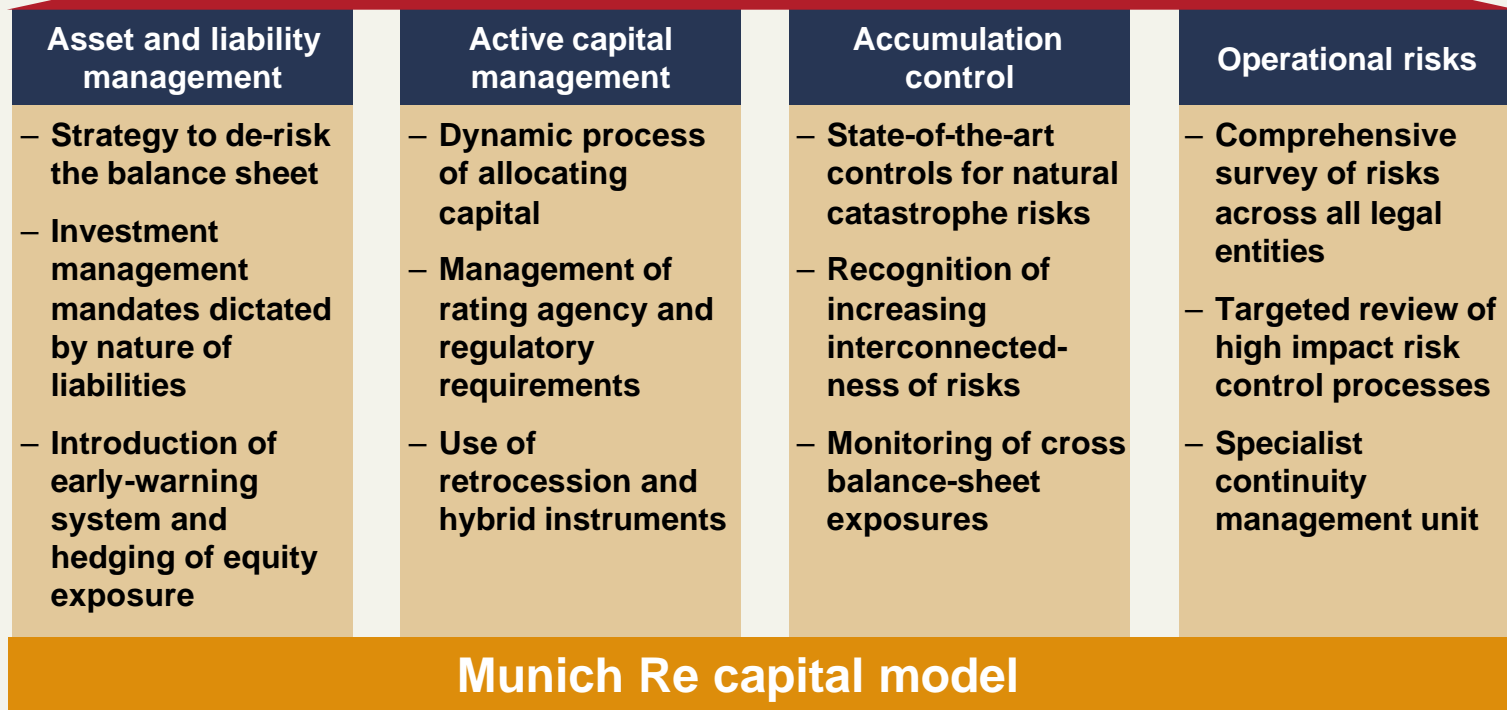
Market value of equities to shareholders' equity



¹ Equity exposure year end (market values) before hedging divided by Munich Re Group's shareholders' equity

² Recognition of policyholder participation

Protect and optimise the return on shareholder capital



Targets 2004:

Next step on the path to sustainable profitability

Ambitious financial targets			
Reinsurance		Primary insurance	
Non-life		Property-casualty*	
Combined ratio	97%	Combined ratio	97%
Life		Life and health	
Embedded value operating earnings	>10%	Embedded value operating earnings	>10%
Asset management			
Group assets			
Return on investment**			4.5%

Munich Re Group:
Year-end profit target: €2bn***
Sustainable RoE of 12%

* Inclusive legal protection

** IFRS investment result based on average IAS book values

*** Barring extraordinary claims

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Financials – Munich Re Group

Jörg Schneider

Member of the Board of Management

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Munich Re Group

Munich Re Group 2003

Business year marked by contrasts and transition

Profitable future

Financials

Primary insurance

Reinsurance

16

After-effects

€0.4bn loss for
the year

**... but successful
underwriting performance**

After-effects of the weak capital market:

- Writedowns and losses on the disposal of securities available for sale
- Writedowns on goodwill
- Valuation of associated companies
- Extreme tax burden

Good performance already reflected in 2003:

- Combined ratio of 96.7% in reinsurance
- Combined ratio of 96.4% in primary insurance
- €2bn result before amortisation of goodwill, €1.3bn result before tax
- Significantly improved quantity and quality of capital

Income statement

A loss, but strong improvement in operating result

Profitable future

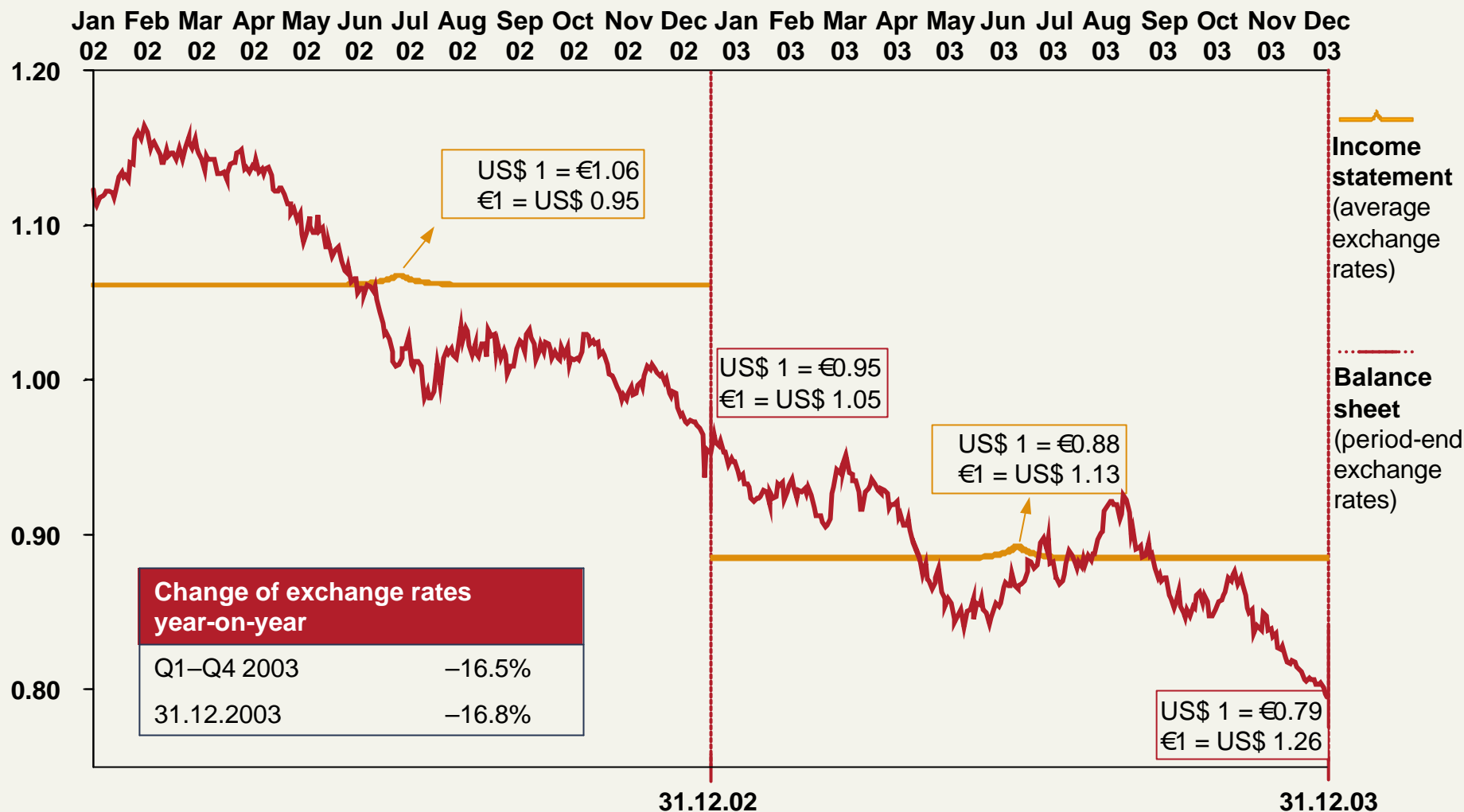
Financials

Primary insurance

Reinsurance

17

in €m	2003 IAS 39 new	2002 IAS 39 new	▲ in %
Gross premiums written	40,431	40,014	1.0
Investment result	7,131	4,935	44.5
Total income	45,959	42,592	7.9
Total expenses	43,947	42,581	3.2
Result before amortisation of goodwill	2,012	11	–
Amortisation of goodwill	687	371	85.2
Operating result before tax	1,325	–360	–
Tax	1,793	–574	–
Minority interests in earnings	–34	–74	54.1
Group result	–434	288	–
Earnings per share in €	–2.25	1.54	–



Changes in exchange rates have curbing effect, but strong organic growth

Profitable future

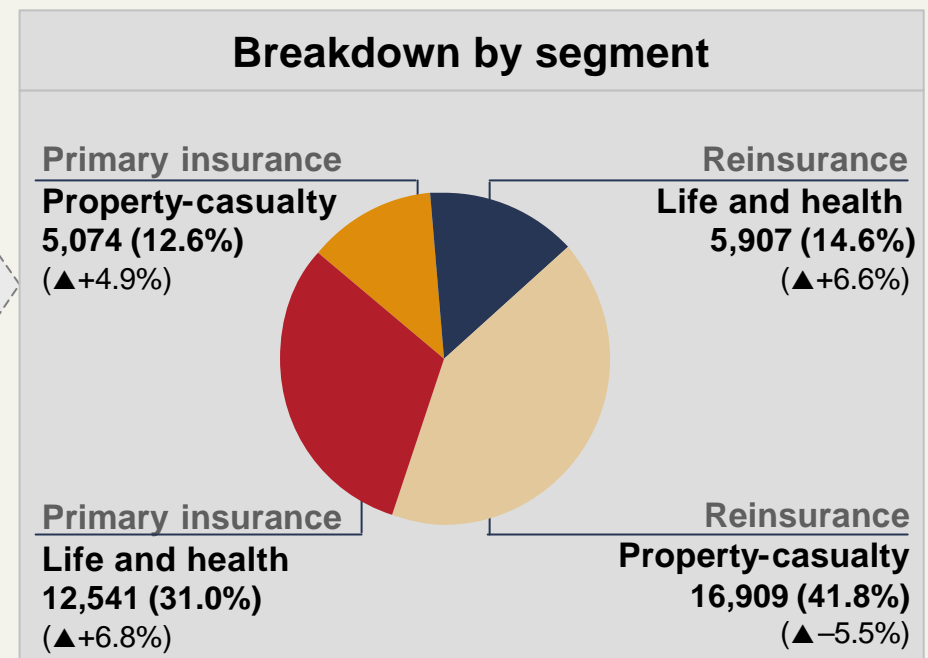
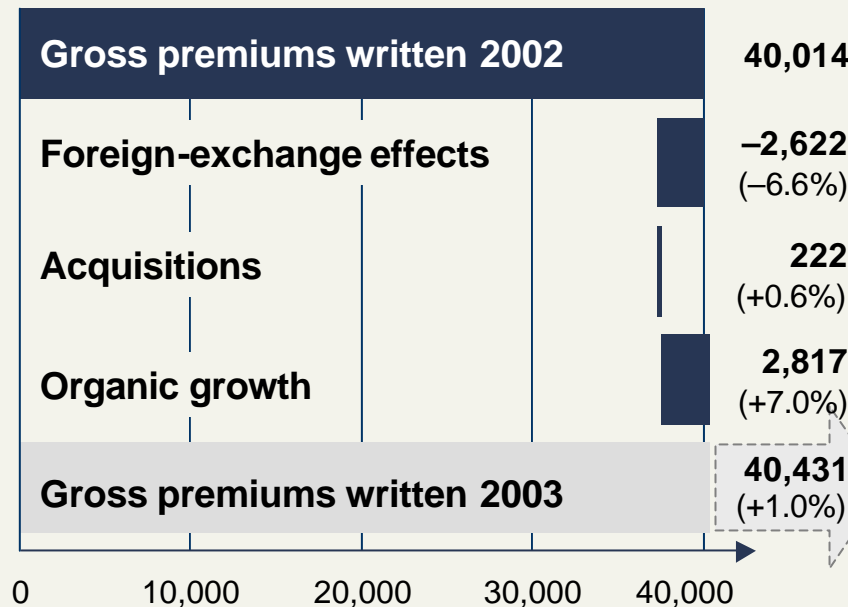
Financials

Primary insurance

Reinsurance

19

in €m



Return on investment

Goal for 2003 nearly achieved

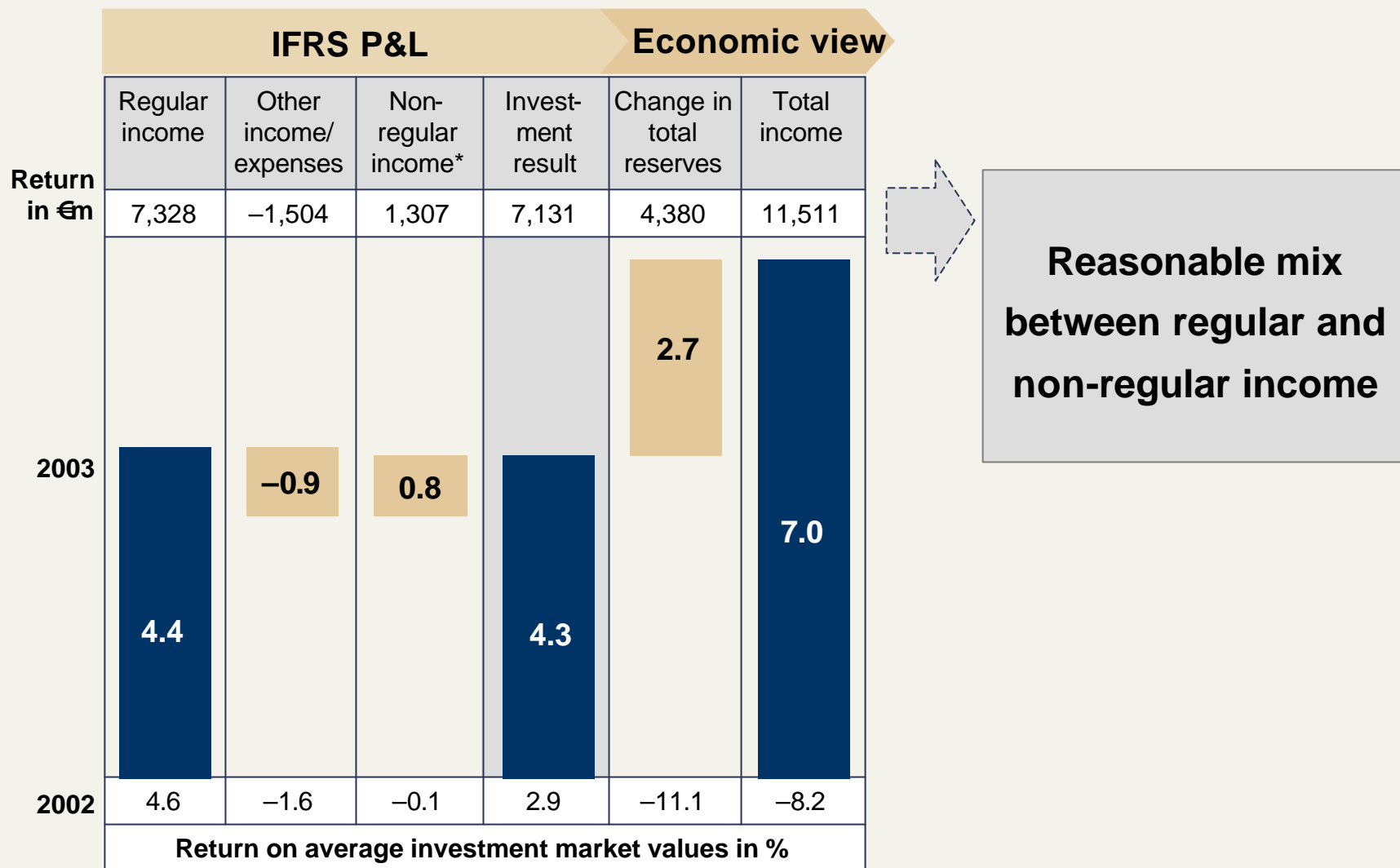
Profitable future

Financials

Primary insurance

Reinsurance

20



* Non-regular income includes gains/losses on the disposal of investments, writedowns and write-ups on investments

Shareholders' equity

Marked increase

Profitable future










Financials

Primary insurance

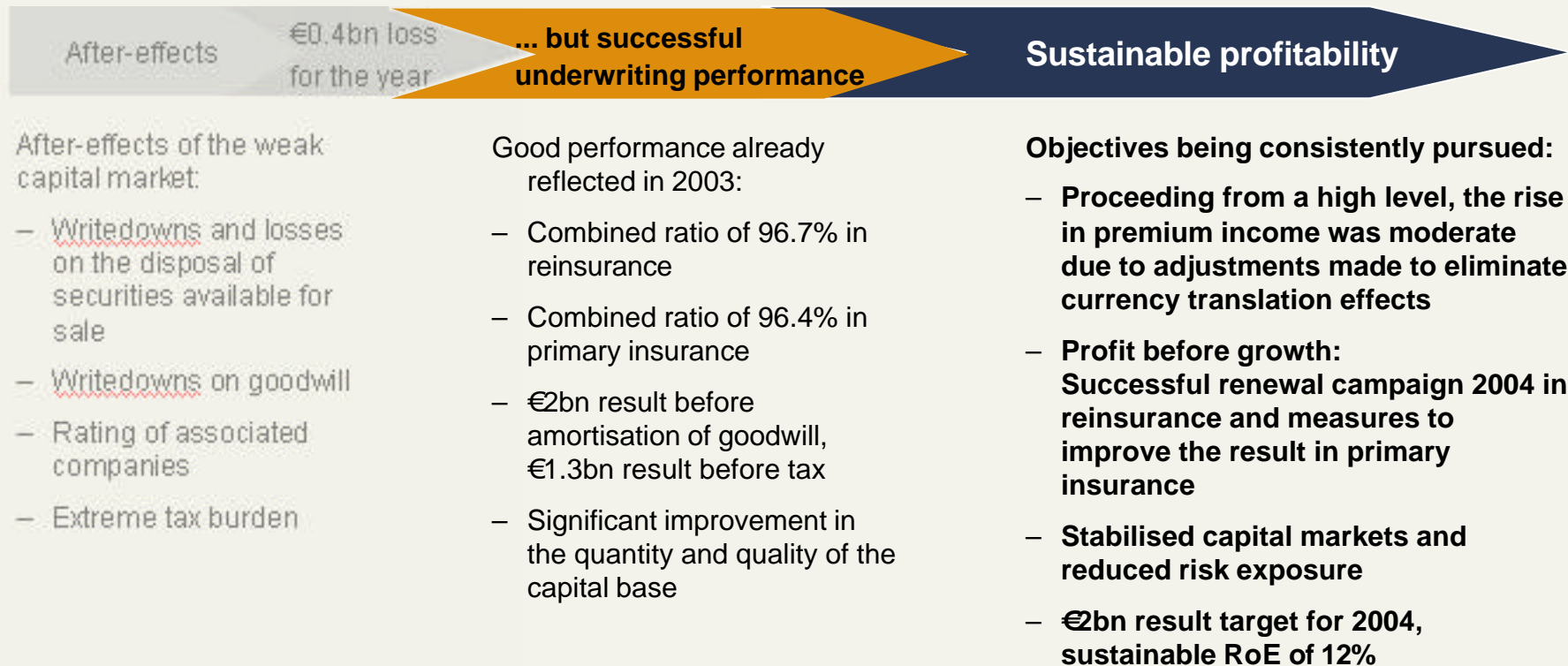
Reinsurance

21

in €m

Shareholders' equity 31.12.02	Paid dividends	Change in unrealised gains/losses*	Change resulting from valuation at equity	Consolidated result	Changes in exchange rates	Other changes	Capital increase	Shareholders' equity 31.12.03
13,948	-223	3,226	-743	-434	-736	-80	3,941	18,899
								

* On other securities



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Primary insurance and asset management

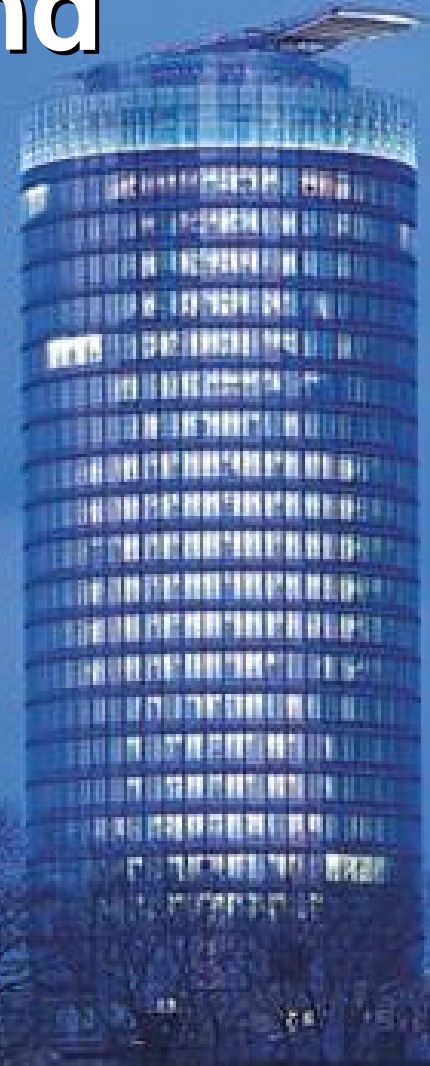
Lothar Meyer

ERGO Group

Chairman of the Board of Management

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Munich Re Group



- Raising premium rates in health, motor and commercial lines
- Further improvement of loss/benefit ratios as well as expense ratios
- Screening of subsidiaries/participations regarding their strategic fit and their profitability

Improving
operative
profitability

- Reducing risk exposure in life insurance and investments
- Improving ALM activities
- Better management of capital and risk

Derisking
the
business

- Further extension of the numerous sales channels
- Using cross- /up-selling from large customer base
- Strengthening distribution of profitable private customer property-casualty business, company pension schemes and of unit-linked products

Profitable
growth

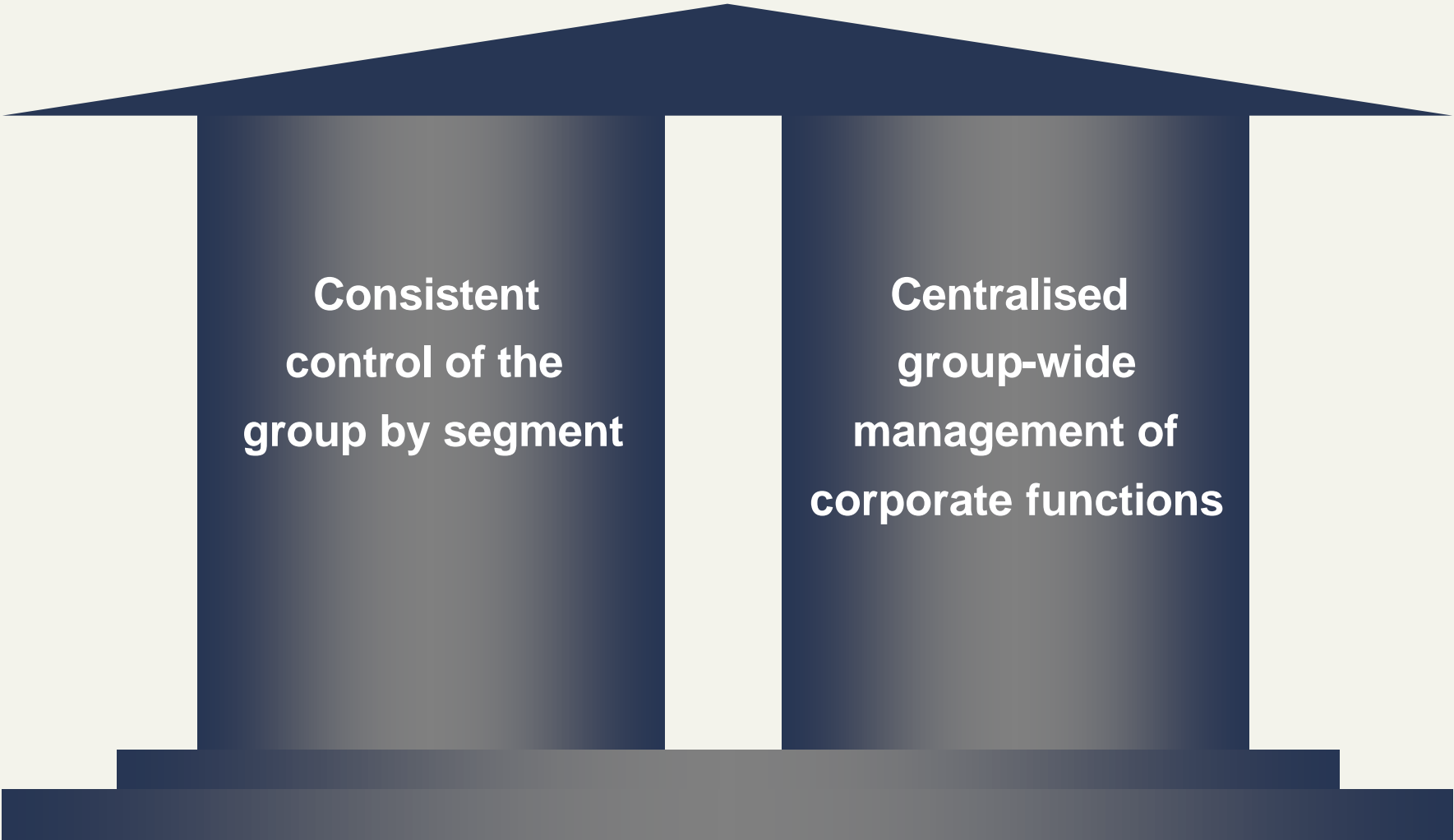
Profitable future

Financials

Primary insurance

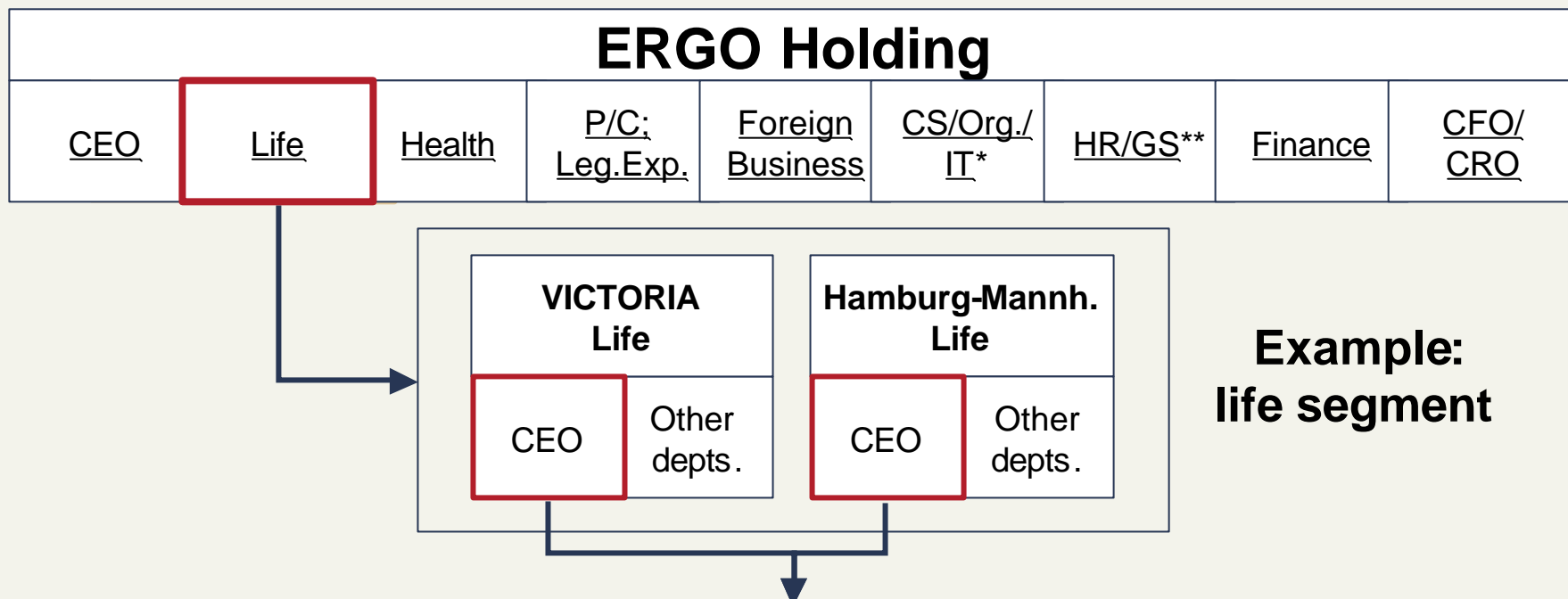
Reinsurance

26



**Consistent
control of the
group by segment**

**Centralised
group-wide
management of
corporate functions**



- Responsibility for the strategic direction of the segment
- Management of all segment specific processes/duties
- The ERGO board member will also be CEO of the segment's insurance companies, therefore consistent segment responsibility

* CS/Org./IT: Customer Service, Company Organisation, IT

** HR/GS: Human Resources, General Services

ERGO strategy

Clear responsibility for the operative business in the segments

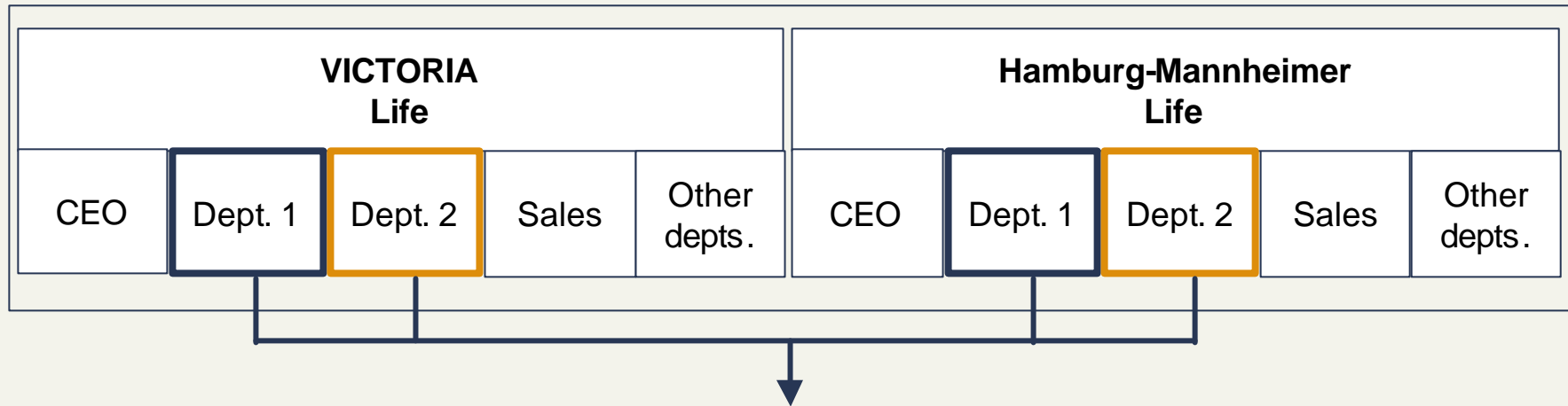
Profitable future

Financials

Primary insurance

Reinsurance

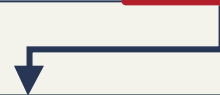
28



- Personal union regarding the operative insurance business at the segment's insurance companies
 - Product development/actuarial dept.
 - Application/policy
 - Benefits/claims
- Driving force behind the harmonisation of processes

ERGO Holding

<u>CEO</u>	<u>Life</u>	<u>Health</u>	<u>P/C; Leg.Exp.</u>	<u>Foreign Business</u>	<u>CS/Org./ IT</u>	<u>HR/GS</u>	<u>Finance</u>	<u>CFO/ CRO</u>
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- **Customer service:**
 - Responsibility for all group-wide business operations
- **Company organisation:**
 - Securing a comprehensive and efficient process organisation
 - Coordination with the company organisations for specific segments
- **IT:**
 - Determination of ERGO's IT strategy
 - Steering of ITERGO

ERGO Holding

<u>CEO</u>	<u>Life</u>	<u>Health</u>	<u>P/C;</u> <u>Leg.Exp.</u>	<u>Foreign</u> <u>Business</u>	<u>CS/Org./</u> <u>IT</u>	<u>HR/GS</u>	<u>Finance</u>	<u>CFO/</u> <u>CRO</u>
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- **Group-wide responsibility for human resources issues:**
 - HR planning and budgeting
 - Development programmes for the senior management
 - Personnel administration
 - “Personnel director” for ERGO Holding and co-determined group companies
- **Group-wide responsibility for general services:**
 - Office management
 - Procurement
 - Logistics

ERGO strategy

Advantages of the new ERGO structure

Profitable future

Financials

Primary insurance

Reinsurance

31

- Clear leadership and responsibilities by segments
- Reduction of complexity and coordination
- Fast reaction to market opportunities
- Avoidance of redundant developments
- New departments to assist in cross-segment efficiency enhancement
- Easier harmonisation of processes
- New structure helps to realise economies of scale and specialisation
- Cross-selling potential better achievable

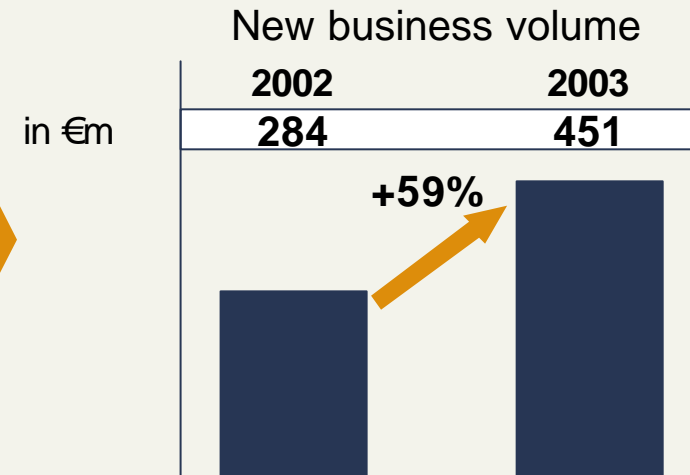


**Increase
of
profitability**

**ERGO is No. 2 in Germany
in the growth market of
corporate pension schemes**

ERGO capacity:

- consulting
- distribution
- products and options
- administration



**ERGO
provides
full
service**

- Strict underwriting guidelines
- Further extension of management of benefits
- Possibility to increase premium rates when claims rise

**Focus on
technical
profits**

**Innovative health
insurance products
by integration of**

- financial protection
- services
- provision

**Innovative distribu-
tion channels:**

- partnerships
with state health
insurers
- corporate health
business

**Opportunities
in the areas of services
and provision:**

- Hospitals
- Old-age residences
- Health centres

Expanding the core business

ERGO – Property-casualty insurance

Combined ratio substantially below 100%

Profitable future

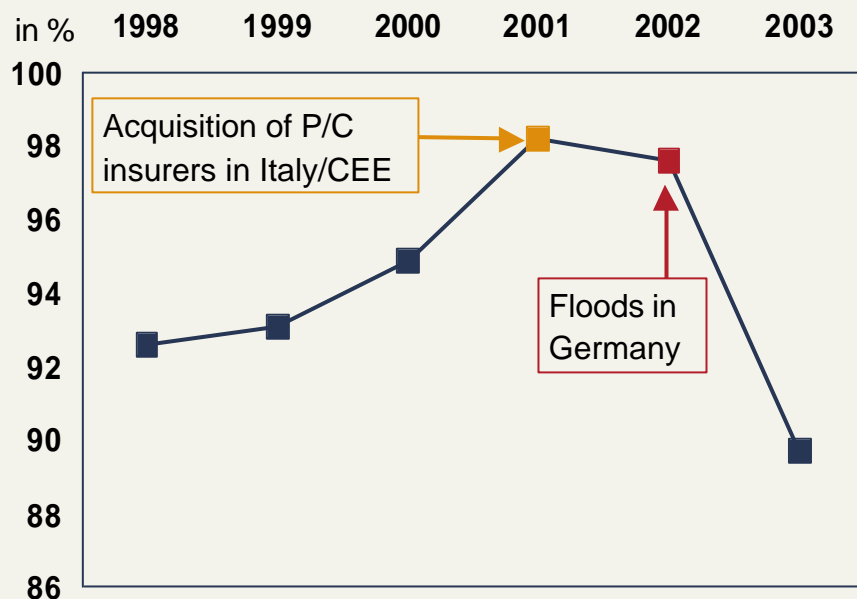
Financials

Primary insurance

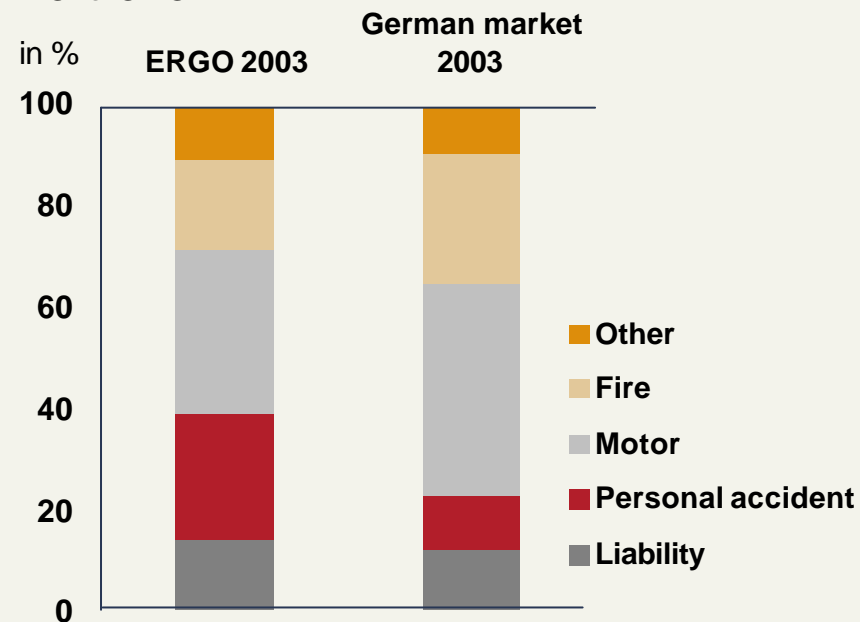
Reinsurance

34

Combined ratio



Portfolio mix



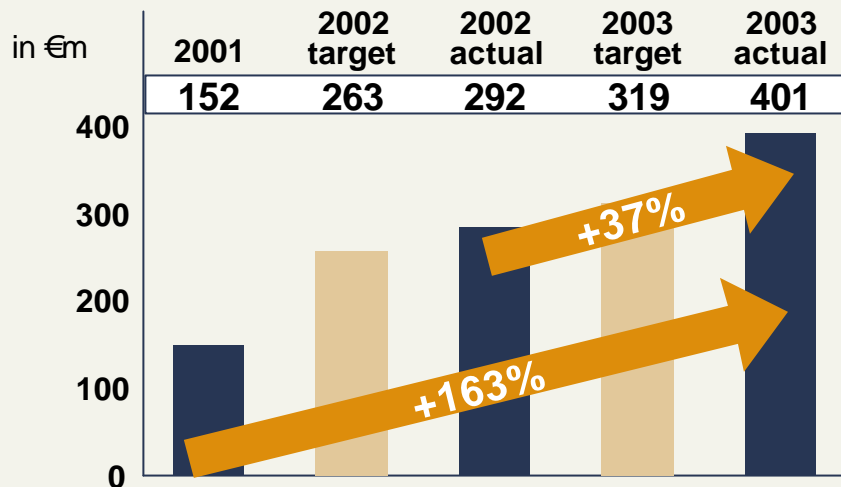
Strengths: Excellent portfolio composition, selective underwriting policy

Target for 2004: Another first-rate combined ratio

HVB

- The cooperation already accounts for 20% of the domestic new life business

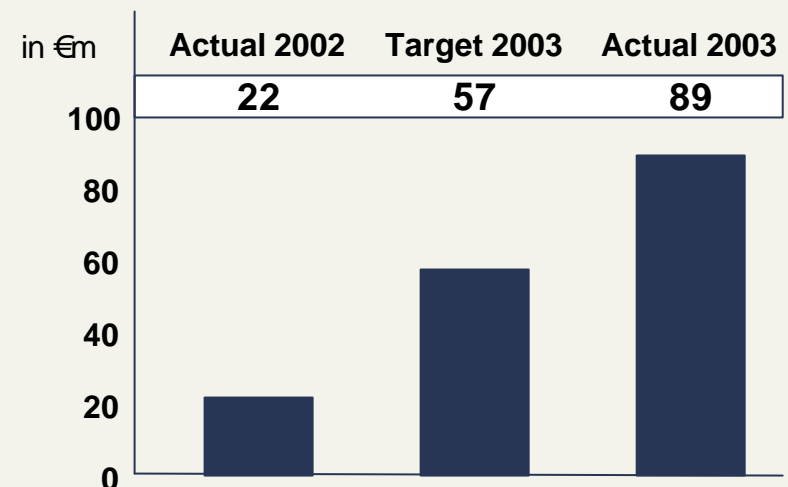
Annual premiums



KQFS

- More than 1.5 million insurance policies sold
- More than 1 million Mastercards sold via KarstadtQuelle Bank

Annual premiums



MEAG – Asset management

Strong increase in funds business

Profitable future

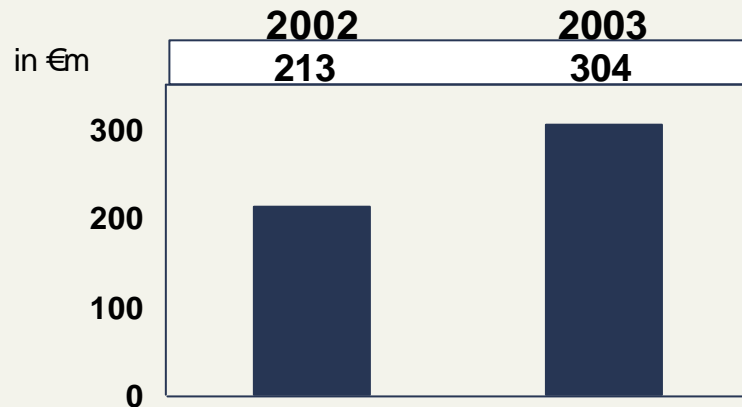
Financials

Primary insurance

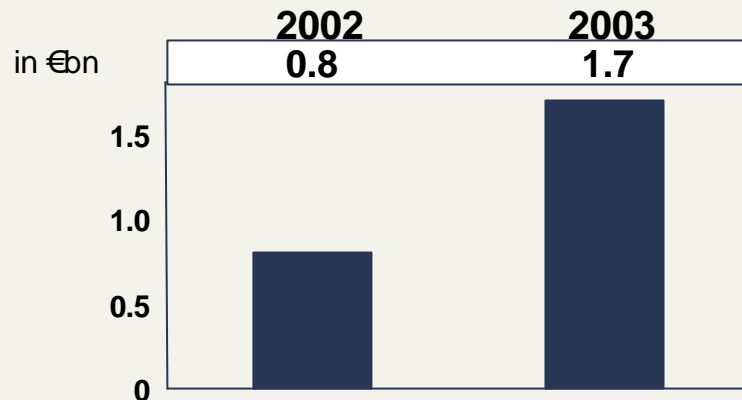
Reinsurance

36

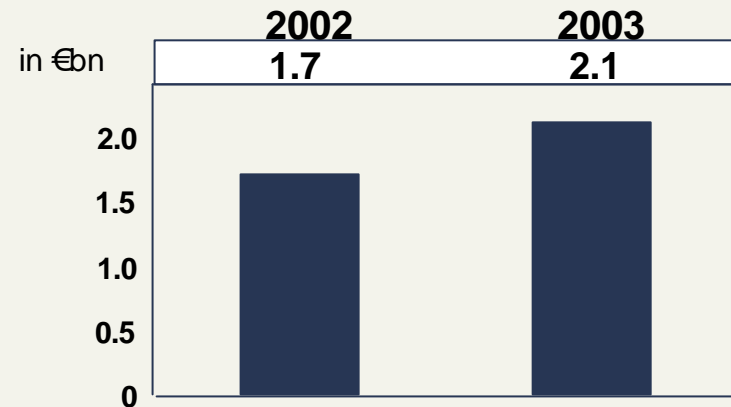
**Mutual funds
Net cash inflow**



**Special funds
Assets under management**



**Mutual funds
Assets under management**



**MEAG funds received
outstanding ratings
and international awards**



The Munich Re Group

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Munich Re Group

Reinsurance

Nikolaus von Bomhard

Chairman of the Board of Management

Balance sheet press conference

Munich Re Group

Our strengths: Core competences form the foundation

Profitable future

Financials

Primary insurance

Reinsurance

39

Munich Re's focal points

Outstanding
technical
underwriting

Selective
collaboration with
cedants

Requirements

- Superior technical knowledge to model, price and select risks
 - Broad client base with a clear segmentation

Regaining sustainable profitability: Crucial factor for future growth

Sustainable profitability through our underwriting controlling process

Profitable future

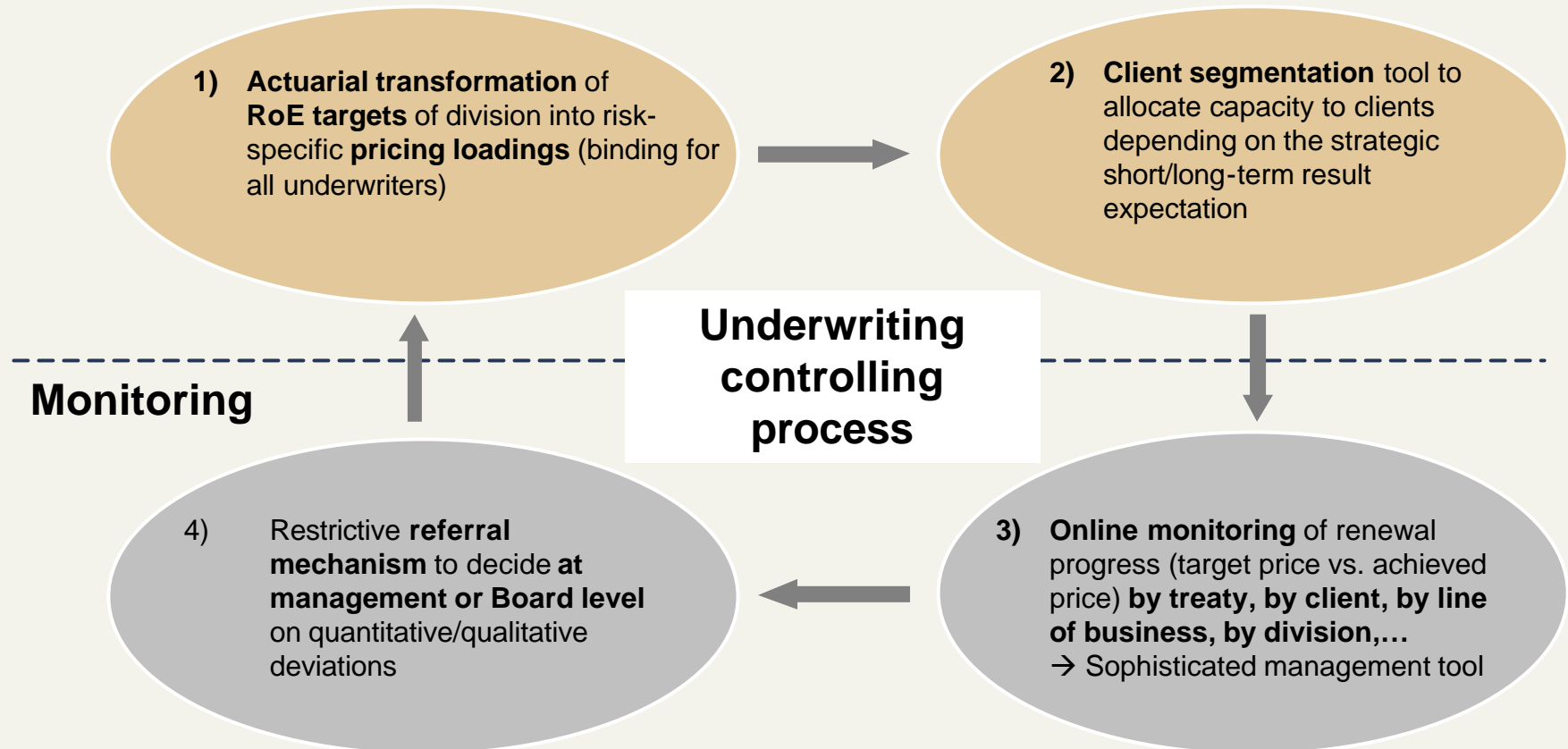
Financials

Primary insurance

Reinsurance

40

Planning and target setting



Our guiding principle: Cycle-independent, risk-commensurate underwriting

Profitable future

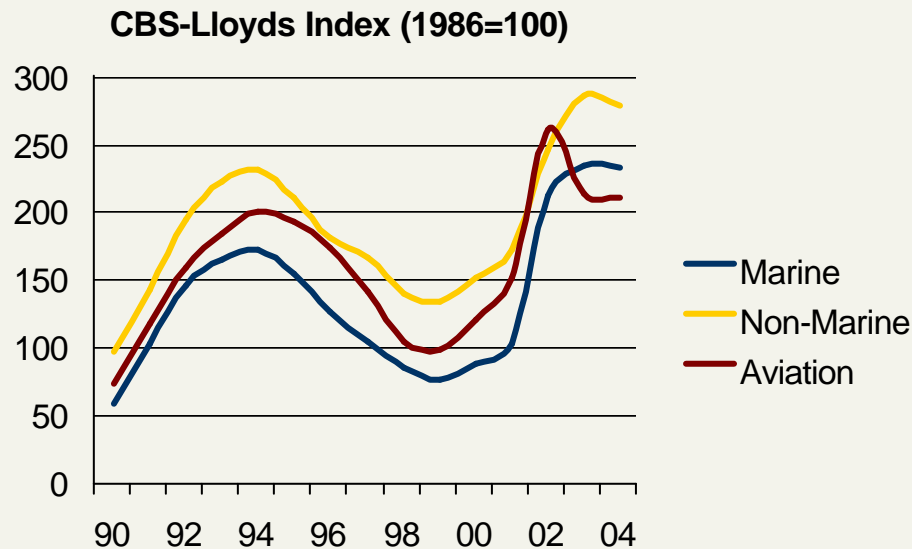
Financials

Primary insurance

Reinsurance

41

Market perspective



Source: CBS Private Capital, March 2004

- Ongoing high degree of discipline
- Positive market environment continues
- Capacity generally adequate, but not excessive
- Widely differing market conditions

Munich Re's approach

Munich Re is committed to strong profitability
(RoE targets instead of growth or market share targets)

Inadequately priced business eliminated

Focus on a sustainable improvement of our portfolio and the enhancement of terms and conditions

**Minimal topline decline in Jan. 2004
renewals offset by significantly
improved portfolio quality**

Strict application of risk-adequate pricing

Proportional business

- Only clients that implement strict risk-related original rates policy and procure reinsurance for pure capacity reasons get proportional cover
- Application of sophisticated prospective pricing tools
- Permanent monitoring of original rates introduced by segment/by market in order to have most up-to-date information available for adequate underwriting decision (avoid retrospective view)
- Additional underwriting audits to verify the underwriting of our cedants
- Introduction of clauses to guarantee rate increase/rate stability of the covered portfolio

XL treaty/ facultative business

- Application of state-of-the-art pricing tools
- Good knowledge of price adequacy
- Worldwide monitoring of price developments

Life business with good organic growth:

- Premium increase by 3.5% to €5,461m in 2003
 - Increase of about 10% before currency translation influences
- Increase in embedded value by 7.7%
 - Increase before exchange rates of about 15%
- Embedded value operating earnings target more than fulfilled
- Value added by new business of €153m

Health business with double digit growth since end of the nineties:

- Premiums of €1,415m in 2003
- Operating results clearly exceeding required value

**Excellent
profitability
expected in
2004**

Life and health: Market outlook 2004 shows attractive opportunities

Profitable future

Financials

Primary insurance

Reinsurance

44

- Several drivers for further growth
- Hardening markets: For the first time over a long period, there is a trend towards price increases in some life markets, e.g. USA and UK

**Munich Re is
well positioned
with its ability to
provide efficient,
tailor-made
solutions**

2002 Reorganisation/refocus on US core business and improving the bottom line

- New management team and corporate structure
- Reserve review and massive reserve increase

2003 Growing surplus and return to profitability

- Surplus grew by over US\$ 1bn to US\$ 3.3bn
- Pre-tax earnings of US\$ 503m
- Reserve increase of US\$ 368m

2004 Sustaining profitability / Well positioned to capitalise on growth potential

- Enhanced portfolio quality
- Strong presence in all distribution channels: direct, broker market, facultative and alternative market

Structural challenges in the marketplace

- We do not just blame the liability system
- Insurance cycle, (superimposed) inflation, emerging risks and legal/regulatory and political environment are the key drivers for profitability in the US reinsurance market

Key actions of Munich Re Group

- Continuously update tools to better cover key drivers
- Address issues in the political debate
- Review of Munich Re Group's US casualty strategy initiated and currently underway

Growth with new business opportunities: New approach to innovation management

Profitable future

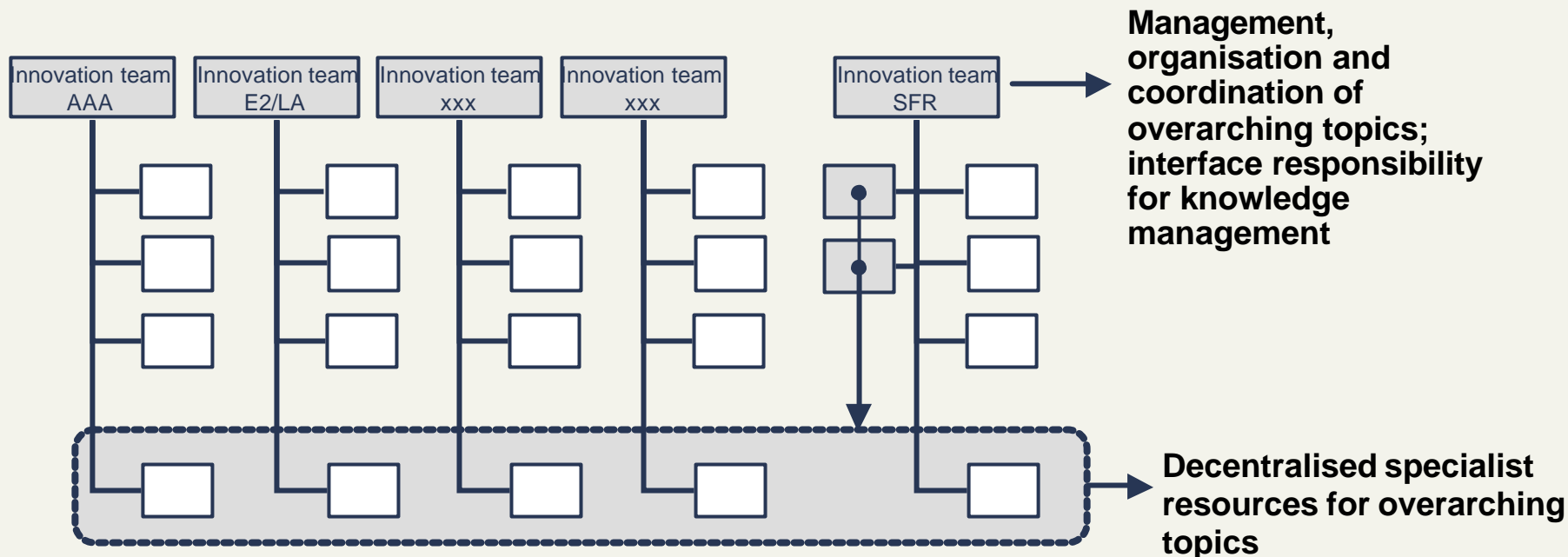
Financials

Primary insurance

Reinsurance

47

- Exploring a new set of business activities
- Coordinated decentralised approach with close link to market strategies ensures success



M
A
R
K
E
T

- ✓ Premiums and conditions at adequate level
- ✓ Early feedback on spring renewals 2004 (e.g. Japan, South Korea) does not seem to support a declining trend in terms and conditions
- ✓ As a whole, no signs of dwindling market discipline

M
U
N
I
C
H

R
E

- ✓ **Increased reliance on sophisticated risk modelling**
 - ✓ **Focus on profitability instead of market share/growth**
- ✓ Implementation of advanced controlling tools and planning methods generates value
 - ✓ Persistent evolution of organisational structure due to value proposition of business units
 - ✓ Asset-liability management removes mismatch of investment and technical risk

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Backup: IAS 32/39



Valuation of equity investments in the balance sheet under IAS 39 (rev. 2000) / IAS 39 (rev. 2003)

Balance sheet

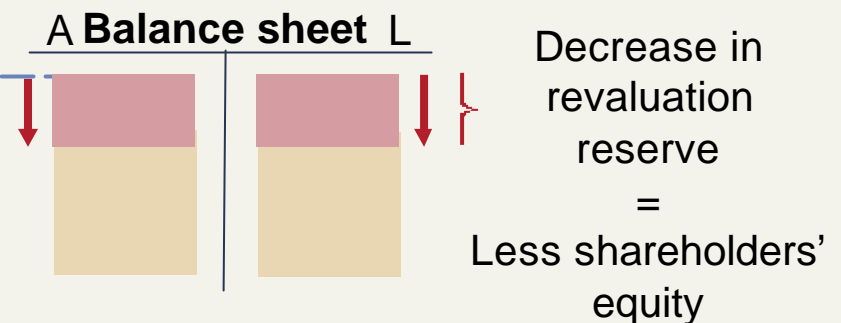
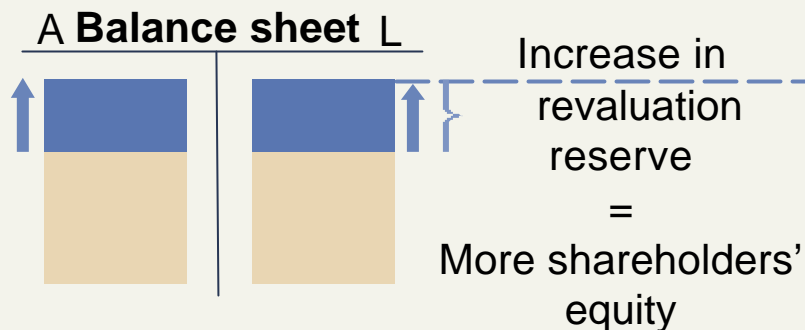
- Equity investments valued at fair value
- Changes in value recognised in shareholders' equity



Values rise



Values fall



Valuation of equity investments in the income statement under IAS 39 (rev. 2000) / IAS 39 (rev. 2003)

Income statement

Basic principle → No income or expense recognised in income statement:

- Changes in value generally recognised in shareholders' equity, without impact on the income statement

BUT → Income or expense recognised in income statement in the case of

- sales, i.e. realisation of changes recognised in shareholders' equity
- writedowns due to sustained impairments
- write-ups for a subsequent recovery in value: **only** permissible under IAS 39 (rev. 2000)



Loss on the disposal of equity investments
or
writedown on equity investments



Gain on the disposal of equity investments
or
write-up on equity investments

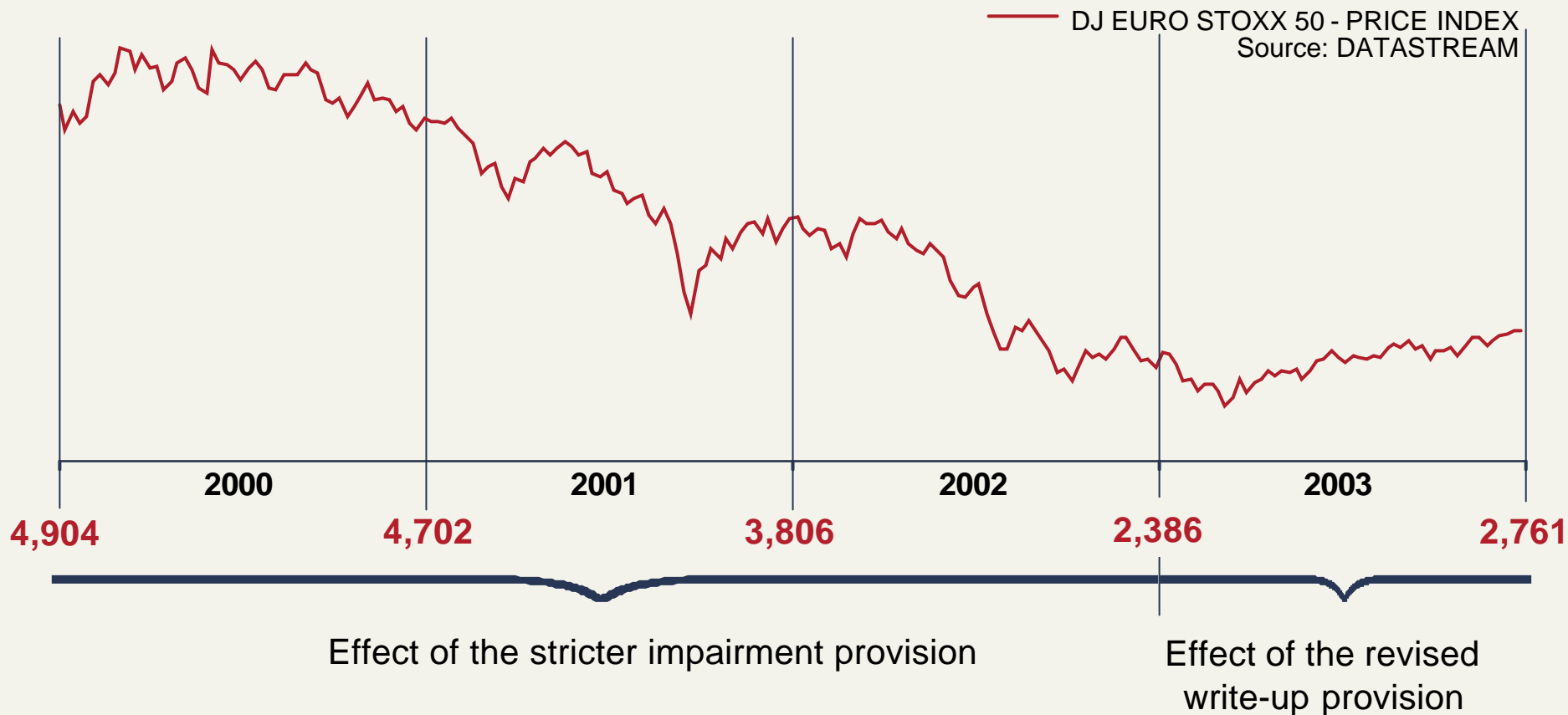
Decline in value of an equity investment: Impairment loss recognised ...

IAS 39 (rev. 2000)	IAS 39 (rev. 2003)
<p>... if there is a</p> <ul style="list-style-type: none"> – significant (at least 20%) and – prolonged (at least 6 months) <p>decline in the fair value of the investment below its cost</p> <p>(in conjunction with US GAAP)</p>	<p>... if there is a</p> <ul style="list-style-type: none"> – significant (at least 20%) or – prolonged (at least 6 months) <p>decline in the fair value of the investment below its cost</p> <p>(IAS 39.61)</p>

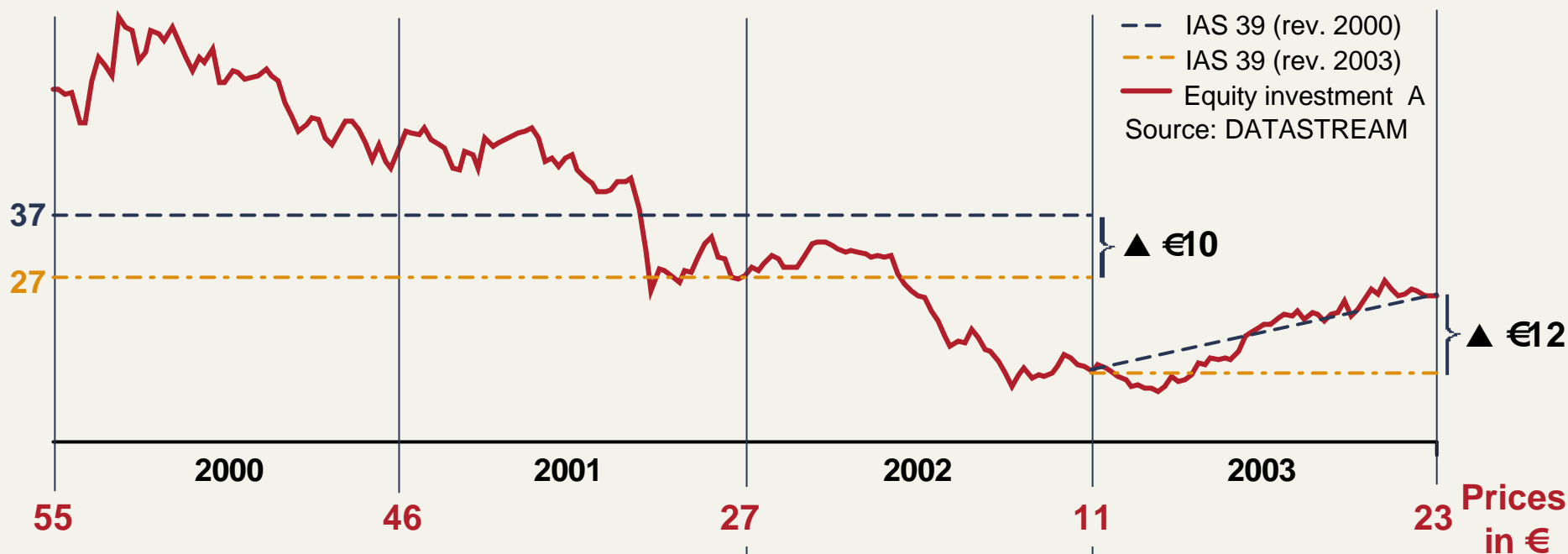
Recovery in the value of an equity investment: Impairment losses ...

IAS 39 (rev. 2000)	IAS 39 (rev. 2003)
<p>... which were recognised in the income statement must be reversed in the income statement.</p> <p>(IAS 39.119)</p> <p>[Write-up recognised as profit in the income statement]</p>	<p>... which were recognised in the income statement may not be reversed in the income statement</p> <p>(IAS 39.69)</p> <p>[Write-up not recognised as profit in the income statement]</p>

Effects of the first-time application of IAS 39 (rev. 2003) – Indications based on the performance of the EURO STOXX 50



Example 1 showing effect of first-time application of IAS 39 (rev. 2003)

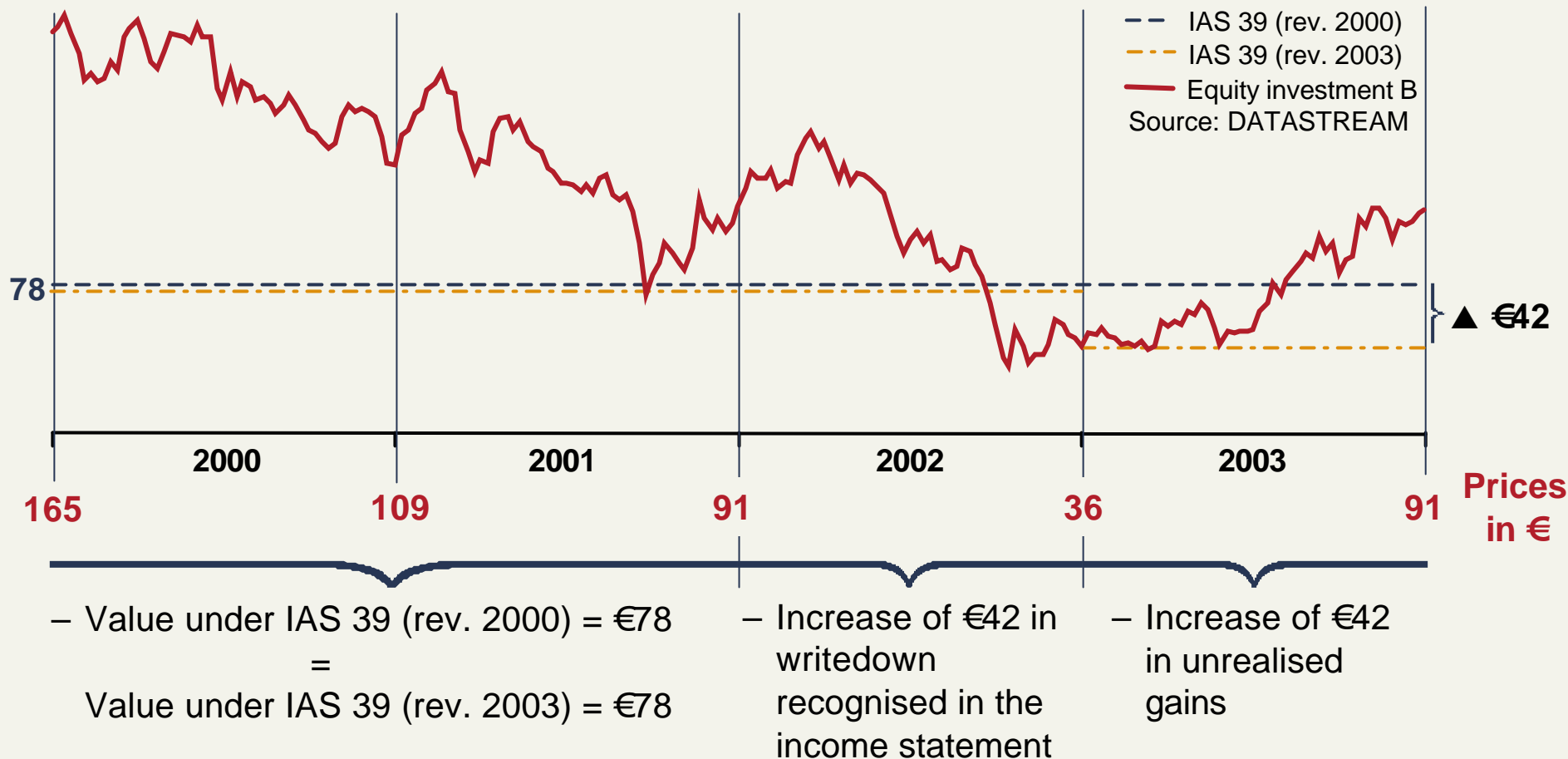


- Value under IAS 39 (rev. 2000) = €37
- Value under IAS 39 (rev. 2003) = €27
- Difference of €10 reallocated from unrealised losses to revenue reserves

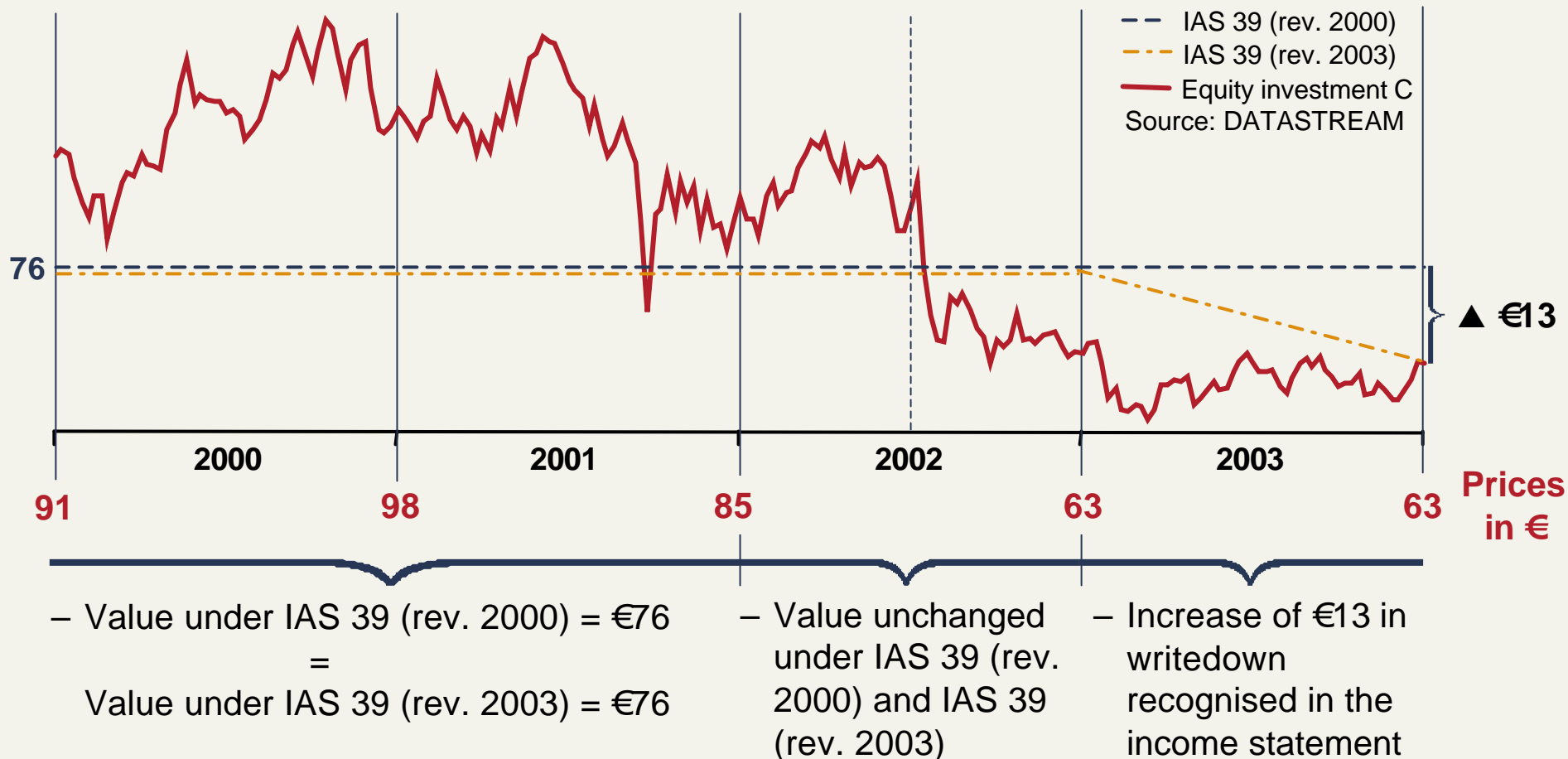
- Reduction of €10 in writedown recognised in the income statement

- Reduction of €12 in the write-up recognised in the income statement

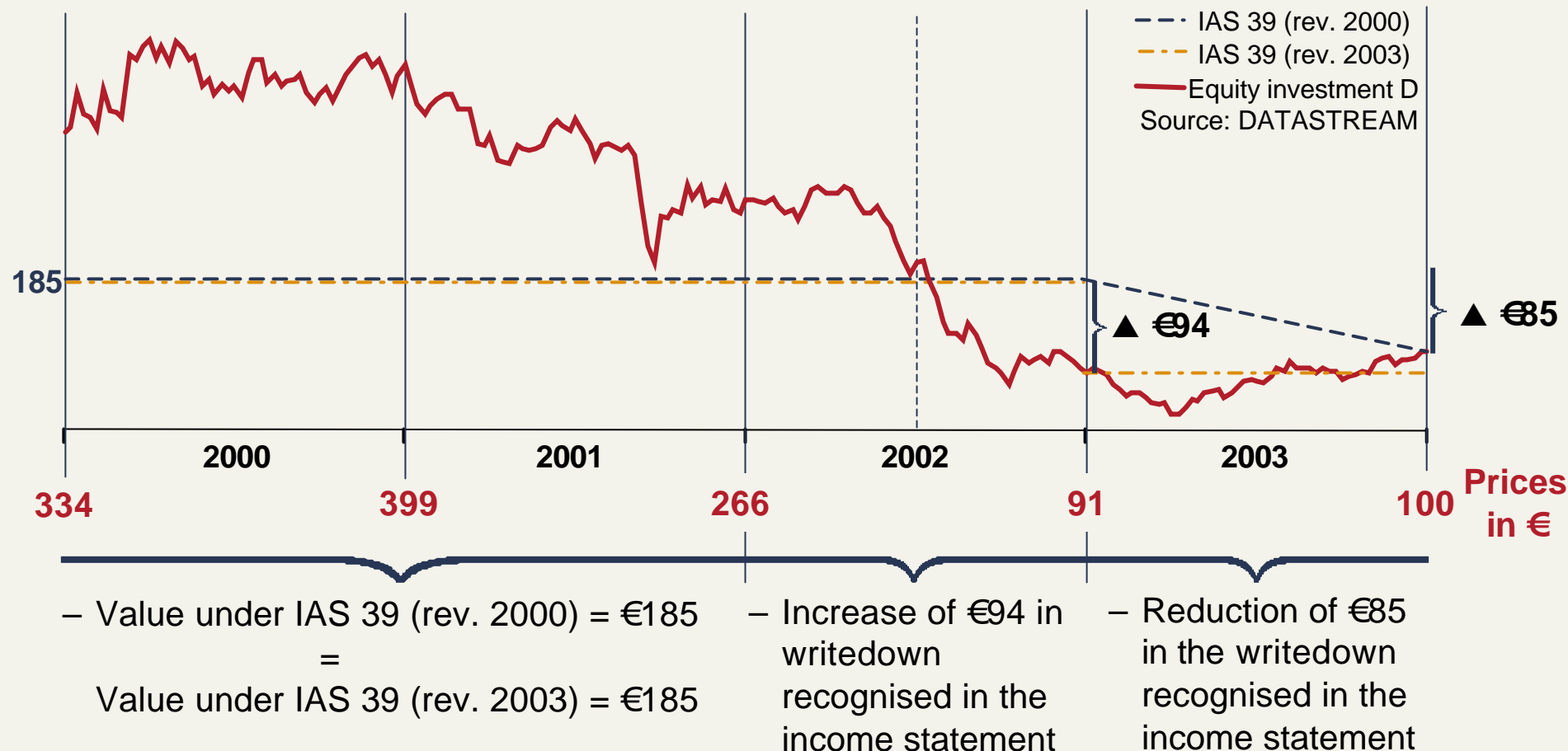
Example 2 showing effect of first-time application of IAS 39 (rev. 2003)



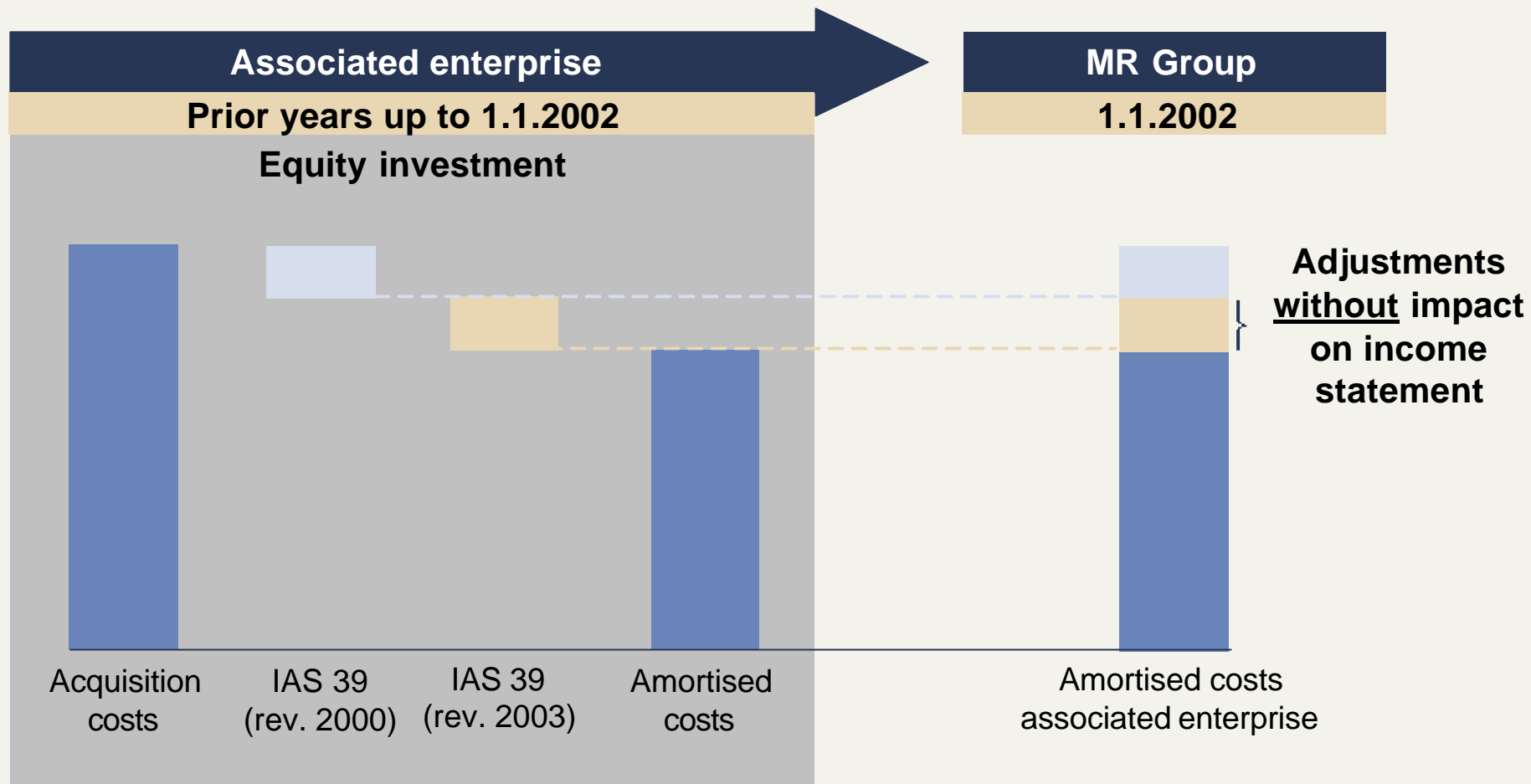
Example 3 showing effect of first-time application of IAS 39 (rev. 2003)

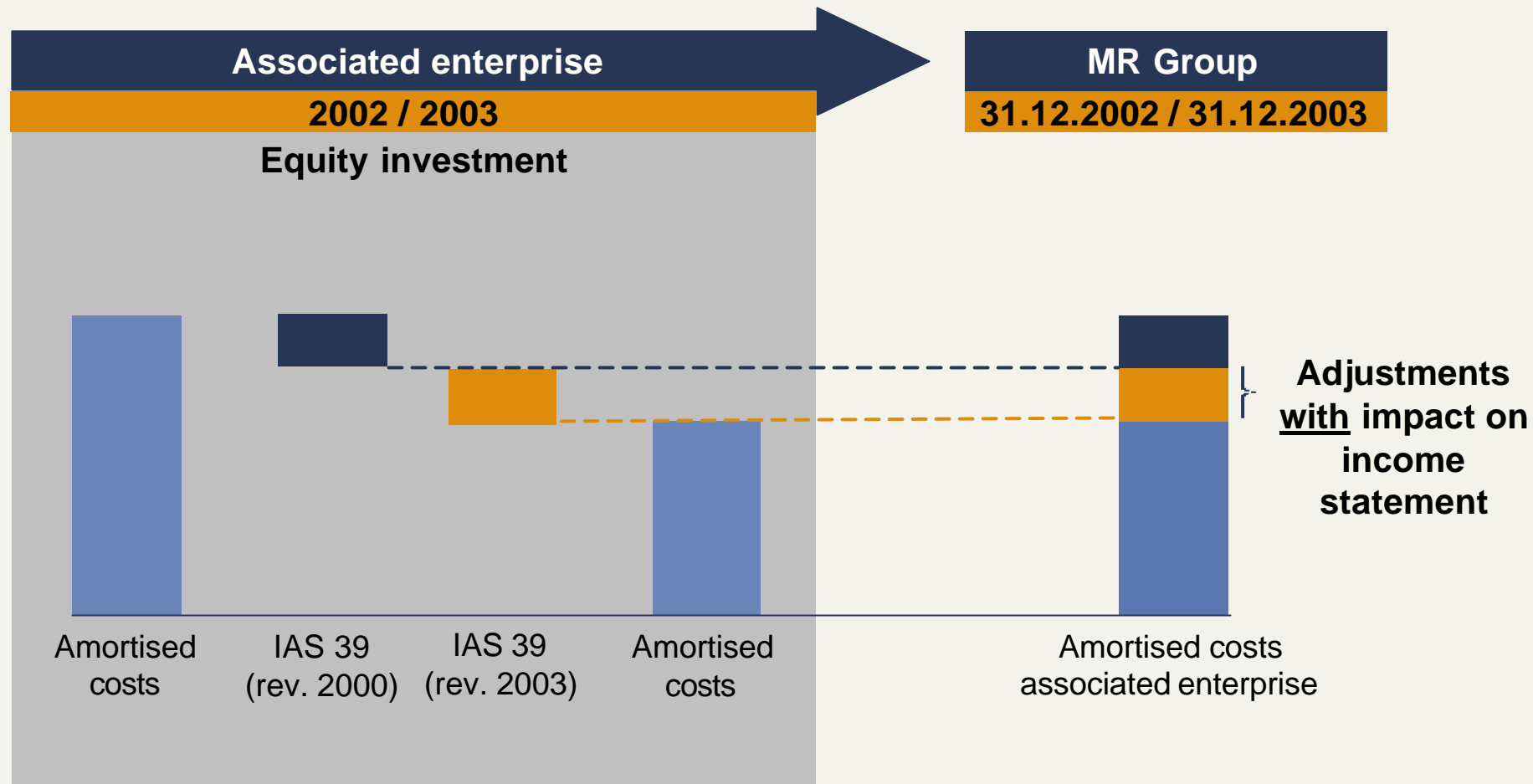


Example 4 showing effect of first-time application of IAS 39 (rev. 2003)



First-time application of revised standards also to associated enterprises



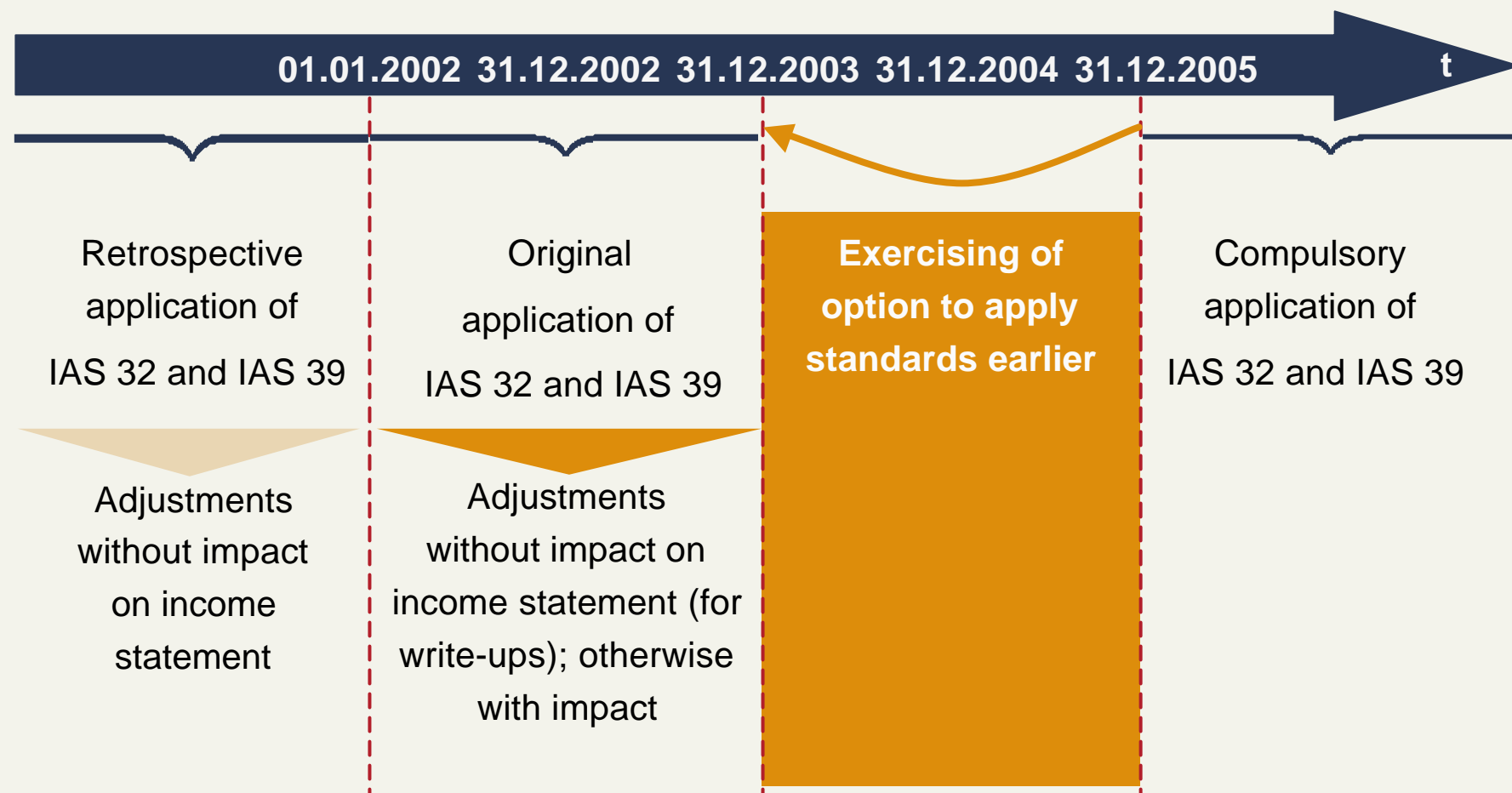
Subsequent application of revised standards also to associated enterprises

Application of revised disclosure requirements for financial instruments

The carrying amounts of financial instruments exposed to interest-rate risk must be presented grouped according to the following periods to maturity: ...

IAS 32 (rev. 1998)	IAS 32 (rev. 2003)
<p>...</p> <p>(i) up to one year;</p> <p>(ii) over one and up to five years;</p> <p>(iii) over five years.</p> <p>(IAS 32.64)</p>	<p>...</p> <p>(i) up to one year;</p> <p>(ii) over one year and up to two years ;</p> <p>(iii) over two years and up to three years;</p> <p>(iv) over three years and up to four years;</p> <p>(v) over four years and up to five years;</p> <p>(vi) over five years.</p> <p>(IAS 32.74)</p>

First-time application of new standards to financial statements for 2003



IAS 39 new

Effect on consolidated balance sheet

Backup: IAS 32/39

63

Effect of the new valuation methods on the consolidated balance sheet

in €bn	31.12.2003 IAS 39 new	31.12.2003 IAS 39 old	▲ absolute
Assets			
Investments in associated enterprises	4.2	4.2	—
Securities available for sale	122.4	122.4	—
Liabilities			
Revenue reserves	7.8	9.7	−1.9
Other reserves	4.1	2.7	1.4
Profit for the year	−0.4	−0.9	0.5
Shareholders' equity	18.9	18.9	—
Other underwriting provisions	7.5	7.5	—

IAS 39 new in previous year

Effect on consolidated balance sheet

Backup: IAS 32/39

64

Effect of the new valuation methods on the consolidated balance sheet

in €bn	31.12.2002 IAS 39 new	31.12.2002 IAS 39 old	▲ absolute
Assets			
Investments in associated enterprises	9.4	9.4	—
Securities available for sale	106.2	106.2	—
Liabilities			
Revenue reserves	9.0	10.0	−1.0
Other reserves	1.3	−0.6	1.9
Profit for the year	0.3	1.1	−0.8
Shareholders' equity	13.9	13.9	—
Other underwriting provisions	7.5	7.5	—

IAS 39 new

Effect on consolidated income statement

Backup: IAS 32/39

65

Effect of the new valuation methods on the consolidated income statement

in €bn	2003 IAS 39 new	2003 IAS 39 old	▲ absolute
Investment result	7.1	5.7	1.4
Expenses for claims and benefits	32.5	31.5	1.0
Taxes	1.8	1.8	–
Profit for the year	–0.4	–0.9	0.5

Important factors influencing the change in the profit for the year:

- Reduction of €390m in income from write-ups on equity instruments
- Increase of €346m in gains on the disposal of equity instruments
- Reduction of €844m in impairment losses on equity instruments
- Decrease of €688m in losses on the disposal of equity instruments
- Increase of €997m in provision for deferred premium refunds

IAS 39 new in previous year

Effect on consolidated income statement

Backup: IAS 32/39

66

Effect of the new valuation methods on the consolidated income statement

in €bn	2002 IAS 39 new	2002 IAS 39 old	▲ absolute
Investment result	4.9	5.6	−0.7
Expenses for claims and benefits	31.3	31.1	0.2
Taxes	−0.6	−0.6	–
Profit for the year	0.3	1.1	−0.8

Important factors influencing the change in the profit for the year:

- Increase of €425m in gains on the disposal of equity instruments
- Increase of €24m in impairment losses on equity instruments
- Decrease of €413m in losses on the disposal of equity instruments
- Increase of €136m in provision for deferred premium refunds
- Decrease of €1,484m in income from associated enterprises

Effect of new valuation methods on segment results

in €m	2003 IAS 39 new	2003 IAS 39 old	▲ absolute
Reinsurance	1,632	1,355	277
Primary insurance	−1,091	−1,267	176
Asset management	20	20	—
Consolidation	−995	−995	—
Profit for the year	−434	−887	453

Effect of new valuation methods on segment results

in €m	2002 IAS 39 new	2002 IAS 39 old	▲ absolute
Reinsurance	2,336	3,149	–813
Primary insurance	–939	–959	20
Asset management	49	49	–
Consolidation	–1,158	–1,158	–
Profit for the year	288	1,081	–793

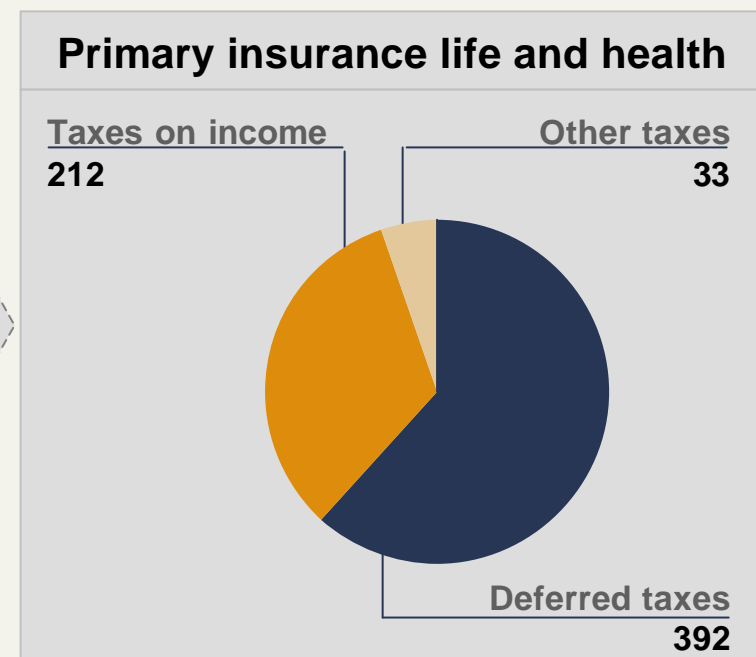
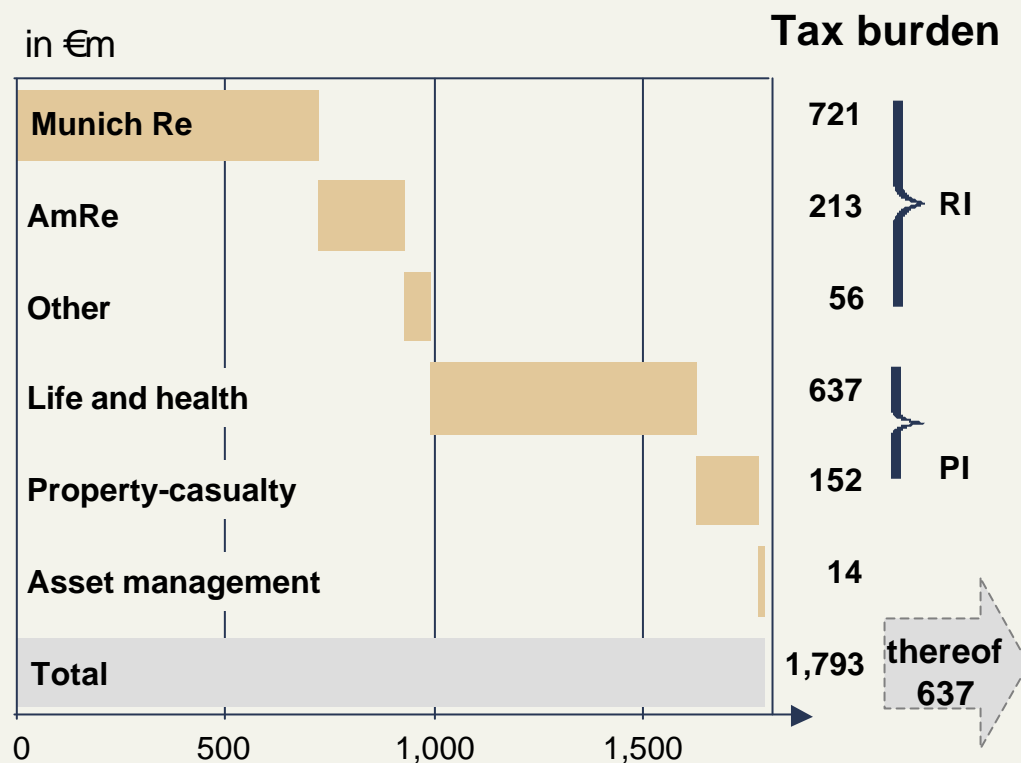
Why earlier first-time application of the revised standards?

- 1. The accounting set-up in the Munich Re Group**
enables us to implement the standards in our consolidated financial statements within a very short time (→ insurance groups less affected than banking groups)
- 2. Consistency in earlier first-time application of IAS 39,**
given that Munich Re also applied IAS 39 (rev. 2000) before it was compulsory (as from 1.1.2001) when preparing its consolidated financial statements for 2000
- 3. More transparency regarding the earnings situation,**
because fluctuations in the value of equity investments are recognised more promptly in the consolidated financial statements

Positive response from the capital market

Backup: Tax





Starting point:

- At least 90% / 80% of the commercial balance sheet results of life and health insurers have to be allocated to the provision for premium refunds due to insurance law → tax-deductible
- Gains and losses from equity investments increase/decrease the amount of the tax-deductible provision for premium refunds
- At most 10% / 20% of the commercial results remain with the insurer as profit

Previous tax situation (up to 31.12.2003):

Gains and losses from equity investments are tax-exempt

- From the small 10% / 20% profit 100% of the non-taxable gains from equity investments can be deducted and 100% of the losses from equity investments have to be added back due to German tax law



Result

- In the case of gains these can be deducted for tax purposes nearly twice
→ principally leads to a taxable loss → no tax burden
- In the case of losses these have to be added to taxable income nearly twice → leads to over proportional tax burden

Adding losses from equity investments to taxable income reduces the commercial balance sheet result and concurrently the tax-deductible allocation to the provision for premium refunds



“spiral effect”

Higher tax basis and thus higher taxation, which consequently further reduces the tax-deductible allocation to the provision for premium refunds



Income tax burden of up to 70% of the non-tax-deductible losses from equity investments

New tax regime for life and health insurers (from 01.01.2004) Gains and losses from equity investments are taxable



Result

- Inconsistency in taxation is dropped
- Life and health insurers come up with a balanced result, normally small taxable profits → leads to disclosure of deferred taxes

Transitional Rule for life and health insurers

- Possibility of a block option for the new tax regime retroactively for 2001–2003 at the rate of 80% to avoid too high a tax burden, no loss carry-back/ forward arising from it
- Exercise of the option depends on the individual situation, for example
 - amount of losses from equity investments in 2003
 - tax situation/handling in 2001 und 2002

Appendix

The information given here, in particular the “Outlook” section, refers to statements relating expressly and implicitly to the future and contains words such as “expect”, “believe”, “assume”, “targets” and other similar expressions. Such forward-looking statements are based on current expectations, estimates, forecasts and prognoses concerning the development of the market as well as management estimates and assumptions. Such forward-looking statements are no guarantee that events or results will actually materialise in the future and are subject to risks, uncertainties, assumptions and other factors that could lead to actual events or results deviating substantially from those anticipated in these forward-looking statements. Other factors include in particular catastrophes that could lead to extraordinary loss burdens as well as considerable price changes on the capital market, namely share price changes which may have an impact on the financial situation of the Munich Re Group.

The Munich Re Group

Balance sheet conference

15 April 2004



Münchener Rück
Munich Re Group