UNICREDIT - GERMAN INVESTMENT CONFERENCE 2009

Date: 23 September 2009

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CFO - Reinsurance

Munich RE

A leading global (re)insurer

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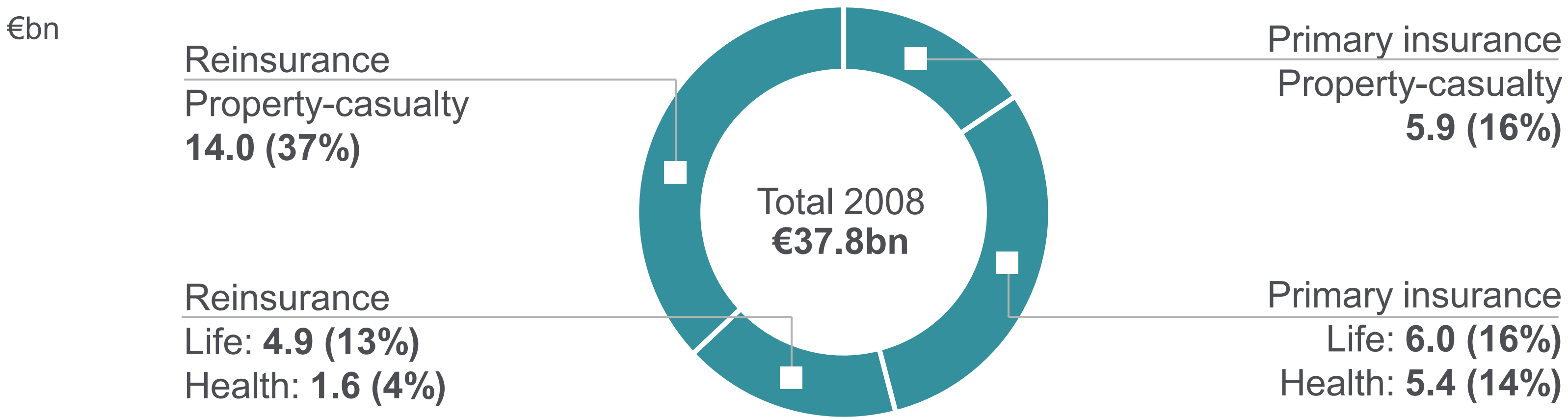
Munich Re Group – Premium breakdown by segment (consolidated)



Reinsurance

- Leading expertise worldwide for 129 years
- Full range of products: from traditional reinsurance to alternative risk financing
- Diversification as key success factor

Primary insurance

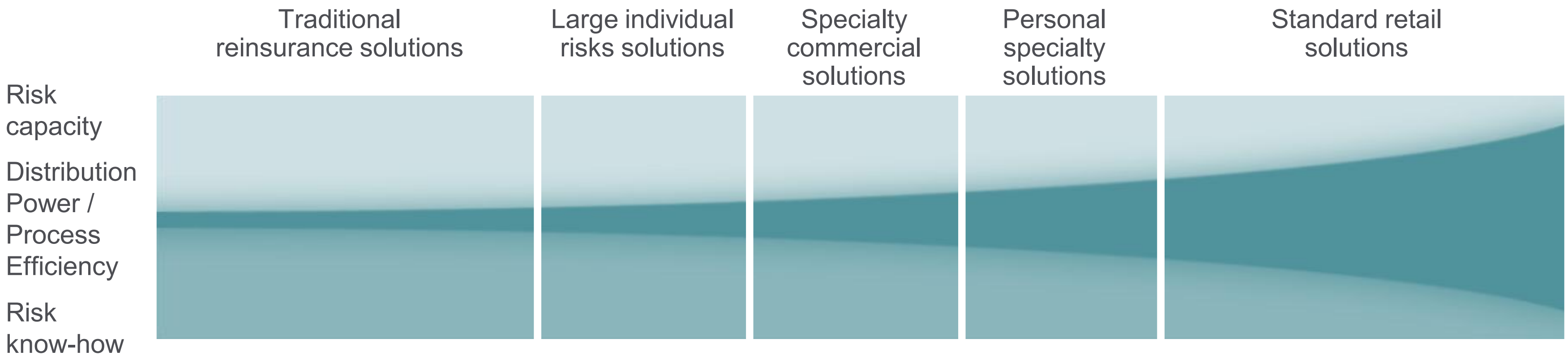
- Germany-based with growing importance in selected European markets
- Multi-brand – single back office approach
- Focused on personal lines business

Integrated Health approach

- Munich Health as leading specialised health risk carrier with global scope
- Flexible combination of business model and products as unique selling proposition

Providing best solution for each risk

Successful Business Model [Illustrative]



Classification of business segments:

- Munich Health includes the International Health business whereby DKV Germany belongs to ERGO
- Primary Insurance out of Reinsurance via:
  - Owned MGAs: At present only for specialty and niche business in Anglo-Saxon markets (not overlapping with primary insurance)
  - Non-owned MGAs: pure risk-bearing; similar business to Reinsurance

Stringent execution of strategy generates opportunities

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Net profit of €1,123m in Q1–2 2009

Earnings resilience in core (re)insurance business and improved investment result

Stable shareholders' equity at €21.3bn

Strong capital position despite dividend payment and increased interest-rates

Stringent capital allocation

Clear commitment to liability-driven business model while consciously maintaining low investment risk profile

Reinsurance

Financial strength and portfolio diversification paying off

Flexible allocation of capital and profitable growth from taking opportunities in selected markets

Primary insurance

Returning to profit in Q2 2009

Consistent implementation of efficiency programme strengthening earnings generation and improving future business prospects

Munich Re continued to demonstrate earnings strength

Satisfactory consolidated result

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GROUP – Gross premiums written

€m	
Q1–2 2008	18,853
Q1–2 2009	**20,693**

Good organic growth, acquisitions and positive FX effects

REINSURANCE – Combined ratio property-casualty

%	
Q1–2 2008	99.5
Q1–2 2009	**97.7**

Improved combined ratio, slightly above expectations

PRIMARY INSURANCE – Combined ratio property-casualty

%	
Q1–2 2008	90.7
Q1–2 2009	**94.7**

H1 2008 exceptionally low, higher claims in Germany and abroad

GROUP – Investment result

€m	
Q1–2 2008	3,261
Q1–2 2009	**3,552**

Reduced write-downs, but lower regular income and realised gains

GROUP – Operating result

€m	
Q1–2 2008	2,281
Q1–2 2009	**2,119**

Lower technical not fully compensated by higher investment result

GROUP – Consolidated result

€m	
Q1–2 2008	1,405
Q1–2 2009	**1,123**

Consolidated result €703m in Q2 well above Q1 (€420m)

Sound capital base despite capital repatriation

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Sound capitalisation according to all capital measures:

- Regulatory solvency capital ratio of 266%
- Low/mid single-digit €bn capital buffer according to rating agencies
- €7.0bn[1] economic capital buffer according to internal model

Stable shareholders' equity of €21.3bn as at June 2009 despite **€1.1bn** dividend payment and share buy-back signals capital strength

Book value per share of €106.4: 4.8% CAGR since 1 January 2004

Financial solidity reflected externally by:

- Low beta (0.85)[2] of Munich Re stock
- Low CDS spread of 31bps[2]
- Confirmation of AA rating by all agencies

[1] As at 31 December 2008, but after dividend payment of €1.1bn in April 2009 and €0.05bn outstanding from 2008/2009 share buy-back programme.
[2] As at 15 September 2009.

First real test for risk management frameworks after 2001

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Evaluation and enhancements

- Efforts around ERM have prevented Munich Re from the worst in this crisis
- Strengthens position of ERM teams
- Identification of areas for improvements ongoing

Development and implementation

Strategic decision taken after 2002–2003 crisis:

- Redesign of investment strategy to reduce dependency on capital markets; state-of-the-art ALM implemented
- Sustainable profitability achieved in core businesses
- Central ERM teams established under CRO leadership; risk governance/measurement/reporting strengthened

Reality check

- Subprime crisis in 2007 and subsequent capital market crisis in 2008 constitute an extremely taxing environment
- First real test of ERM framework
- Highlights the importance of risk management in its original role – in addition to the business enabler

Asset portfolio reflecting our risk preference and liability structure

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Strategic Risk Management Framework

- Regulatory requirements
- Allocation of economic risk capital budget
- Clear-cut limits and triggers

Key input

Expected technical cash flows of liabilities in specific lines of business reflecting their capital market sensitivity

Very limited risk appetite

Strategic decision to maintain a low to moderate risk profile for the investment portfolio based on Munich Re's liability-driven business model

ALM process

Liabilities → Replicating portfolio → Restricted neutral position → Benchmark portfolio → Active asset management

A disciplined, well defined process is the basis for good long-term performance results

Well-diversified investment portfolio

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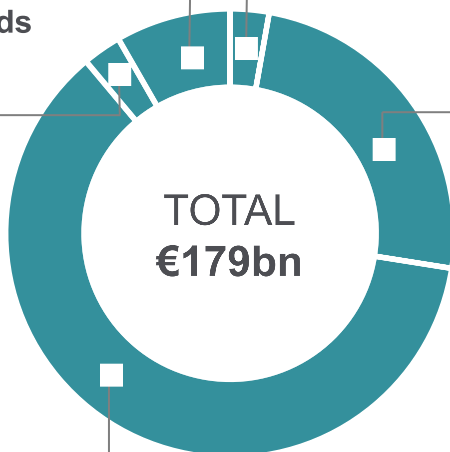
Investment portfolio[1]



Investment strategy Q1–2 2009

Sustaining a low-risk investment profile

Cautiously grasping opportunities in fixed-income portfolio

Considering increased inflation sensitivity of liabilities in our portfolio

In 2009 we expect a running yield slightly above 4.0%

1 Market values as at 30.6.2009 (31.12.2008).
2 Deposits retained on assumed reinsurance, investments for unit-linked life, deposits with banks, investment funds (bond, property).

Satisfactory operating business, solid investment result

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Gross premiums written

€m	
Q1–2 2008	10,740
Q1–2 2009	**12,245**

Strong organic growth and positive effect of acquisitions

Technical result

€m	
Q1–2 2008	824
Q1–2 2009	**613**

Recession-related losses and lower technical interest

Combined ratio property-casualty

%	
Q1–2 2008	99.5
Q1–2 2009	**97.7**

Improved combined ratio, slightly above expectations

Investment result

€m		
Q1–2 2008	1,794	947
Q1–2 2009	**2,007**	

Lower write-downs on equities

Operating result

€m		
Q1–2 2008	1,681	947
Q1–2 2009	**2,004**	

Consolidated result

€m		
Q1–2 2008	1,074	947[1]
Q1–2 2009	**1,299**	

Improved operating result – Portfolio diversification and cycle management paying off

ERGO dividend

1 Without taking into consideration tax effects on dividend in 2008.

Long-term trends drive business models

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Short-term trends

- Decrease in capacity and resulting hardening of the markets, particularly
  - in very capital-intensive or highly exposed segments (e.g. nat. cat.)
  - in classes of business severely affected by the economic crisis (such as credit or D&O)
- Pressure on primary insurance premiums due to the recession and reduced availability of income to spend on insurance

  ⇒Increased pressure on reinsurance rates

Long-term trends

- Growing exposures
- More complex risks
- Changes to known risks
- Emergence of new risks
- Increasing importance of enterprise risk management and efficient capital management

Munich Re well positioned for future growth

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New global brand

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The three cornerstones of Munich Re's refined positioning

A high level of security and individual solutions

- Efficient reinsurance of standard risks
- Customised solutions for risk and balance-sheet management
- Consulting on Solvency II / ALM, enterprise risk management
- Risk transfer to capital markets

(Re)insurance of complex and new risks

- Expanding the limits of insurability by developing new coverage concepts
- First class modeling
- Investing substantially in actuarial and underwriting skills

Tapping into new client groups

- Highly specialised primary insurance niche business; cooperation with MGAs
- Public-private partnerships
- Insurance pools

Clear positioning as a comprehensive service reinsurer

Renewals – Changes in premium YTD

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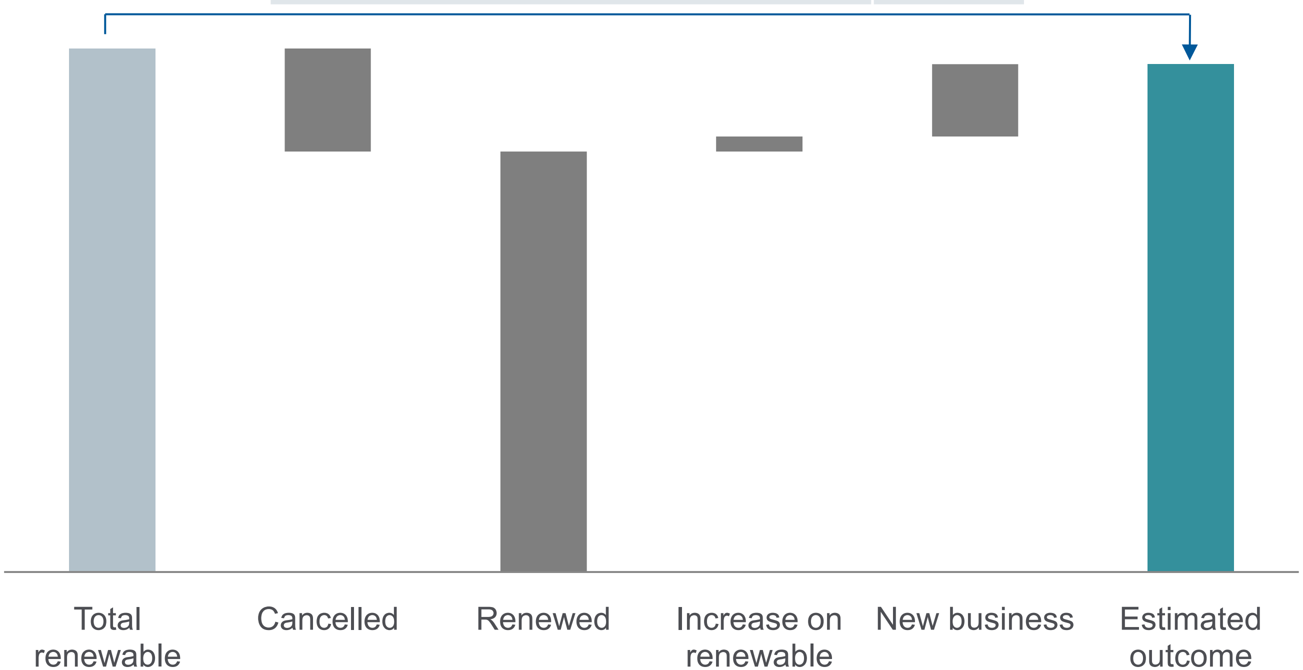
%	100	–19.7	80.3	2.9	13.8	**96.9**
€m	10,906	2,153	8,753	312	1,505	**10,570**

Change in premium:	**–3.1%**
▪ Thereof price change:	3.3%
▪ Thereof change in exposure for our share:	–6.4%



Market
- Hardening of overall market still not realised
- Rate increases observed in loss-exposed lines, such as NatCat
- Most other lines remaining stable

Munich Re portfolio
- Decline in premium is primarily due to cancellations and non-renewals in motor third-party (€455m)
- NatCat premiums up by €253m, or 18%, mainly in North America

Rounding differences.

HSB to strongly contribute to cash–flow and capital generation

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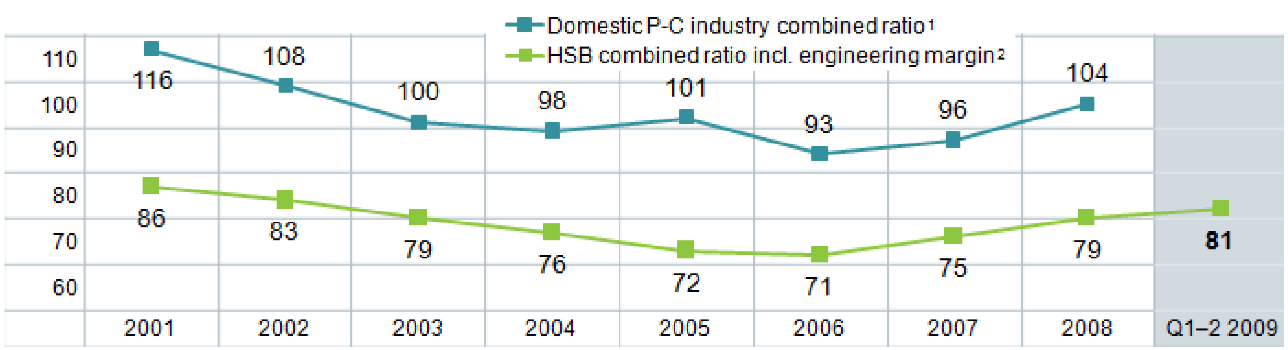
Financial highlights in Q2 2009[1]

- HSB significantly outperforming the industry
- Very solid 2nd quarter operating result with a consolidated combined ratio of 80% including engineering margin (Q1-2 2009 81%) and a net profit of €24.2m (Q1-2 €33.7m)
- Successful de-risking of HSB's investment portfolio in order to meet Munich Re Group risk standards and HSB's business characteristics
- HSB well positioned as future dividend contributor to Munich Re

Integration status

- Joint business development to leverage cross-selling synergies
- Legal and regulatory requirements implemented[4]
- Functional and technical integration activities well underway
- Investment management of HSB's asset portfolio transferred to MEAG
- Decoupling back-office services from AIG to Munich Re Group as shared-services in good progress

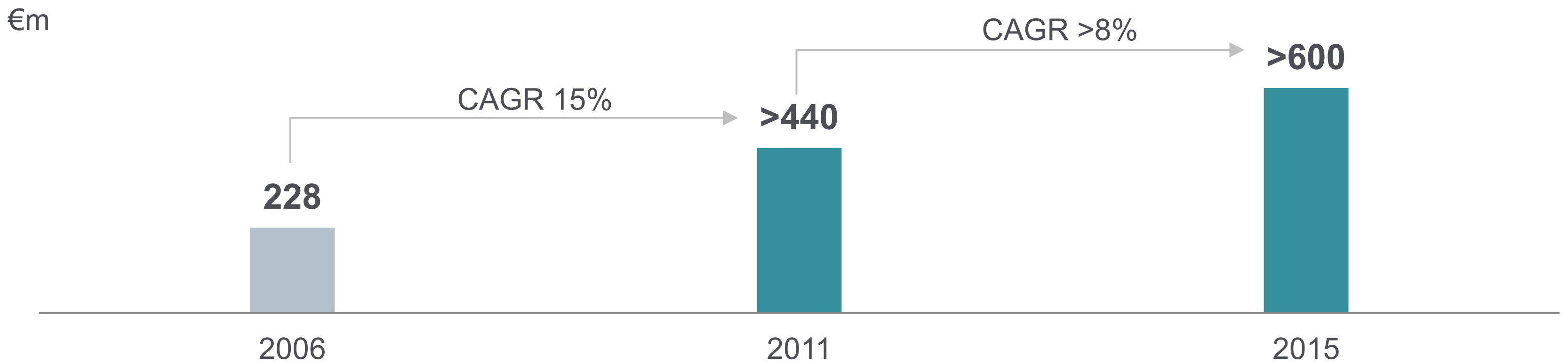
HSB combined ratio and P-C industry: Outstanding financial track record



1 Preliminary IFRS figures 2 Source: A.M. Best 3 Combined ratio for HSB Group, Inc. (US GAAP)
4 Full consolidation of HSB since 31 March 2009

Ambitious targets – Realisation of untapped profit pools

Projected VANB development in accordance with Munich Re Group RoRaC target of 15%



Key focus initiatives based on strategic pillars

Continuously improve core business	Grow non-traditional business	Expand business model
Regional focus on Asia and USA	Providing asset-liability solutions	Upgrade service offerings

Capital relief transactions

Returning to profit in Q2

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Gross premiums written

€m	
Q1–2 2008	8,668
Q1–2 2009	**8,895**

International expansion (organic/ acquisition) offsets negative FX

Technical result

€m	
Q1–2 2008	591
Q1–2 2009	**521**

Increase in life, decrease driven by P-C and health

Combined ratio property-casualty

%	
Q1–2 2008	90.7
Q1–2 2009	**94.7**

H1 2008 exceptionally low, higher claims in Germany and abroad

Investment result

€m	
Q1–2 2008	1,606
Q1–2 2009	**1846**

Improved result from unit-linked business

Operating result

€m	
Q1–2 2008	585
Q1–2 2009	**292**

Consolidated result

€m	
Q1–2 2008	330
Q1–2 2009	**-9**

Bottom-line affected by market crisis – positive consolidated result of €63m in Q2, not fully offsetting loss in Q1

[1] Investment result incl. unrealised gains/losses from investments in unit-linked life insurance; excl. unit-linked business: €1,717m in Q1–2 2009 (€1,826m in Q1–2 2008).

ERGO – Staying on course in challenging times

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	General situation	Current developments
Life insurance Germany	▪ Top-3 player ▪ Declining market share ▪ Important to finance sales channels	▪ Significant pressure on top line from economic and capital market conditions ▪ VBM-driven hedging programmes
Health insurance Germany	▪ Market leader ▪ Continuous political challenge	▪ Well prepared for market changes ▪ New product generation introduced
Non-life insurance Germany	▪ Top-10 player ▪ Superior profitability ▪ Growth above market average	▪ Excellent results in a highly competitive market
Cross-segment topics Germany	▪ Presence in all distribution channels ▪ Strong direct business ▪ Remaining cost issues	▪ Sales initiative started ▪ Broker channel integrated ▪ Cost reductions on their way
International business	▪ Strong position in selected European markets ▪ Asian activities started ▪ Significant growth potential	▪ Encouraging organic growth ▪ Challenges from financial and economic crisis

Leveraging our combined health experience

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International Health (IH)

“Munich Health” becomes third segment of Munich Re with implementation of real management organisation – "going live" in Q2 2009 (full implementation until end 2009)

Clear differentiation of IH through different business models addressing all parts of the value chain and a regional structure meeting local demands

Example of successful business model: "Joint Venture Daman" with a strong combination of primary health care insurance and reinsurance of enhanced products by Munich Re

Impact of financial crisis on IH only minor:
- Main growth drivers remain unaffected (continuous growth of health care expenditure expected)
- Flexibility of IH business model (shifting between primary and reinsurance)

Variety of initiatives under way targeting growth of premiums and profit;
stringent execution of strategic initiatives

Munich Re with strong commitment to IH strategy

Seizing opportunities of profitable growth and value-oriented capital management

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Reinsurance

GROSS PREMIUMS WRITTEN

€24–25bn[1]

COMBINED RATIO

approx. 97% (thereof NatCat 6.5%) – more difficult to achieve given recession-related increase of losses

Primary insurance

GROSS PREMIUMS WRITTEN

€17–17.5bn[1]

COMBINED RATIO

<95%

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GROSS PREMIUMS WRITTEN

€40–42bn[1]

RORAC

15% after tax over the cycle to stand

RETURN ON INVESTMENTS

Running yield expected to be slightly above **4%**

Growth opportunities based on capital strength still have priority – Resumption of **share buy-back** in H2 2009 possible depending on market outlook and economic development

[1] Amended from €22.5–24bn in reinsurance and from €17–18bn in primary insurance (both on basis of segmental figures); for Munich Re Group increased from €39–41bn (total consolidated premium). Gross premiums written given stable currency exchange rates and limited impact from economic slowdown on premiums of primary insurers.

Summary

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Value-adding integrated business model
covers full value chain of risks

Diversification and sophisticated risk management
are cornerstones of our strategy

Excellent financial strength
allows participation in market opportunities

Capital management and cycle management
are key to our future success

Current market developments still provide
opportunity

MID-TERM TARGET

RoRaC 15% over the cycle

Backup

Munich Re and our shares

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Munich Re		2008	2007[1]	2006[1]	2005	2004
Gross premiums written	€bn	**37.8**	37.3	37.4	38.2	38.1
Result before amortisation of goodwill	€m	**3,262**	5,057	5,477	4,143	3,025
Taxes on income	€m	**1,373**	801	1,648	1,014	712
Consolidated result	€m	**1,528**	3,923	3,519	2,751	1,887
Thereof attributable to minority interests	€m	**25**	83	94	72	54
Investments	€bn	**175.0**	176.2	176.9	177.2	178.1
Return on equity	%	**6.7**	15.3	14.1	12.5	9.5
Equity	€bn	**21.3**	25.4	26.3	24.3	20.5
Off-balance-sheet reserves[2]	€bn	**2.3**	0.6	1.9	2.6	3.2
Net technical provisions	€bn	**157.2**	152.4	153.9	154.0	154.3
Staff at 31 December		**44,209**	38,634	37,210	37,953	40,962

Our shares		2008	2007[1]	2006	2005	2004
Earnings per share	€	**7.48**	17.83	15.05	11.70	8.01
Dividend per share	€	**5.50**	5.50	4.50	3.10	2.00
Amount distributed	€m	**1,074**	1,124	988	707	457
Share price at 31 December	€	**111.00**	132.94	130.42	114.38	90.45
Market capitalisation at 31 December[3]	€bn	**22.9**	29.0	29.9	26.3	20.8
No. of shares at year-end (ex own shares)	m	**195.7**	207.8	225.6	228.0	228.5

[1] Adjusted pursuant to IAS 8.
[2] Including amounts attributable to minority interests and policyholders.
[3] This includes own shares earmarked for retirement.

Sustainable growth for more than half a century

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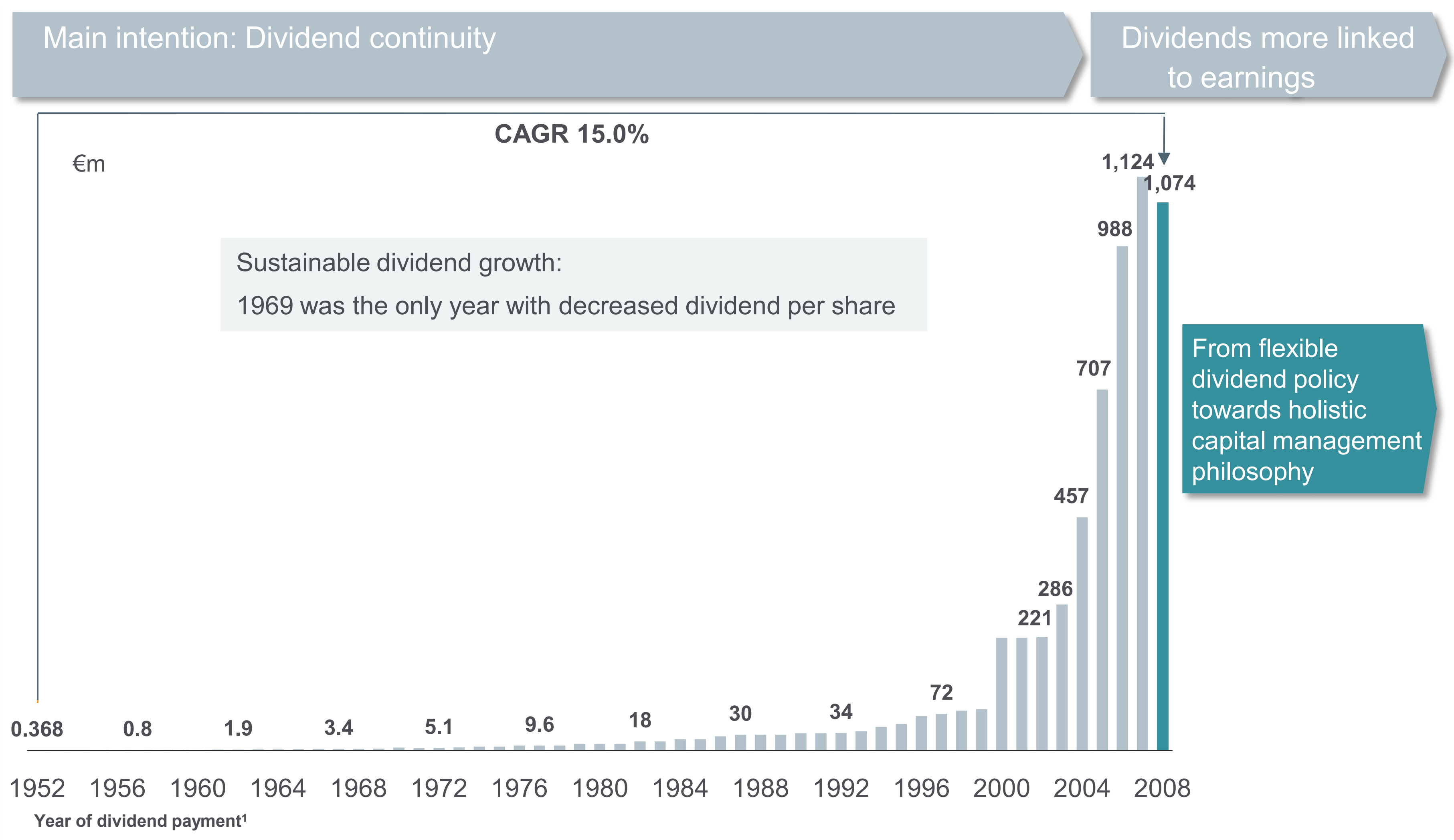

[1] 1998 Munich Re aligned business year to calendar year.

Breakdown of Group required economic risk capital (ERC)

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€bn

Risk category[1]	Group		RI	PI	Div.	Explanation
Year ended	2007	**2008**	2008	2008	2008	
Property-casualty[2]	7.0	**8.0**	7.8	0.6	–0.4	+€500m changed approach towards Storm Europe[3], +€250m decreased external risk mitigation, +€200m exposure change
Life and health	3.3	**4.0**	3.5	1.1	–0.6	Higher PV of adverse scenarios due to lower interest-rates, mainly US and CAN
Market	7.9	**5.4**	4.3	3.7	–2.6	Reduction in equities exposures and increase in interest-rate risk
Credit[4]	1.5	**2.7**	2.1	0.7	–0.1	Thereof +€750m due to higher credit spreads and +€200m due to increase of credit exposures
Operational risk	1.2	**1.4**	1.0	0.4	0.0	Enhanced operational risk model
Simple sum	**20.9**	**21.5**	**18.7**	**6.5**	**–3.7**	
Diversification effect[5]	–4.4	**–5.0**	–5.5	–1.3	1.8	
Sum ERC	**16.5**	**16.5**	**13.2**	**5.2**	**–1.9**	

Group ERC stable

1 Risk categories broadly based on refined "Fischer II" risk categories recommended for standardised industry disclosures.
2 Contains credit reinsurance.
3 Different representation of scenario with neutral net effect on sum ERC.
4 Default and migration risk.
5 The measured diversification effect depends on the risk categories considered and the explicit modelling of fungibility constraints.

Reconciliation of AFR with IFRS equity

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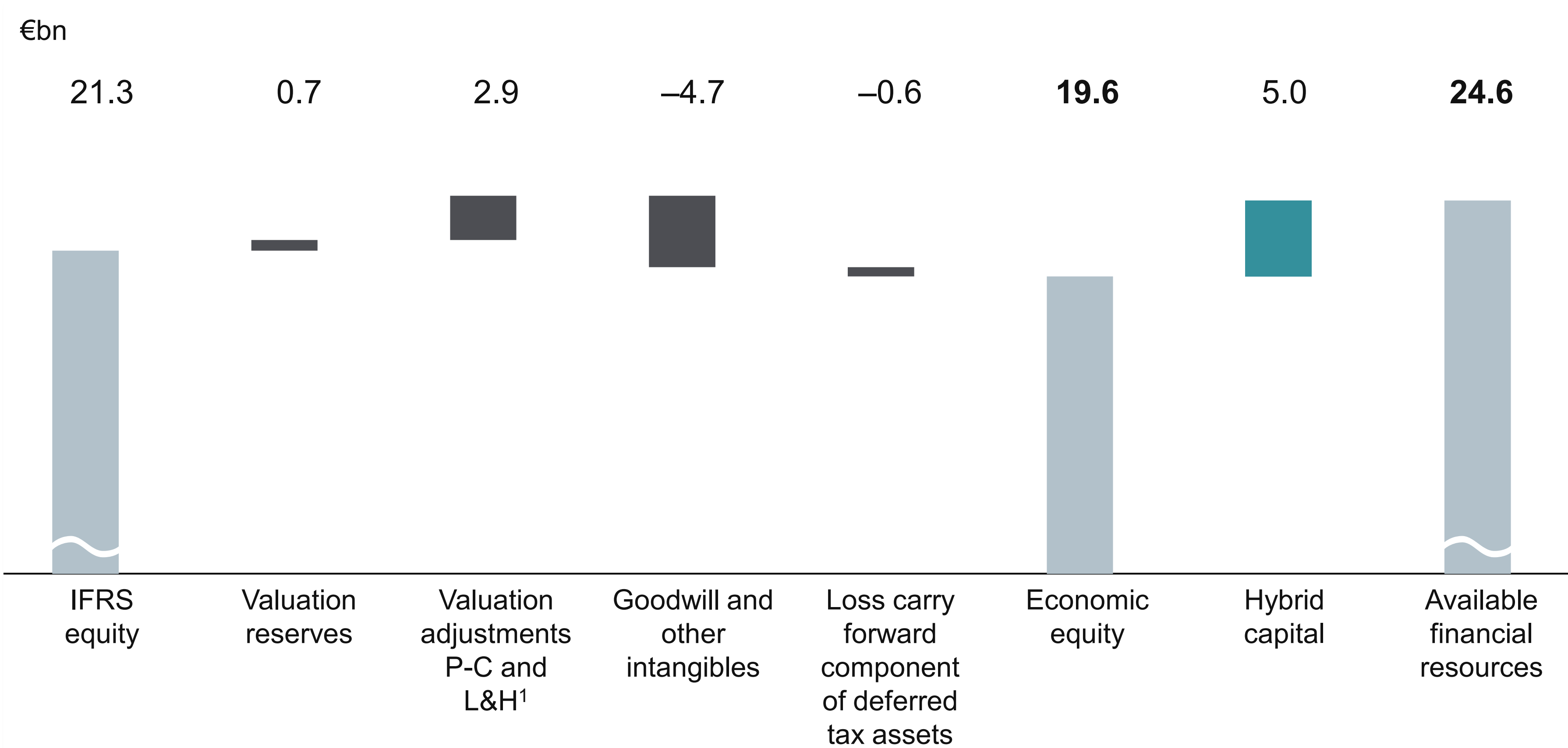

Economic equity now at €19.6bn

[1] Includes discount of reserves and embedded value not recognised in IFRS equity.

Summary of economic capital disclosure

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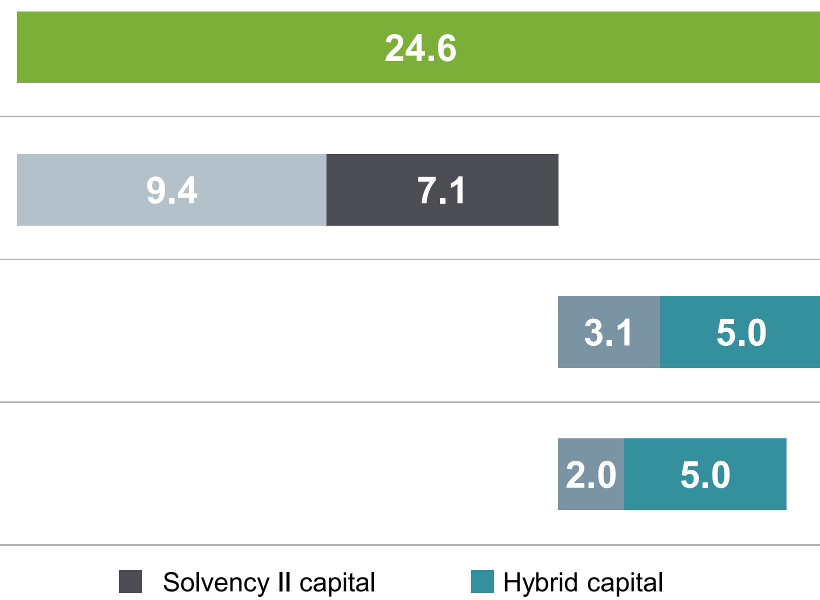
Position as at 31 December 2008

€bn	31.12.2008	31.12.2007
Available financial resources	**24.6**	34.3
Economic risk capital[1]	**16.5**	16.5
Economic capital buffer	**8.1**	17.8
Economic capital buffer after share buy-back and dividends[2]	**7.0**	16.3



Strong economic capital position despite capital market crisis and significant capital repatriation in 2008

[1] Solvency II capital based on VaR 99.5%, Munich Re internal risk model based on 175% of Solvency II capital. Solvency I ratio is 264% as at 31.12.2008.
[2] Announced dividends in 2009 of €1.1bn, €0.05bn outstanding from 2008/2009 share buy-back programme.

Low debt leverage

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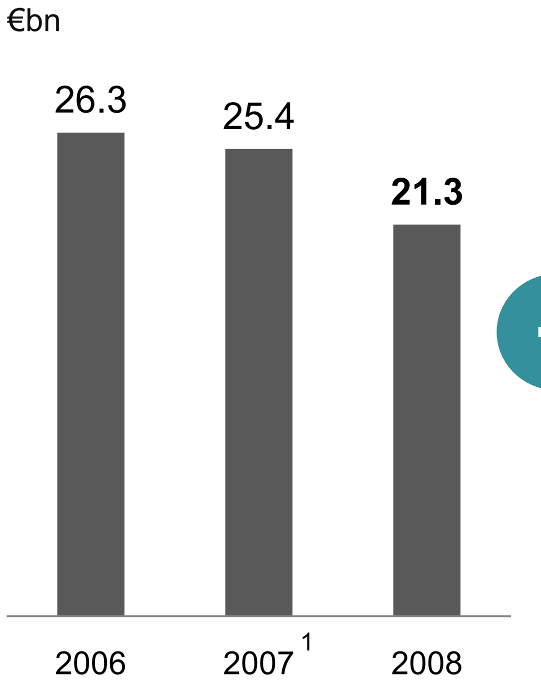
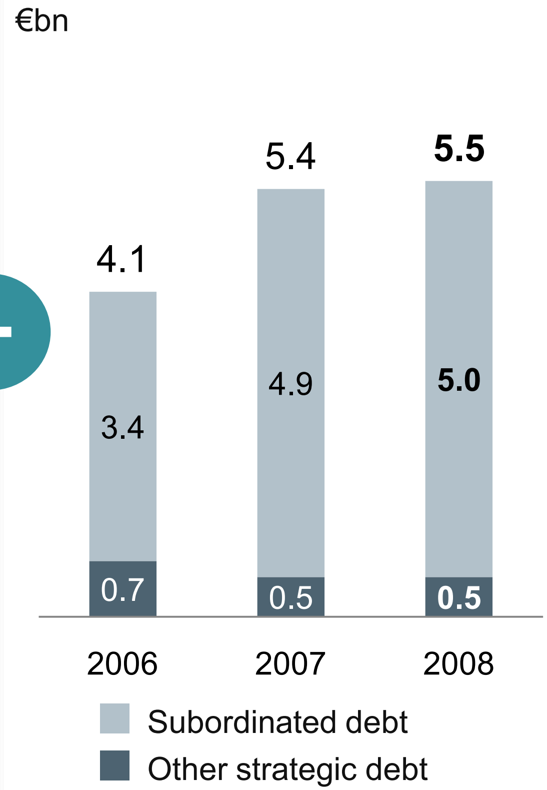
IFRS equity



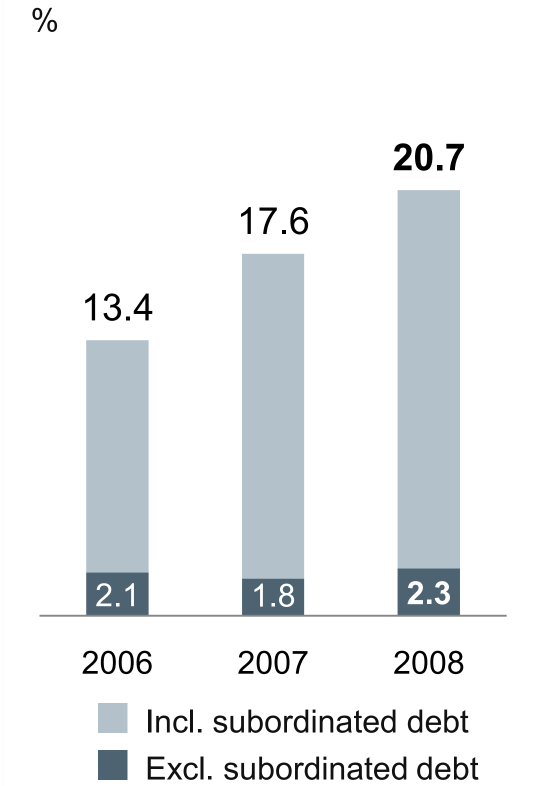
Strong equity base despite share buy-backs …

Strategic debt



… while only partly utilising our hybrid capacity …

Debt leverage [2]



… led to a low debt leverage

[1] Adjusted persuant to IAS 8.
[2] Definition: Debt leverage = D / (D+E+M); where D = Strategic Debt, E = Equity, M = Minority interests. All subordinated bonds treated as debt.

Well defined ALM process basis for success

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ALM process

Liabilities	Replicating portfolio	Restricted neutral position	Benchmark portfolio	Active asset management
Determining the expected technical cash flows of our operating business	Calculation of risk minimal, investable asset portfolio, reflecting the capital market sensitivity of the liabilities	Risk minimal replication of liabilities and economic surplus Compliance with all legal and statutory requirements	Including strategic holdings determining an optimal, well diversified asset portfolio reflecting our risk preference	Providing MEAG with risk capital to add value through tactical deviations from the given Benchmark Portfolio
Best-estimate projections	Cash-flow and currency-matching	Compliance with all legal and statutory requirements	Long-term investment strategy with dynamic asset allocation overlays	Asset management skills

A disciplined, well defined process is the basis for good long-term performance results

Reserving approach protects solid balance sheet

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Group reserve position

Active reserve risk management	▪ Monitoring of reserve risk through statistical range and Reserve Risk Heat Map ▪ Early indicators of adverse development trigger immediate reserve adjustments ▪ Signs of positive developments are given time to manifest themselves **Reserve margin of 3–5% to absorb unexpected volatility**
Diversification	Reserve increases: US workers' compensation, US asbestos, Israel medical malpractice, Continental European motor XL, US other latent Reserve decreases: US accident years 2003–2005, property, primary insurance **Overall balanced reserve position in 2008**

Prudent approach for profitable growth

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Growth approach focused on **sustainability and profit over volume** has proven to be right

Unchanged strict application of investment criteria despite numerous opportunities arising from financial crisis

Adequate balance between acquisitions, greenfield operations, partnerships and other internal growth

Diversification of growth activities across all lines of business and selected regions pays off

No need to adjust our strategy

Outstanding cat bonds

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	Transaction	Closing	Volume	Perils covered
For clients	Muteki Ltd.	05/2008	US$ 300m	Earthquake Japan
	MIDORI Ltd.	10/2007	US$ 260m	Earthquake Japan
	Lakeside Re	12/2006	US$ 190m	Earthquake California
For clients & Munich Re´s book	Ianus Capital Ltd.	06/2009	€50m	Windstorm Europe & Earthquake Turkey
For Munich Re's book	Queen Street Ltd.	03/3008	€170m	Windstorm Europe
	Nathan Ltd.	02/2008	US$ 100m	Extreme mortality
	Carillon Ltd. Series 2	05/2007	US$ 150m	Hurricane US
	Carillon Ltd. Series 1	06/2006	US$ 51.5m	Hurricane US

- Generation of risk-based and fee income
- Munich Re is active investor in secondary market
- Improvement of own risk/return profile and cost efficiency
- Establishment of placement entity licensed in EU and Switzerland
- Offering one-stop shopping to clients as sponsors and ILS investors

Munich Re's Risk Trading Unit is a recognised player in the ILS market

Munich Re's maximum in-force NatCat protection

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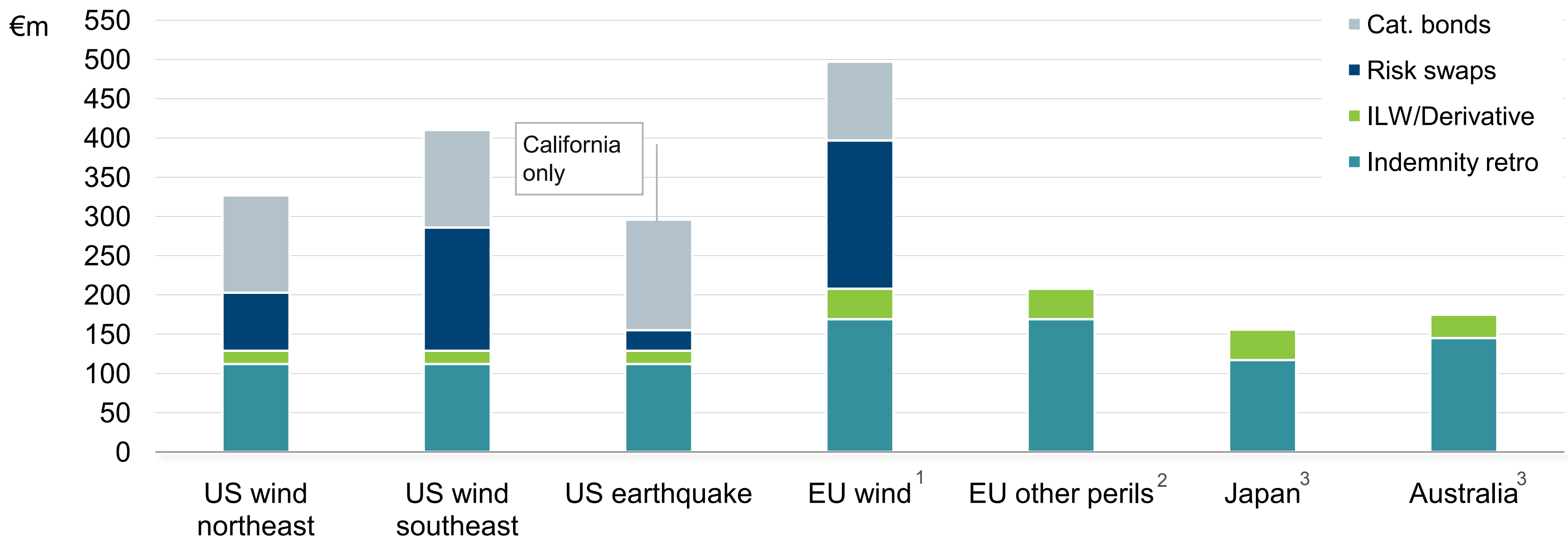

Less indemnity retro and ILW capacity available at acceptable prices (compared to 2008)

Focus on economic efficiency and improvement of diversification

Risk swaps further increase diversification within NatCat portfolio

Munich Re's financial strength allows opportunistic purchase of protection

As at May 2009
[1] Plus €70m aggregate protection. [2] Flood Germany (Rhine), Storm Surge UK. [3] Earthquake and wind.

Overview

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Reinsurance[1]		**2008**	2007[2]	2006[2]	2005	2004
Gross premiums written	€bn	**21.8**	21.5	22.2	22.3	22.4
Investments	€bn	**77.9**	81.9	85.0	87.0	81.2
Net technical provisions	€bn	**55.6**	55.4	59.6	63.4	58.2
Reserve ratio property-casualty	%	**270.5**	272.0	280.9	295.8	243.8
Large and very large losses (net)[3]	€m	**1,507**	1,126	585	3,134	1,084
Thereof natural catastrophe losses[3]	€m	**832**	634	139	2,603	713
Combined ratio property-casualty	%	**99.5**	96.4	92.6	111.7	98.9
Thereof natural catastrophe losses[3]	%-pts.	**6.2**	4.7	1.0	19.2	5.0

[1] Before elimination of intra-Group transactions across segments.
[2] Adjusted pursuant to IAS 8.
[3] Previous years adjusted owing to a change in methodology.

Portfolio gives flexibility to react to developments

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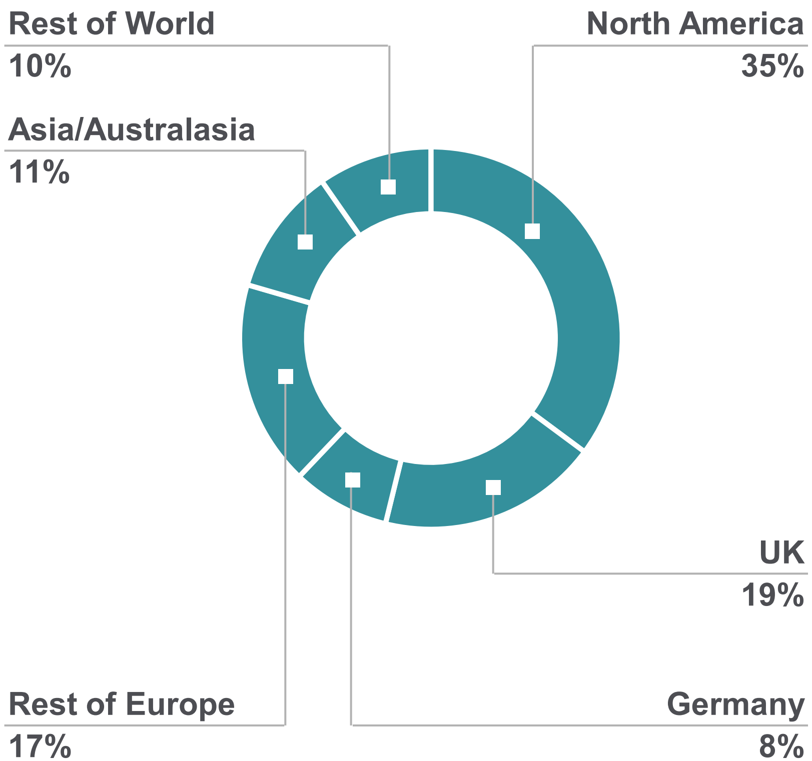
Total reinsurance business

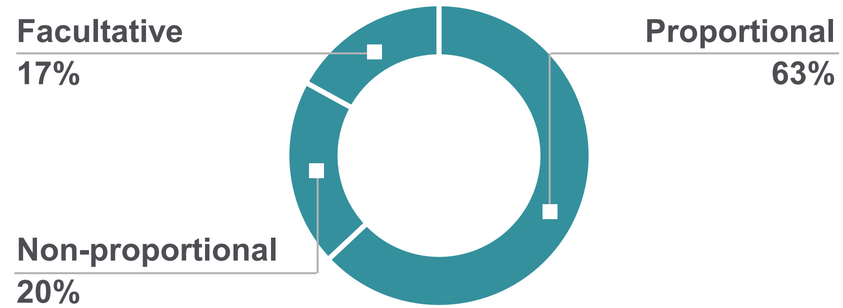
By region[1]



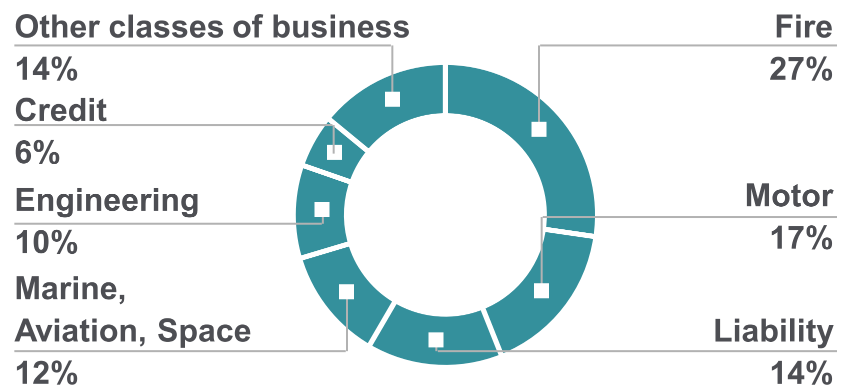
TOTAL GROSS WRITTEN PREMIUMS 2008[2]
€21.8bn

Thereof property-casualty reinsurance

By type of reinsurance[2]



By line of business[2]



TOTAL GROSS WRITTEN PREMIUMS 2008[2]
€14.7bn

[1] After elimination of intra-Group reinsurance across segments.
[2] Before elimination of intra-Group transactions across segments.

Renewal overview – Improvements in portfolio quality

Munich RE

Improving portfolio quality

Cancellation of unprofitable business	▪ Consistent cancellation of business not adequately priced and/or exposed to economic crisis ▪ Continued retraction from unattractive segments
Adding profitable new business	▪ Taking advantage of price increases and demand for high security ▪ Strict underwriting discipline
Increasing profitability of portfolio	▪ Substantial price increases in loss-affected regions and capital-intensive lines ▪ Gearing portfolio to short-tail business
Implementation of differential terms and conditions	▪ Improvements in terms reflecting Munich Re's strong position (e.g. exclusions, introduction of index clauses, sliding scales)

Increased profitability with further potential

Renewal portfolio changes since 1 January 2009

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Strict reduction of unprofitable business		
Germany motor	–€67m	Proportional –30%, XL –50%
Germany others	–€71m	Mainly other casualty –€23m Property proportional –€36m
Financial and Commercial D&O	–€248m	Non-risk-commensurate prices; cancellation of business correlated to recession
US casualty	–€61m	Split equally into motor and workers' comp.
China	–€203m	Proportional business
Japan property surplus	–€45m	Unbundling of bouquet treaties enabled us to cancel unprofitable parts

Taking advantage of significant price		
US property cat.	+€141m	Double-digit price increases
Offshore energy	+€146m	Double- to triple-digit price increases
US agro	+€220m	Continuation of successful business model
UK motor	+€39m	Original market is hardening
Japan NatCat XL	+€63m	Capacity allocation to NatCat due to favourable price development

Capacity reallocation from long-tail casualty to short-tail property as well as from proportional to non-proportional business

NatCat business drives premium growth and price increases

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- **Premium volume** of approx. **€1.3bn** was up for renewal in July (main markets US NatCat, Australia, and Latin America)
- **Premium increase** of **6.5%** driven by growth of NatCat business

- **Positive pricing trend** of recent renewals confirmed while heterogeneous picture regarding lines of business and regions remains
  - Significant **price increases** in major NatCat markets of **5 to 15%** due to recent loss experience, but also signs of capacity shortages for peak risks (i.e. higher layers)
  - Stable to **slightly positive price trends** in most other lines of business and regions
  - **Overall price increase** of **4.4%** less pronounced compared with April (7.2%) due to lower share of NatCat business at July renewal

- **Profitability** and **portfolio quality** improved due to consistent cycle management
  - Continued capacity reallocation from long-tail casualty to short-tail property
  - Shift from proportional to non-proportional business

- **Clients** willing to pay for higher financial security especially for capital-intensive risks

Munich Re ready to benefit from its financial strength and specific opportunities

Inevitably affected by economic crisis

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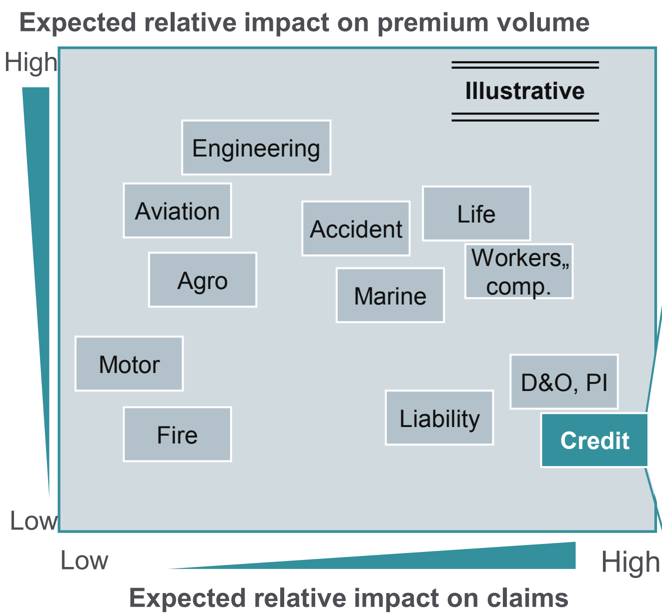
Impact of severe recession scenario on reinsurance portfolio[1]



Main developments

- Average combined ratio 2004–2008 83.6%
- Q1–2 2009: Combined ratio peaked at 173% (Q1–2 2008 85%), adjusted for one-off large claims (€217m) at approx. 110% (on 6-month basis)
  - Trade credit: Higher frequency of small-to-medium sized claims as expected within recessionary environment
  - Surety: Few large claims in crisis affected segments (especially facultative business in Asia); all other parts of the portfolio proved relatively stable
- Active risk mitigating measures have been taken at an early stage (e.g. no new business in highly exposed lines of business, strong reduction of exposure in selected markets and industries, etc.)
- Good diversification of portfolio in respect of industry sectors, geographical regions, type of coverage and with high granularity

Line of business "credit" affected by few isolated cases while underlying profitability remains relatively sound in a difficult economic environment

[1] As already indicated at analysts„ conference on 3 March 2009.

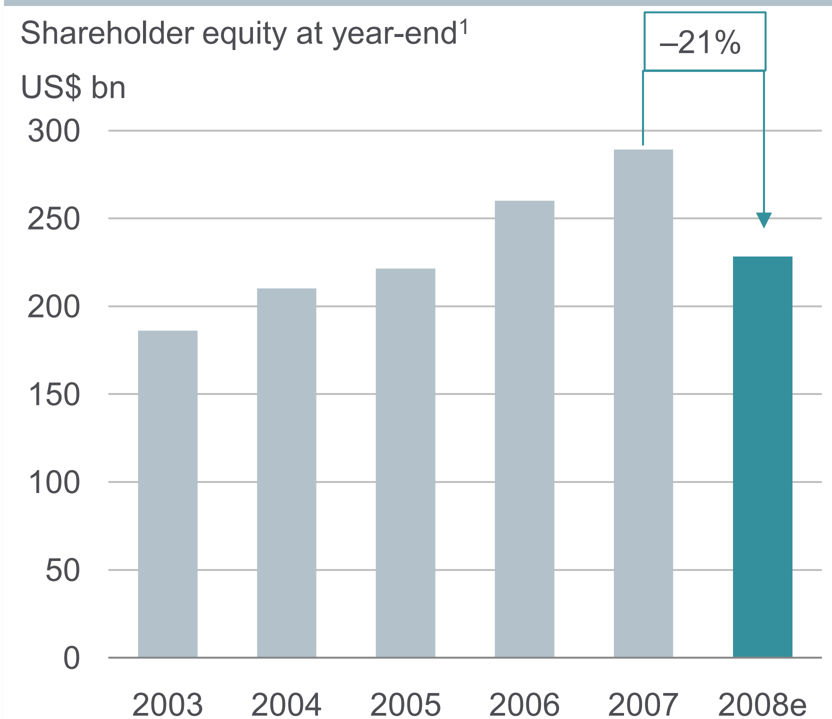
Munich Re benefits from sound capital base and positive customer feedback

Munich RE

Decreased capital base in global reinsurance in 2008 – Munich Re maintained sound

Shareholder equity at year-end[1]

US$ bn



Bi-annual Flaspöhler Survey Europe (2008): Leading position in important rating factors

	Factor	Ranking Munich Re	
Non-life	"Strong client orientation"	#1	(1)
	"Leading expertise and market knowledge"	#1	(1)
	"Underwriting capabilities"	#1	(1)
Life	"High financial value"	#1	(4)
	"Superior financial security"	#2	(4)
	"Timely service"	#2	(6)

() 2006 ranks in brackets

In a market with increased demand for surplus relief, we deliver on critical requirements of our customers

[1] Data 2003–07 based on financial reports of 35 global reinsurance companies (incl. some primary insurance business); 2008 estimate based on external assessments of biggest 15 companies as at February 2009; development influenced by exchange rate effects.

Requests for capital relief deals

Munich RE

Drivers of demand

Investment losses and decreased capital base

Higher risk exposure and risk capital needs

Demand for surplus relief increased, in addition capital market currently with limited capacity

Reinsurance solutions provide advantages

Capacity with high security

Immediate risk capital relief

Specific requirements can be addressed in tailor-made transactions

Risk appetite for transactions reflected in underwriting policy

Focus on transactions with transfer of insurance risks	Limit transactions with significant credit risk	Caution with outflow of liquidity	Avoidance of risks highly correlated to recession

Focused and differentiated capture of opportunities in life and non-life reinsurance

Reinsurers ranked by net reinsurance premiums written

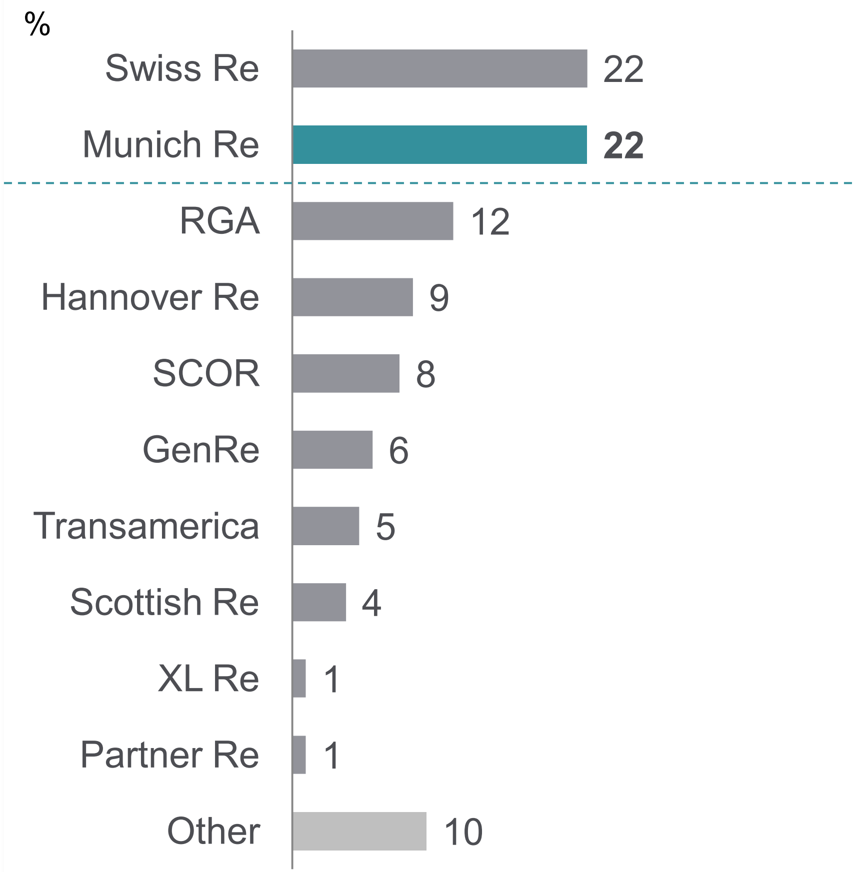
Rank	Company	Country	Net reinsurance premiums written US$ m 2008
1	**Munich Re**	Germany	**29,077**
2	Swiss Re	Switzerland	24,296
3	Berkshire Hathaway Re	U.S.	12,123
4	Hannover Re	Germany	10,196
5	SCOR	France	7,500
6	Lloyd's	U.K.	6,702
7	Reinsurance Group of America Inc.	U.S.	5,349
8	Transatlantic Holdings Inc.	U.S.	4,108
9	Partner Re Ltd	Bermuda	3,989
10	Everest Re	Bermuda	3,505
11	Tokio Marine Group[1]	Japan	2,778
12	XL Re	Bermuda	2,403
13	Korean Reinsurance Co	Korea	2,227
14	Odyssey Re	U.S.	2,031
15	Transamerica Re (Aegon)	U.S.	1,928
16	Mitsui Sumitomo Insurance Co. Ltd.	Japan	1,705
17	Mapfre Re	Spain	1,684
18	Sompo Japan Insurance Inc.	Japan	1,661
19	Caisse Central de Réassurance	France	1,653
20	Toa Re Co. Ltd.	Japan	1,640
Total Top 20			**126,555**

Net premiums written relate to reinsurance business only.

Munich Re well positioned to capture full market potential

Munich RE

Global market share[1]



Highlights

Traditional life reinsurance business to provide earnings stability going forward

Market leaders to continue increasing their market shares at the expense of smaller competitors …

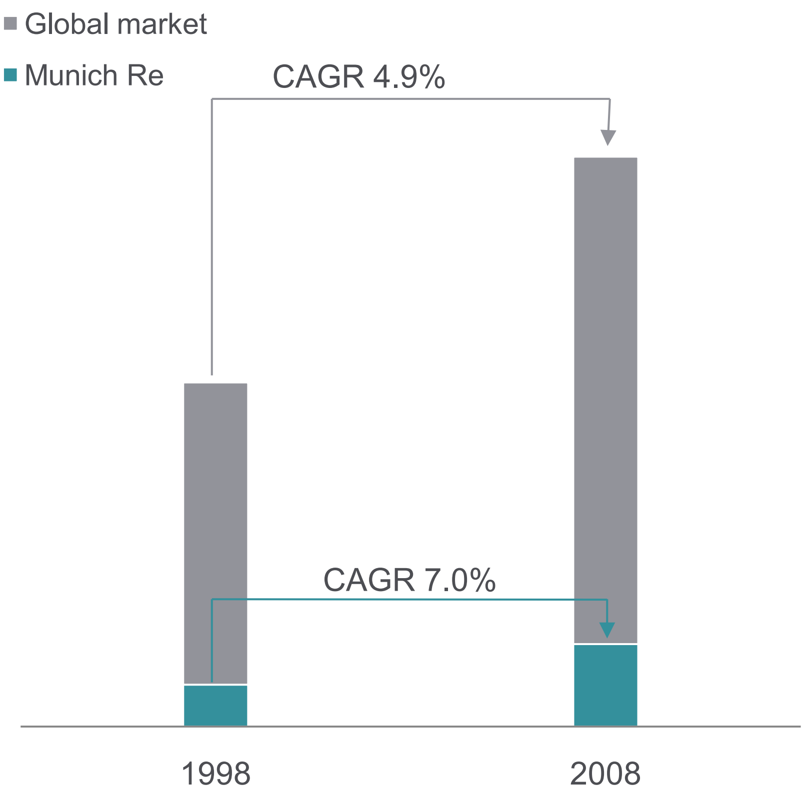
… as increasing demand for know-how and capital-intensive solutions are expected to benefit the leading players …

… resulting in high barriers of entry

[1] Source: Munich Re Economic Research based on company reports. Estimates based on life and health net earned premiums 2008.

Munich Re to fully capitalise on growth of life reinsurance market

Gross premiums written life reinsurance[1]



Highlights

Increase in market share mainly based on organic growth

Premium growth fuelled by market opportunities

Above-average growth expected to persist in the coming years

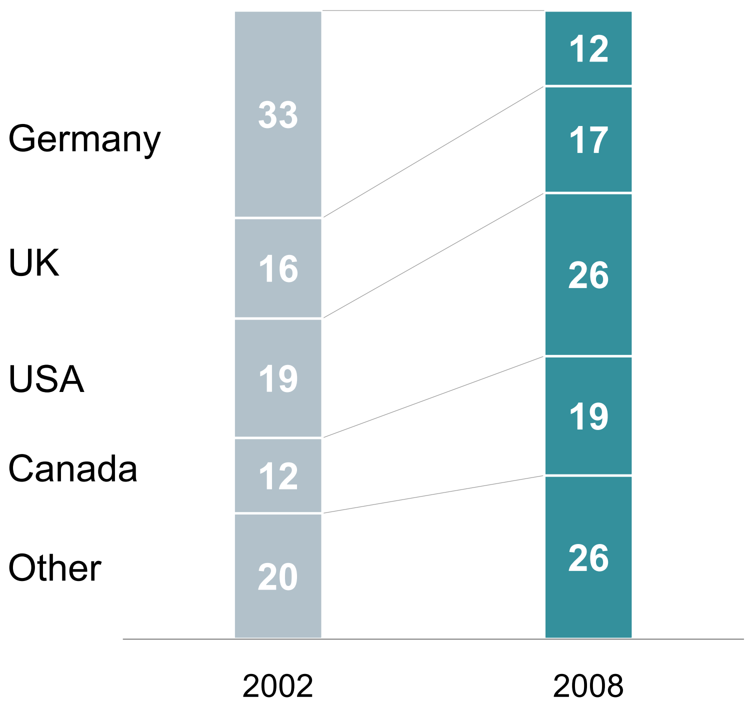
Bottom-line focus prevails

[1] Source: Munich Re Economic Research; Munich Re: gross premiums written in life reinsurance; global market: estimate for ceded life insurance premiums worldwide.

Well-diversified portfolio with focus on biometric risks

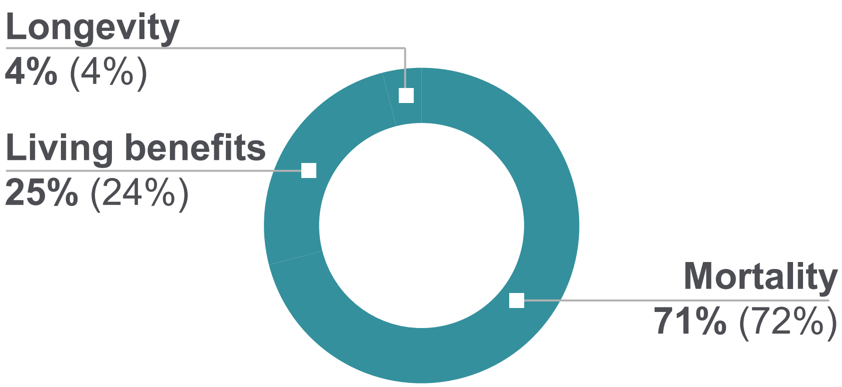
Munich RE

Distribution of life reinsurance GPW



Total GWP 2008
€5,273m

Share of net premium 2008 (2007)



Highlights

Mortality covers dominate top and bottom line (as well as risk capital)

Mortality portfolio successfully supplemented and diversified by living benefits covers

Small exposure to longevity and non-proportional covers

Low level of market risk involved

Quest for growth in earnings

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Stringent execution of new strategy to achieve growth in …

… USA	… Europe	… Asia
New vision and strategy to capture market potential and acquire a leading position	Make use of big opportunities from IFRS Phase II and Solvency II	Capitalise on significant investments made and benefit from emerging market growth
Replicate the Canada success story	Utilise our superior risk-modelling and structuring capabilities	Build on long-standing and strong local presence
Short term	Medium term	Long term

Reinsurance the preferred solution for capital relief

Munich RE

Reinsurance solutions provide many advantages	Achievements[1]
Immediate risk/solvency capital relief	Number of closed deals: 10
Capacity with high security	Expected total GPW of new business >€2bn p.a.
Specific requirements can be addressed in tailor-made transactions	VANB of new business in the low 3-digit million Euros
Provides a high degree of flexibility and can avoid negative publicity	
Trust, based on long-term relationships	Further deals in the pipeline due to deteriorating capitalisation

Deals fit perfectly with Munich Re's risk appetite and strategy

Strengthening long-term client relationships	Transfer of mortality and morbidity risks	No assumption of investment risks	Meeting profitability requirements with attractive RoRaC

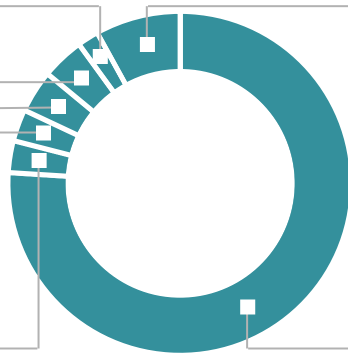
Capitalising on opportunities arising out of increasing need for reinsurance, not jeopardising our solidity

[1] Includes life and health business (life approx. 40%, health approx. 60% of premium volume).

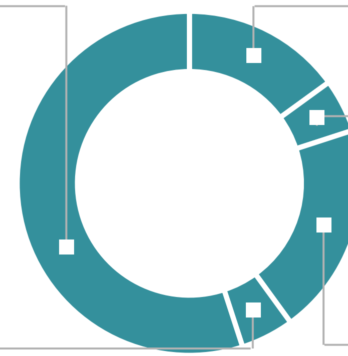
Overview

Primary insurance[1]		2008	2007	2006	2005	2004
Gross premiums written	€bn	**17.4**	17.3	16.7	17.6	17.5
Investments	€bn	**114.3**	109.3	107.4	105.9	115.0
Net technical provisions	€bn	**101.6**	97.0	94.3	90.8	96.1
Reserve ratio property-casualty	%	**117.0**	121.4	124.9	113.1	116.8
Combined ratio property-casualty	%	**91.2**	93.4	90.8	93.1	93.0

ERGO – Gross premiums written 2008 by region



ERGO – New business 2008 by distribution channels



[1] Adjusted pursuant to IAS 8.

Economic crisis with severe threats and some opportunities

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Threats

LIFE
- Impact on investment result and profit participation
- Reluctance of customers to make major investment decisions
- Lapses might go up

HEALTH
- Crisis might lead to higher illness rates
- Lower salaries limit new business opportunities for comprehensive cover

NON-LIFE
- Lower demand to insure economic activity (e.g. goods in transit, building activity, etc.)
- Turnover-related premiums to decline
- Criminal activities/fraud might rise

Opportunities

LIFE
- Guarantee products more attractive
- Less competition from fund/certificate industry

HEALTH
- Public health system under additional pressure due to income related premiums might make private health insurance more attractive

NON-LIFE
- Customers' need for safety rises
- Lower economic activity reduces claims

Bleak economic environment poses severe threat – but has also some opportunities

Attractive business mix focusing on personal lines

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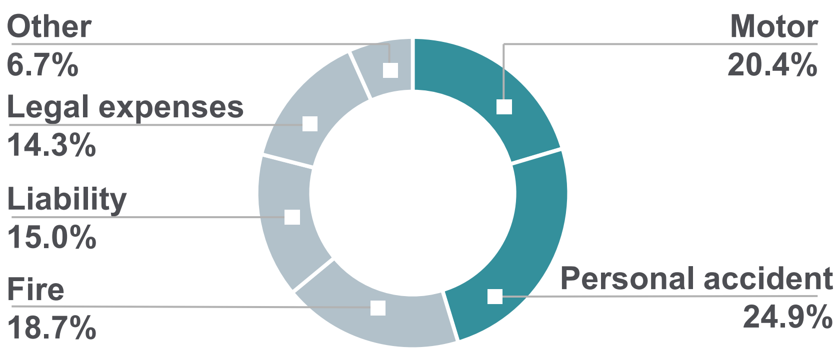
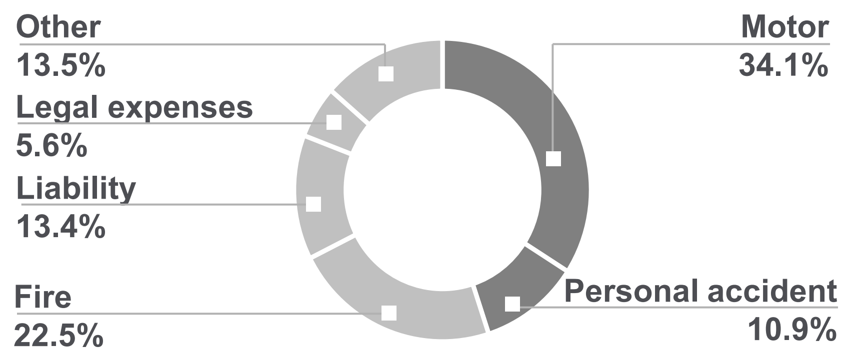
ERGO 2008 – Gross premiums written

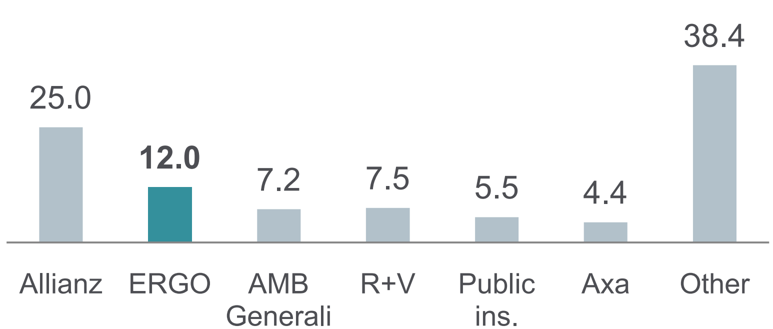


German market 2008[2] – Gross premiums



German personal accident market 2007[1]

Market share in %



Key considerations personal accident

- Demands active sales process
- Portfolio with high degree of stability
- Low capital requirements
- Highly profitable: combined ratio 2008 (German GAAP) at 77.3% (78.0%)
- Strategic initiative to enrich products with services

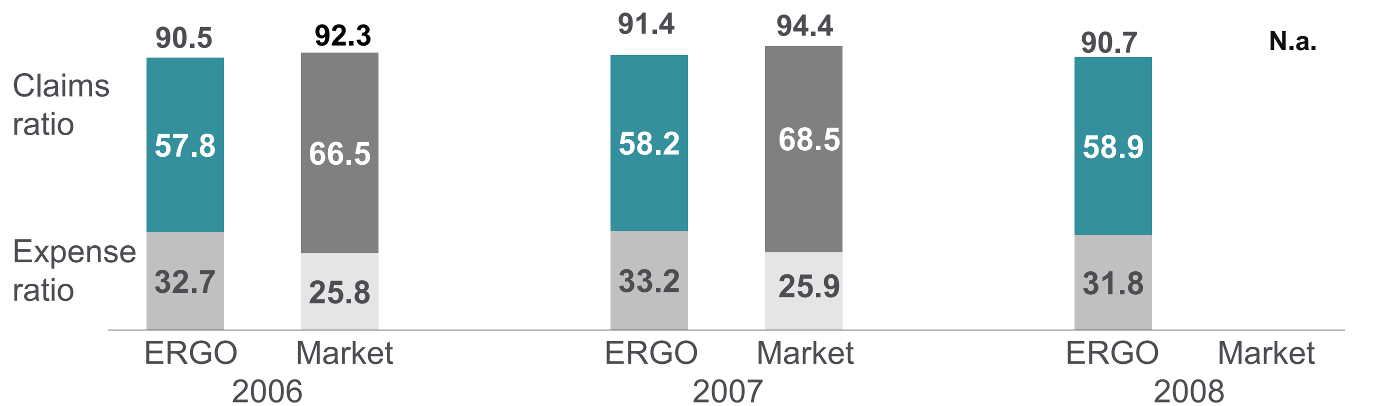
[1] Includes pure risk policies as well as policies with premium refunds; ERGO's (Allianz's) share of pure risk policies: 90.3% (36.1%).

Sources: Annual reports 2008, GDV year-end statistics (status 05/2009).

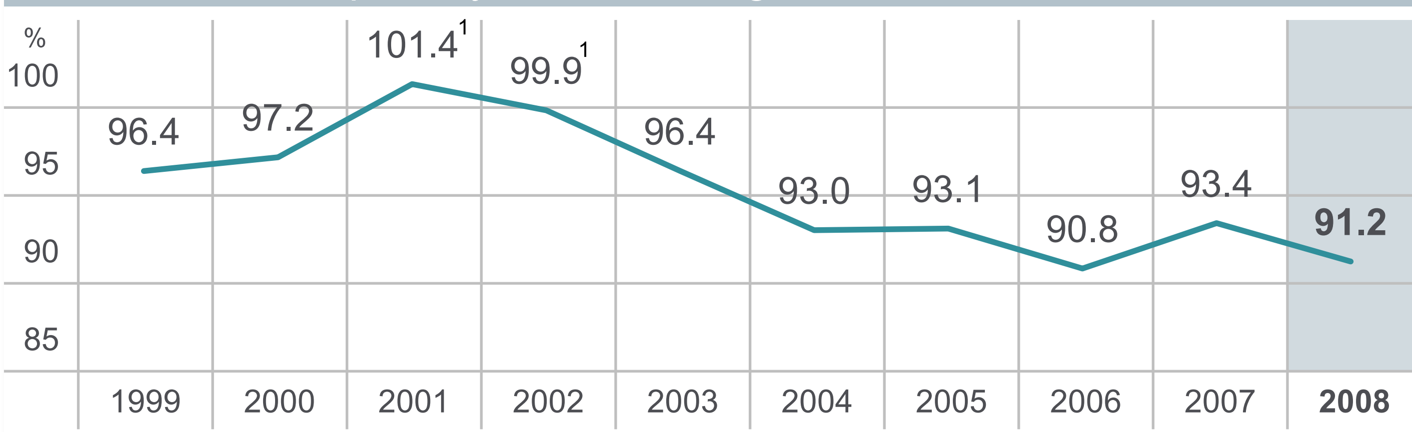
[2] Preliminary figures.

Excellent combined ratios

Combined ratio ERGO vs. market (German GAAP)



Combined ratios primary insurance segment



- Trade-off: Higher expense ratios than market due to different business and sales channel mix
- More than compensated for by lower claims ratios

[1] Mainly due to German flood losses and acquisitions in Italy and Eastern Europe.

New business development 2008 not satisfactory

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German new business development

€m	Regular premium	Single premium	Total	APE
2007	467	1,148	1,615	582
2008	**464**	**981**	**1,445**	**562**
Δ	**–0.7%**	**–14.5%**	**–10.5%**	**–3.4%**

Explanation of new business development

- Insurance contract law made sales process more complex – mainly felt in bank and multi-level channels
- Financial market crisis impacted new business, especially
  - Bank channel
  - Corporate pensions (–27%, in line with market)
- "Riester step" with positive effect

Initiative 1

Simplify and harmonise processes and systems

Initiative 2

Enhance target group orientation in product policy

Initiative 3

Improve transparency and customer orientation

Initiative 4

Growth focus on investment-type products

Initiative 5

Increase corporate pension business

VBM: Hedge against low interest rates

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Motivation

- Protection against long-term low interest rate scenario (Japan scenario)
- Reinvestment over a longer period of time might only be possible at low interest rates
- Average coupon might be near to or even lower than average guarantee of ~3.4%

10-year yield curve – Government bonds

Solution

- Acquisition of structured products: Receiver swaptions
- Gives buyer of receiver swaptions opportunity to invest in the future if interest rate environment is low at an interest rate agreed on today
- Works like an option – If future market rate is higher than agreed rate, value of option is zero
- Long-term programme started 2005 – Yearly adjustments according to change in portfolio

ERGO to withstand sustained period of low interest rates

Market changes due to problems in social security system

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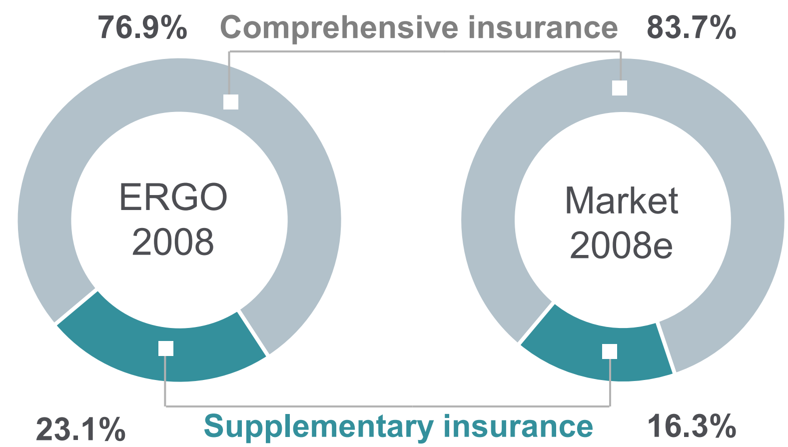
Health reform environment

Waiting period for eligibility for private health insurance	New business in employee customer segment impacted
Uniform premium rate in statutory health insurance	Increased attractiveness of private health insurance
Basic tariff	Makes private health insurers' tariff port-folio more complex
Portability of ageing reserves	Makes switching insurer easier – no significant effect yet

ERGO strong in supplementary business



	Share of supplementary insurance 2008	Market share
DKV	18.1%	15.6%
VICTORIA	30.8%	4.7%
KarstadtQuelle Versicherungen	98.2%	4.2%

Good results and organic growth

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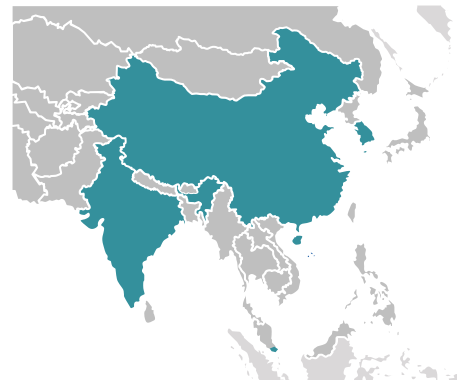
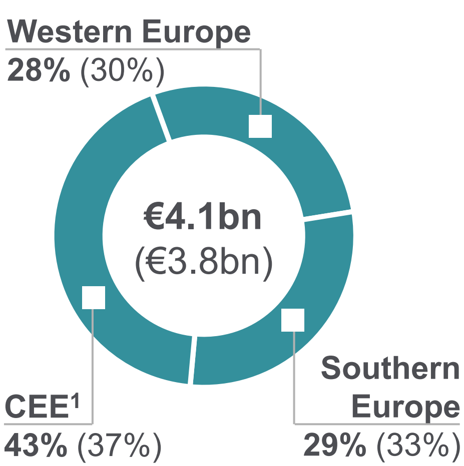
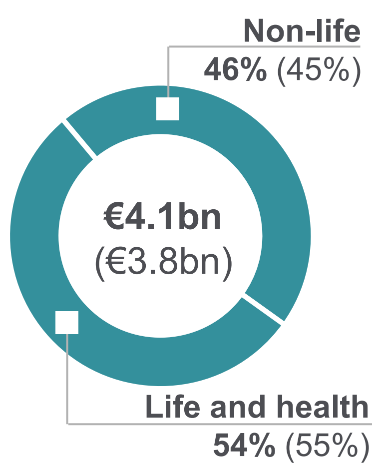
ERGO in Europe

ERGO in Asia



Total premiums in Europe 2008 (2007)





Highlights Asia

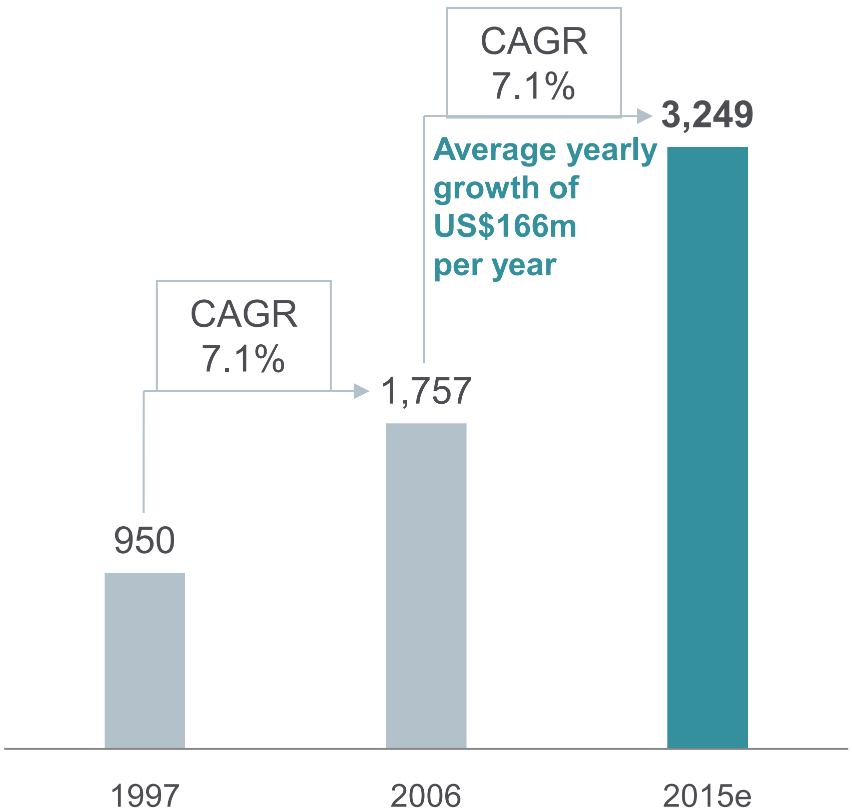
- South Korea: Direct motor insurer ERGO Daum Direct with 2008 consolidated premium income of €106m
- India: Joint venture with HDFC Ltd. in non-life running
- China: Advanced process of seeking JV partner
- Singapore: ERGO Asia Management Pte. Ltd. founded in 2008

[1] Incl. Austria.

Drivers of International Health strategy remain unchanged

Continuous growth in expenditure of health

Private healthcare expenditure – OECD countries, USD bn[1]



Our opportunity

Main drivers of above-average growth of international health markets do not change in times of financial crisis

- Demographic development
- Medical progress
- Life style changes
- Rising demand in developing countries

Resolute implementation of initiatives started, e.g.

- Integration of Sterling
- Implementation of new organisational structure identifying additional growth opportunities
- External growth
- Organic growth in existing markets

Source: OECD health data (2008).
[1] Constant prices, constant PPPs.

Global specialised health risk carrier

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ABU DHABI
Mandatory health insurance within public-private JV 20%
Daman
National Health Insurance Company

TAIWAN
Consultative reinsurance
MUNICH HEALTH

USA
Acquisition of specialised health insurance companies
STERLING

INDIA
Specialised PHI[1] with private healthcare JV partner 25.5%
Apollo DKV Health Insurance

MUNICH HEALTH

AMBITION

Global leader in health insurance solutions

DKV

BELGIUM
Assuming portfolios of multi-line insurance companies
DKV Belgium

CHINA
Specialised PHI with state-owned JV partner 19%
PICC
PICC HEALTH INSURANCE COMPANY LIMITED

ITALY
Adjustment of business model set-up
DKV Salute

EXPAT BUSINESS
Specialisation/focusing on specific growth segments
DKV GLOBALITY

UAE, JORDAN
Comprehensive services for primary insurance clients
MedNet

DENIA/SPAIN
Assuming public health function
DKV ¡Vive la Salud!

[1] PHI= private health insurer.

Stringent execution of strategic initiatives

Munich RE

	Strategic initiatives	Status	
"First Wave" **Seed** Mid- and long-term growth in emerging markets via start-ups	**India:** JV between DKV and Apollo Hospitals Group	Successful launch of Apollo DKV Health insurance (08/2007) – sales network development behind plan	yellow
	Abu Dhabi: Daman – first health insurance company in the country	Strong growth of Daman continues: approximately 1.7 million insured members	green
	USA: Employer Stop Loss (Going direct)	Further initiatives in pipeline – resolute implementation of going direct strategy	green
+	**Strategic alliances** with bancassurance/composite groups	Development of cooperation with large financial institutions – further initiatives in pipeline	green
"Second Wave" **Capture** Acquiring and building significant growth sources in mature markets	**Acquisition** of health insurance players in selected markets	▪ Integration of Sterling Life ▪ M&A in priority markets	green yellow
	Transform business models to capture market opportunities	Advancement of business model in Italy: Successful launch of DKV Salute (01/2008)	green
	Expand into **provision of care** in order to grow insurance business	Concession model in Denia/Spain: Successful launch end of 2008	green

Continuous growth in premiums and profit expected

Successful niche player for more than 140 years

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- HSB is a leading global provider of specialty insurance and reinsurance, inspection services and engineering consulting for businesses, industries and institutions
- With more than 2,500 employees worldwide, HSB conducts highly profitable business in the fields of
  - Equipment breakdown and engineered lines insurance, and other specialty products
  - Equipment inspection and engineering services
  - Property loss control services, as well as other risk management services, serving more than 5 million locations
- HSB had over US$ 1.0bn of gross written premiums and service revenues in 2008[1], predominately originating from operations in the United States, Canada and the United Kingdom
- Shortly after the acquisition by Munich Re, A.M. Best Company awarded HSB a financial strength rating upgrade to A+ (Superior)
- HSB's half-year 2009 results are outperforming Munich Re's acquisition business case

HSB from first day on EPS-accretive for Munich Re shareholders

[1] Based on US GAAP.

Accompanying the manufactured product along the supply chain

Munich RE

HSB Global Standards

Think Ahead

Certification around the globe

- Set standards & codes
- Quality materials & fine workmanship
- Fee inspections

Core Equipment Manufacturing

In Service Equipment

- Placed in service

Assume risk and bundle services

- Insurance risk
- Jurisdictional inspections
- Risk management

Low loss cost

High profit margins

Expert risk knowledge

Outstanding returns on capital

Unique product distribution and service franchise

Munich RE

REINSURANCE ORIENTED

Client Company Model

- Insurance coverage and services fully integrated into Client Companies´ product offerings
- Long-standing relationships with 15 of the 25 largest US commercial insurers
- HSB acts as reinsurer with an intensive service component (global presence of 1,200 engineers)
- Rapid expansion of new strategic products to complement core business
- Services + consulting make meaningful contribution to HSB's engineering knowledge base and experience

Gross written premium 2008: US$ 719m[1]

Risk Carrier

The Hartford Steam Boiler Inspection and Insurance Co. 1866 – Think Ahead

bi&i

HSB Engineering Insurance Limited

Services & Consulting

HSB Global Standards

HSB Professional Loss Control

Solomon Associates – M³ – Measure. Manage. Maximize.®

Haughton

HSB Engineering Insurance Limited

Revenues 2008: US$ 182m[1]

Gross written premium 2008: US$ 211m[1]

- Large network of independent agents: 6,000 in US, 4,000 in Canada and 1,000 in the UK
- Intellectual capital and best-in-class reputation supports long-standing customer relationship and high agent satisfaction
- Services and consulting businesses enhancing underwriting decisions and claims prevention

Direct Business Model

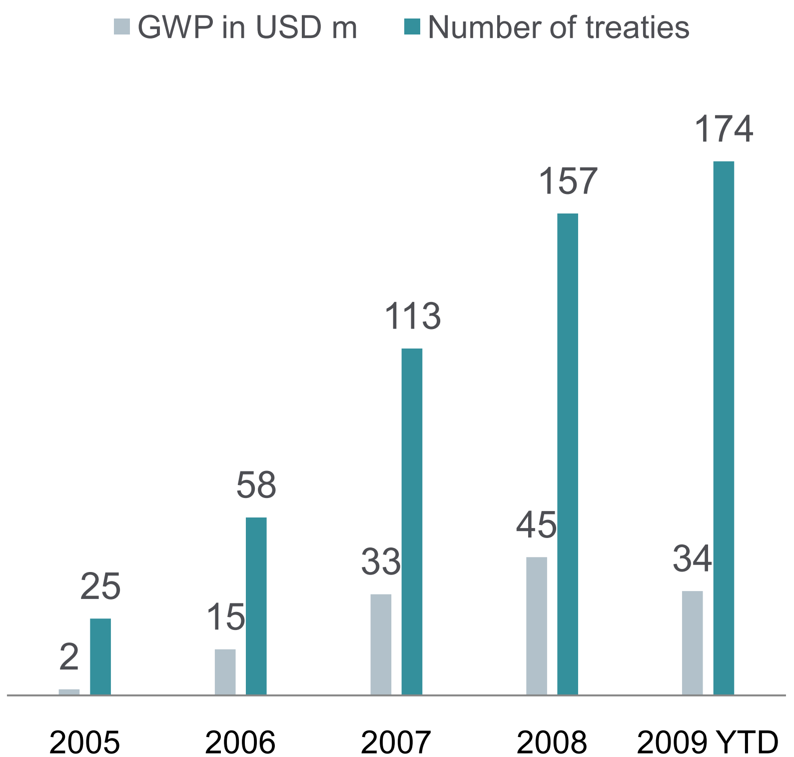
PRIMARY INSURANCE ORIENTED

[1] US GAAP figures as of 31 December 2008 as reported by HSB.

Strategic products to strengthen client company relationships

Munich RE

Gross written premium[1] and product orders



Characteristics of Strategic Products

- “Look and feel” of commercial equipment breakdown (EB) product:
  - Responding to an un-served or underserved need in the marketplace
  - Having a compelling service/support element(s)
  - Broad application across HSB´s Client Company customer base
- For example: Equipment breakdown for home owners and farm owners, identity recovery insurance, data compromise and employment practices liability

Goals of HSB´s strategic products

- Providing the underwriting, loss prevention, marketing, form & filing support and claims services - similar to what HSB does for EB
- Approx. 65% of HSB´s U.S. Client Companies write or have committed to write one or more of these strategic products with HSB

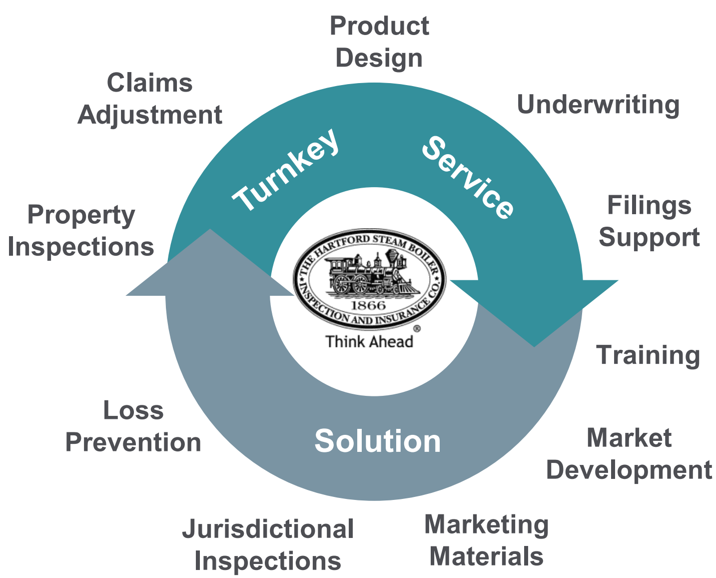
In collaboration with MR entities strategic products will continue opening new markets, enabling client penetration and creating growth opportunities in the future

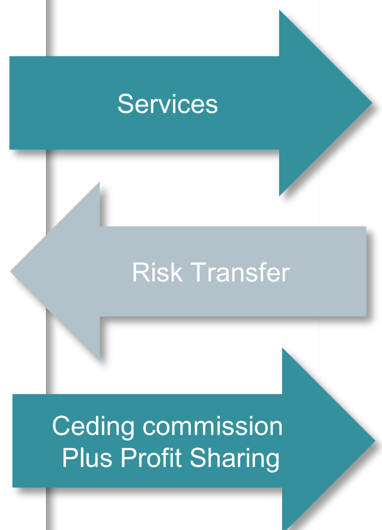
[1] Based on US GAAP

Client company business model: HSB as EB outsourcing partner

Munich RE

HSB





HSB benefits from:

- Increased volume of persistent premium
- Efficient distribution
- Spread of risk

Client Company

Client Company benefits from:

- Ceding commission and profit sharing
- A more competitive product in the commercial multi-peril market
- Access to HSB services
- Efficient use of risk capital

(Re)insurer with intensive service component and a promising platform for new product offerings on a 'white-labeling' basis

Core integration will be accomplished on time

Joint business development	Cross-selling synergies in the US and internationally are being evaluated with the goal of coordinating a joint client approach. First new US accounts generated for Munich Re.
Legal and regulatory requirements	Financial reporting processes were implemented in accordance with Munich Re standards based on IFRS. Full consolidation of HSB since 31 March 2009.
Functional and technical integration activities	Cross-functional integration is well underway, covering inter alia risk management, legal, planning and corporate underwriting topics.
Investment management	Management of HSB's asset portfolio was transferred to MEAG, the Group-wide asset manager. Custodial and investment accounting services were streamlined with the other US entities, resulting in cost savings.
Decoupling services from AIG	Back-office services conducted by AIG are gradually being transferred to Munich Re entities (e.g. HR payroll processing) on a shared-service basis.

Focused Munich Re integration approach supported by highly dedicated and motivated HSB teams will result in a very strong and successful HSB operation within Munich Re

Significant value creation as part of Munich Re

Munich RE

Drivers for Munich Re

Synergies	▪ With the addition of HSB, Munich Re Group's substantial US operations are intensifying cooperation in order to generate cross-selling potentials, further enhancing Munich Re's property and engineering capabilities as well as back-office synergies (e.g. shared services for Central Procurement)
Solid platform for new product development and distribution	▪ Joint product development in order to further strengthen HSB's strategic product portfolio as a constantly growing source of revenue ▪ HSB has the knowledge and access to clients to implement combined product and service offerings for Munich Re Group
Centre of excellence for equipment breakdown	▪ HSB is a true knowledge provider for Munich Re Group to further improve its underwriting excellence in profitable niches
HSB is part of Munich Re Group family	▪ Affiliation to Munich Re Group will enable HSB to further benefit from Munich Re's solid balance sheet strength (e.g. rating upgrade by A.M. Best to A+ in April 2009) and market presence

A natural extension of our US market strategy to build a dominant position in specialty business and deliver growth and healthy underwriting results

Transparency in financial reporting further improved

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Segmentation

Two-step concept for the business field of International Health	Separation of life and health in primary insurance

IFRS impact of technical changes limited – opportunity used for further improvement of disclosure

Breakdown of operating result

TECHNICAL RESULT	NON-TECHNICAL RESULT
Underwriting items plus income from technical interest	Investment result and other non-technical result components, deduction of income from technical interest

Separated from operating result

Other non-operating result (e.g. foreign-exchange gains/losses)	**Finance costs**
Impairment of goodwill	**Tax**

Satisfactory consolidated result

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GROUP
Gross premiums written

€m	
Q1–2 2008	18,853
Q1–2 2009	**20,693**

Good organic growth, acquisitions and positive FX effects

REINSURANCE
Combined ratio property-casualty

%	
Q1–2 2008	99.5
Q1–2 2009	**97.7**

Improved combined ratio, slightly above expectations

PRIMARY INSURANCE
Combined ratio property-casualty

%	
Q1–2 2008	90.7
Q1–2 2009	**94.7**

H1 2008 exceptionally low, higher claims in Germany and abroad

GROUP
Investment result

€m	
Q1–2 2008	3,261
Q1–2 2009	**3,552**

Reduced write-downs, but lower regular income and realised gains

GROUP
Operating result

€m	
Q1–2 2008	2,281
Q1–2 2009	**2,119**

Lower technical not fully compen-sated by higher investment result

GROUP
Consolidated result

€m	
Q1–2 2008	1,405
Q1–2 2009	**1,123**

Consolidated result €703m in Q2 well above Q1 (€420m)

Stable shareholders' equity in H1 2009 signals capital strength

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€m	Q1–2	Change Q2
Equity 31.12.2008	21,256	–
Consolidated result	1,123	703
Changes		
Dividend	–1,073	–1,073
Unrealised gains/losses[1]	–58	119
Exchange-rates	53	–216
Share buy-backs	–57	–
Other	24	72
Equity 30.6.2009	**21,268**	–395

Shareholders' equity
Stable despite €1.1bn
dividend payment and share buy-back

Unrealised gains/losses
Increased yields and realisation of gains on equities
almost offset by lower credit spreads

[1] On other securities.

Reinsurance business supports Group earnings

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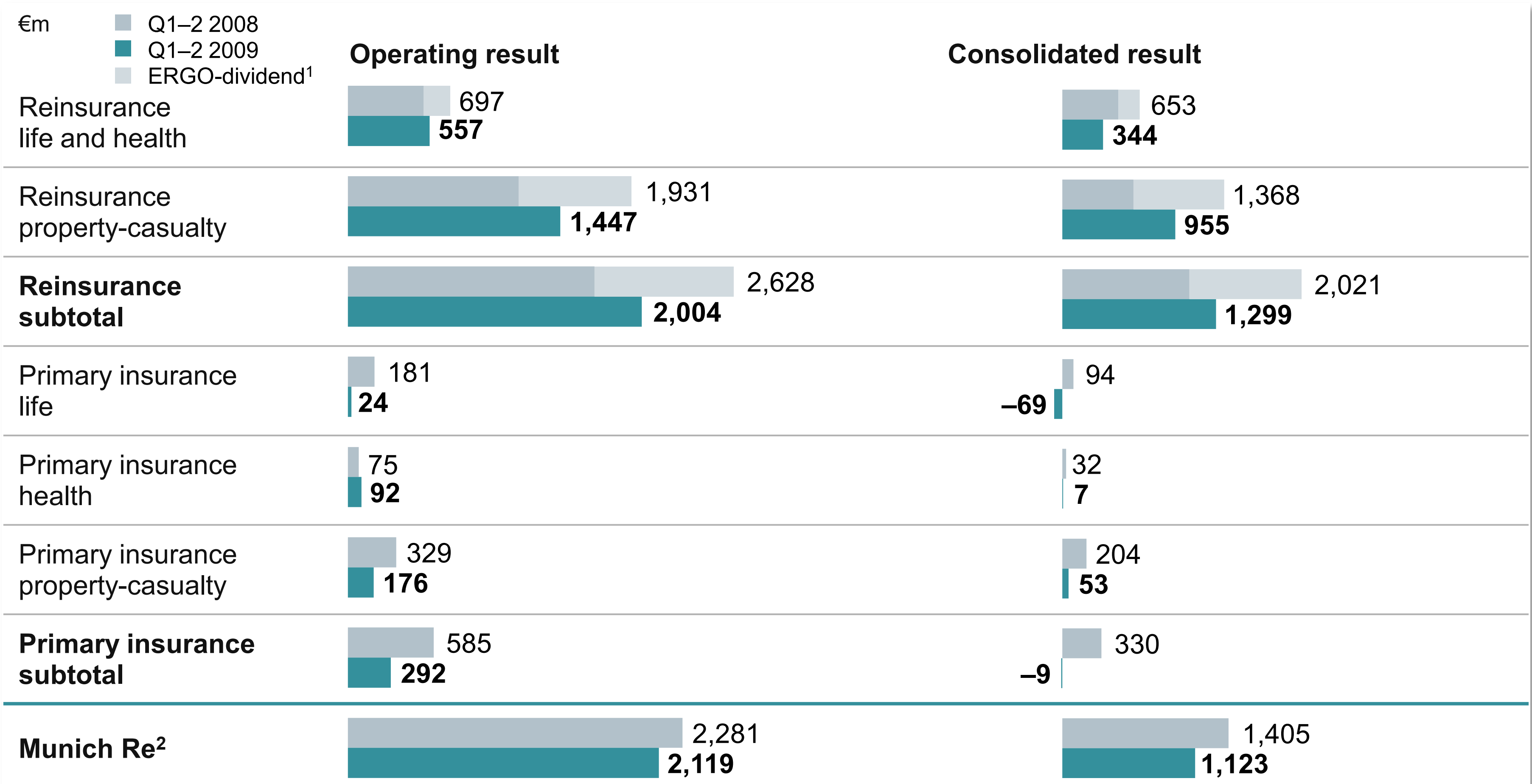

[1] Q1–2 2008 incl. ERGO-dividend of €947m (before tax), thereof RI life and health: €180m, RI property-casualty: €767m.

[2] Operating result Q1–2 2009 including asset management (€29m, Q1–2 2008 €49m) and consolidation (–€206m, Q1–2 2008 –€981m). Consolidated result Q1–2 2009 including asset management (€16m, Q1–2 2008 €34m) and consolidation (–€183m, Q1–2 2008 –€980m). The consolidation figure in Q1–2 2009 includes the elimination of the intercompany sale of Europäische Reiseversicherung from Munich Re AG to ERGO AG amounting to €139m.

Below-average NatCat losses, but higher man-made losses

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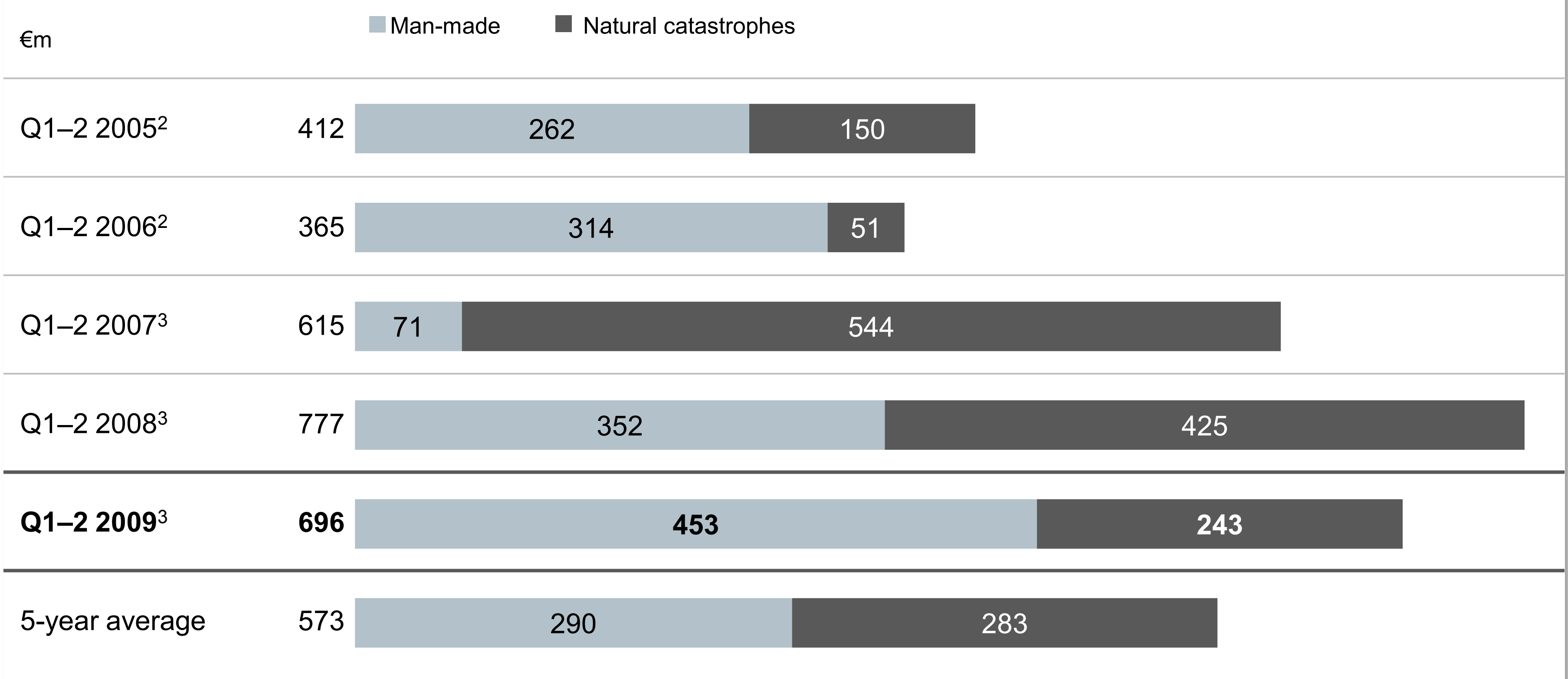
Reinsurance segment: Major losses[1] over €10m each



[1] Incl. claims in life.
[2] Major losses over €5m each; Q1-2 2005 excl. run-off-profits, Q1-2 2006 incl. run-off profits.
[3] Incl. run-off profits.

Higher investment result due to unit-linked contribution

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- Declining regular income due to lower dividends resulting from reduced equity exposure and lower dividend levels in general, partially compensated by higher (volume-driven) interest payments on fixed-income securities
- Improved balance of other income/expenses mainly due to an improved result of unrealised gains/losses for unit-linked life insurance
- Lower net result from disposals mainly due to lower result from disposal of derivatives on non-fixed interest securities, partially offset by higher gains on fixed-interest securities
- Improvement of non-cash related write-ups/write-downs: Lower write-downs on afs-non-fixed securities counterveiling lower write-ups on afs-non-fixed interest derivatives

Overall higher RoI of 4.0% (Q1–2 2008: 3.8%, Q1 2009: 3.1%)

	€m	**Q1–2 2009**	Return[1]	€m	Q1–2 2008	Return[1]
Regular income	**3,768**		**4.2%**	4,066		4.8%
Write-downs/write-ups of investments	**–667**		**–0.7%**	–1,168		–1.4%
Gains/losses on the disposal of investments	**639**		**0.7%**	876		1.0%
Other income/expenses	**–188**		**–0.2%**	–513		–0.6%
Investment result	**3,552**		**4.0%[2]**	**3,261**		**3.8%[2]**

[1] Return on quarterly weighted investments (market values) in % p.a.
[2] Incl. change in on- and off-balance-sheet reserves of 3.5% in Q1–2 2009 and –3.0% in Q1–2 2008.

Shift into fixed-interest securities and loans – Lower dividend income

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€m	Q1–2 2009	Q1–2 2008	Change
Afs-fixed-interest	2,213	2,043	170
Afs-non-fixed-interest	196	685	–489
Derivatives	82	57	25
Loans	943	825	118
Real estate	166	160	6
Deposits retained on assumed reinsurance and other investments	144	228	–84
Other	24	68	–44
Total regular income	3,768	4,066	–298

Main effects in Q1–2 2009

- Lower regular income from dividends resulting from strongly decreased equity exposure and generally decreasing dividends paid
- Partly compensated by higher regular income from increased fixed income portfolio
- Lower income from deposits due to distinct reduction of deposits with banks
- Other mainly affected by lower income from affiliated and associated companies

Significantly lower write-downs on equities

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€m	Q1–2 2009	Q1–2 2008	Change
Afs-fixed-interest	–126	–29	–97
Afs-non-fixed-interest	–236	–2,164	1,928
Derivatives	–221	1,124	–1,345
Loans	–	–	–
Real estate	–47	–93	46
Other	–37	–6	–31
Total net write-downs/write-ups	–667	–1,168	501

Main effects in Q1–2 2009

- Substantially lower non-cash related write-downs of equities following consistent de-risking and stock market appreciation in Q2 2009
- Negative contribution from derivatives: Higher write-downs as share prices increase and negative impact from interest-rate hedging in primary life insurance resulting from higher interest-rate levels
- Higher impairments on afs-fixed-interest investments, in particular bank subordinated/loss-bearing bonds and structured products (mainly in Q1 2009)

Lower contribution from derivatives

€m	Q1–2 2009	Q1–2 2008	Change
Afs-fixed-interest	362	225	137
Afs-non-fixed-interest	165	137	28
Derivatives	72	455	–383
Loans	8	–3	11
Real estate	29	33	–4
Other	3	29	–26
Total net realised gains	639	876	–237

Main effects in Q1–2 2009

- Afs-fixed-interest: Cautious shift from government bonds and structured products into corporate bonds with two main effects
  - De-risking with conscious loss realisation aiming at more sustainable future earnings generation
  - Disposal of government bonds on lower interest-rate levels realising investment gains
- Afs-non-fixed interest: Higher disposal gains from equities (including forward sales and Admiral stake) corresponding with lower gains from disposals of derivatives

Low-risk profile maintained

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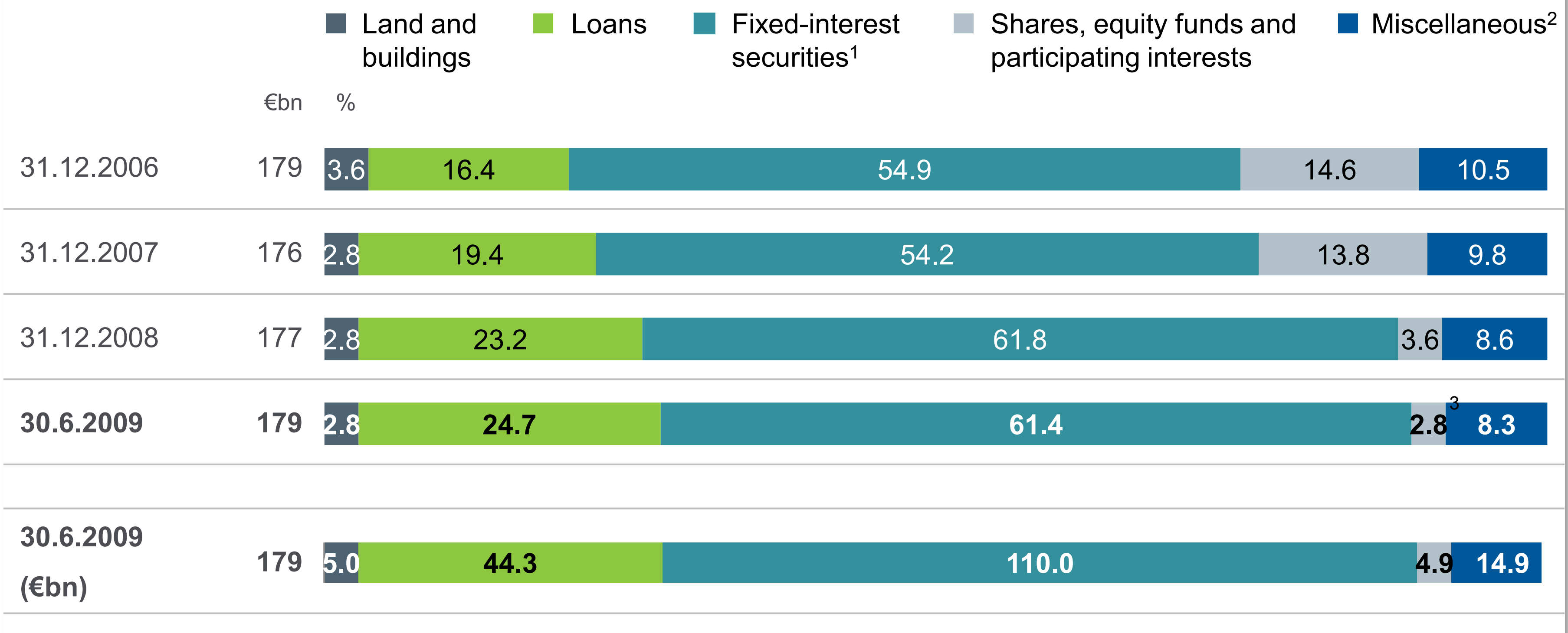
Investment structure by asset classes (market values)



[1] Categories "available for sale", "held to maturity" and "held for trading".
[2] Deposits retained on assumed reinsurance, investments for unit-linked life, deposits with banks, investment funds (bond, property).
[3] After taking equity derivatives into account: 2.0%.

Prudent investment management during financial crisis

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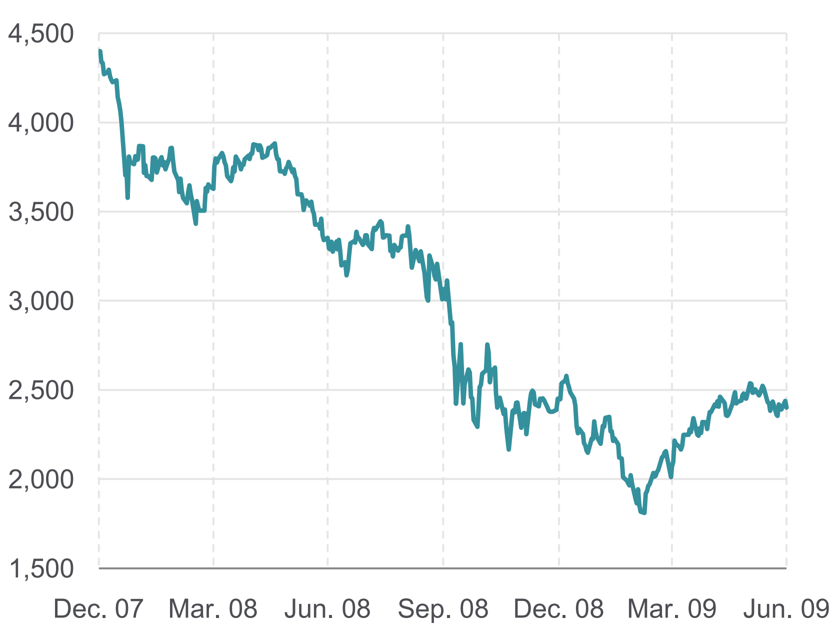
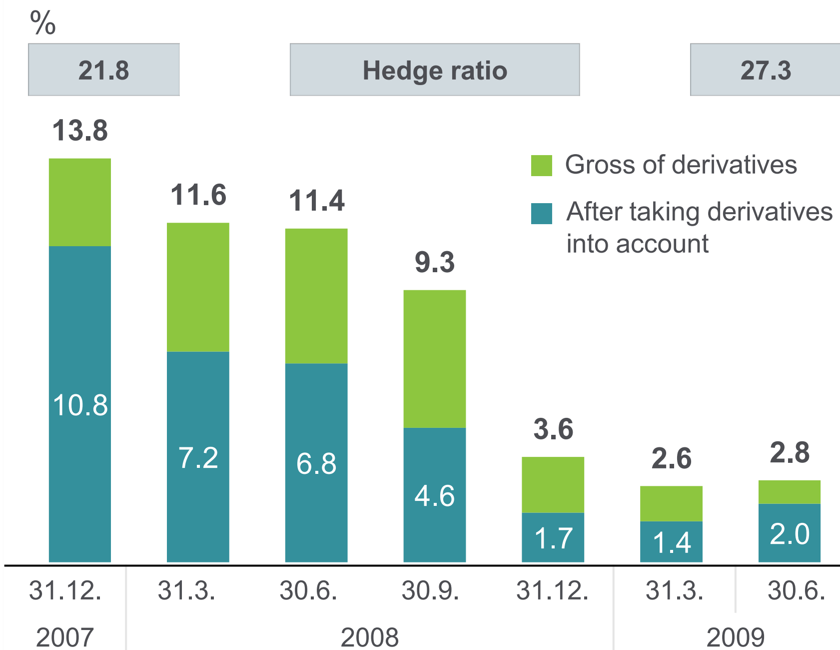
EuroStoxx 50



Source: Datastream

Equity-backing ratio[1] – Including derivatives



Equity strategy

Consistent de-risking of equity exposure

Slight increase of equity-backing ratio in Q2 solely driven by market rebound

[1] Proportion of investments in equities, equity funds and shareholdings to total investments – at market values.

Slight expansion into higher-yielding assets

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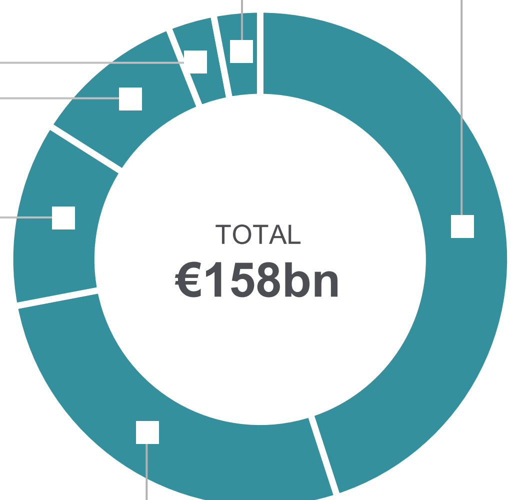
Fixed-income portfolio[1]

Loans to policyholders/Mortgage loans
3% (31.12.08: 4%)

Structured products
3% (31.12.08: 4%)

Corporates
10% (31.12.08: 8%)

Banks
12% (31.12.08: 11%)
Thereof 26% cash positions



Government/ Semi-government
45% (31.12.08: 47%)
Thereof 11% inflation-linked bonds

Pfandbriefe/Covered bonds
27% (31.12.08: 26%)

[1] Incl. loans, parts of other securities, other investments and cash positions. Economic view – not fully comparable with IFRS figures. As at 30 June 2009.

Focus on highly rated credit risk: Almost 90% rated A or better

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Rating classification of fixed-income portfolio[1]

%	AAA	AA	A	BBB	BB	B and worse	NR
Government/ Semi-government	63	28	8	1	0	–	0
Pfandbriefe/Covered bonds	86	14	0	–	–	–	–
Banks	6	23	39	3	–	0	29[2]
Corporates	2	13	44	36	1	0	4
Structured products	92	3	2	1	0	0	2
Loans to policyholders/ Mortgage loans	–	–	–	–	–	–	100
Total	**55**	**20**	**13**	**5**	**0**	**0**	**7**

[1] Economic view – not fully comparable with IFRS figures.
[2] Incl. cash positions, which are not rated. As at 30 June 2009.

Approx. 70% invested in eurozone, limited CEE exposure

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Geographic classification of fixed-income portfolio[1]

%	Germany	France	UK	Spain	CEE	Other Europe	USA	Canada	Rest of World
Government/ Semi-government	37	6	6	3	2	20	15	6	5
Pfandbriefe/ Covered bonds	53	13	3	10	0	21	0	0	–
Banks	42	8	6	0	0	18	18	1	7
Corporates	5	8	7	2	0	24	46	4	4
Structured products	4	0	1	0	0	13	81	1	0
Loans to policyholders/ Mortgage loans	99	–	–	–	–	–	0	0	1
Total	**40**	**8**	**5**	**4**	**1**	**20**	**16**	**3**	**3**

[1] Economic view – not fully comparable with IFRS figures. As at 30 June 2009.

Banks: Slight increase of hybrid market values following recovery in Q2

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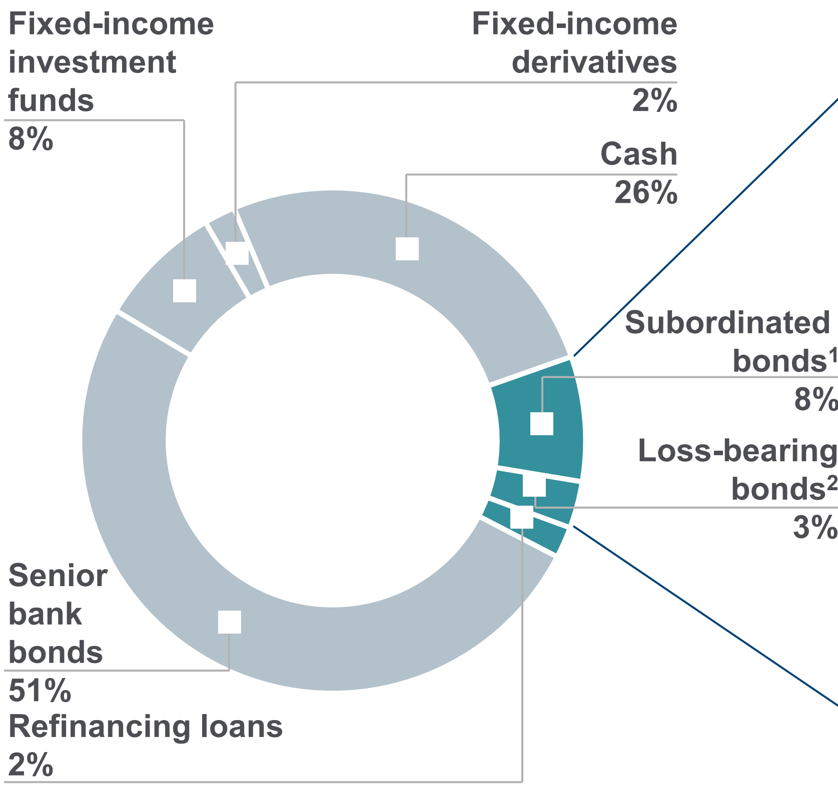
BANKS
Split by investment category



BANKS
Subordinated and loss-bearing exposure by country

Country	Market values €m (as at 30.6.2009)		
	Total	Subordinated bonds	Loss-bearing bonds
Germany	838	454	384
USA	466	443	23
Italy	210	201	9
Austria	141	128	13
UK	113	81	32
Other	229	188	41
Total market values	**1,997**	**1,495**	**502**

[1] Classified as lower tier 2 and tier 3 capital for solvency purposes.
[2] Classified as tier 1 and upper tier 2 capital for solvency purposes.

Economic view – not fully comparable with IFRS figures.

Structured products: Continued exposure reduction

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

€m		AAA	AA	A	BBB	<BBB	NR	North America	Europe	Total	Market-to-par value
ABS	Consumer-related ABS[1]	1,037	6	18	1	0	0	890	172	1,062	102%
	Corporate-related ABS[2]	141	8	52	15	2	4	8	214	222	91%
	Subprime HEL	39	10	0	0	0	0	49	0	49	78%
CDO/ CLN	Subprime-related	0	2	0	1	1	0	0	4	4	13%
	Non-subprime-related	54	14	3	5	4	81	3	158	161	74%
MBS	Agency[3]	2,487	78	0	0	0	0	2,565	0	2,565	104%
	Non-agency prime	236	27	19	5	0	0	16	271	287	85%
	Non-agency other (not subprime)	13	9	1	0	0	0	19	4	23	80%
	Commercial MBS	243	0	1	0	0	0	229	15	244	93%
	Total	**4,250**	**154**	**94**	**27**	**7**	**85**	**3,779**	**838**	**4,617**	**98%**
	30.6.2009	**92%**	**3%**	**2%**	**1%**	**0%**	**2%**	**82%**	**18%**	**100%**	
	31.12.2008	**92%**	**4%**	**2%**	**0%**	**0%**	**2%**	**85%**	**15%**	**100%**	

[1] Consumer loans, auto, credit cards, student loans. [2] Asset-backed CPs, business and corporate loans, commercial equipment.
[3] Exposure in Freddie Mac/Fannie Mae investments: €2.3bn.

Low sensitivity to equities, manageable exposure to interest-rates and spreads[1]

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Sensitivity to risk-free interest-rates

Basis points	**–200**	**–100**	**+100**	**+200**
Change in gross market value (€bn)	+20.5	+9.3	–7.5	–13.2
Economic impact for shareholder[2] (€bn)	+5.9	+2.8	–2.4	–4.5

Sensitivity to spreads[3]

Spreads (change of bps in %)	**–50%**	**–25%**	**+25%**	**+50%**
Change in market value gross (€bn)	+4.2	+2.0	–1.9	–3.7
Economic impact for shareholders[2] (€bn)	+0.4	+0.2	–0.6	–1.1

Sensitivity to equity markets[4]

	–30%	**–10%**	**+10%**	**+30%**
EuroStoxx 50	**1,681**	**2,162**	**2,642**	**3,123**
Change in gross market value (€bn)	–1.1	–0.4	+0.4	+1.1
Economic impact for shareholders[2] (€bn)	–0.7	–0.2	+0.2	+0.7

1 Rough calculation with limited reliability; linearity of relations cannot be assumed. Economic view – not fully comparable with IFRS figures; recently acquired companies not included.

2 Change in unrealised gains/losses on-balance-sheet, off-balance-sheet and P&L impact assuming unchanged portfolio as at 30.6.2009. After rough estimation of policyholder participation and deferred tax. 3 Sensitivities to changes of spreads are calculated for every category of securities (governments, Pfandbriefe, banks, etc.) separately.

4 Worst-case scenario assumed: impairment as soon as market value is below acquisition cost.

Unrealised gains/losses on securities (afs) and off-balance-sheet reserves

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On-balance-sheet reserves on afs securities

Gross unrealised gains and losses	3,367
Provision for deferred premium refunds	–802
Deferred taxes	–291
Minority interests	–20
Effects from consolidation and currency	72
Shareholders' stake 30.6.2009	**2,326**

Off-balance-sheet reserves

€m

Land and buildings[1]	1,273
Loans	259
Other (mainly at equity)	156
Off-balance-sheet reserves 30.6.2009	**1,688**
Provision for deferred premium refunds	–685
Deferred taxes	–284
Minority interests	–9
Shareholders' stake 30.6.2009	**710**

[1] Excluding reserves on owner-occupied properties.

Split by asset class

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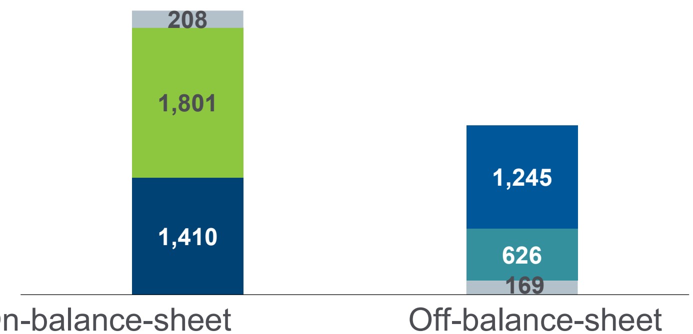
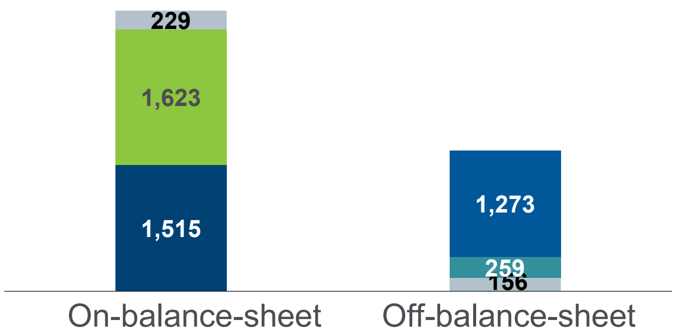
31.12.2008

30.6.2009

€m ■ Other investments (fixed-interest) ■ Other investments (non-fixed-interest) ■ Land and buildings[1] ■ Miscellaneous ■ Loans



Total €5,459m



Total €5,055m

Unrealised gains and losses – gross	**5,459[2]**
./. Provision for deferred premium refunds	1,783
./. Deferred taxes	613
./. Effects from consolidation and currency	–76
./. Minority interests	27
Unrealised gains and losses – net	**3,112**

Unrealised gains and losses – gross	**5,055[3]**
./. Provision for deferred premium refunds	1,487
./. Deferred taxes	575
./. Effects from consolidation and currency	–72
./. Minority interests	29
Unrealised gains and losses – net	**3,036**

1 Without reserves on owner-occupied properties.
2 Incl. unrealised gains/losses from valuation at equity, unconsolidated affiliated enterprises and cash flow hedging of €208m and off-balance-sheet reserves of €168m on affiliated companies.
3 Incl. unrealised gains/losses from valuation at equity, unconsolidated affiliated enterprises and cash flow hedging of €229m and off-balance-sheet reserves of €155m on affiliated companies

Solid growth since 2004

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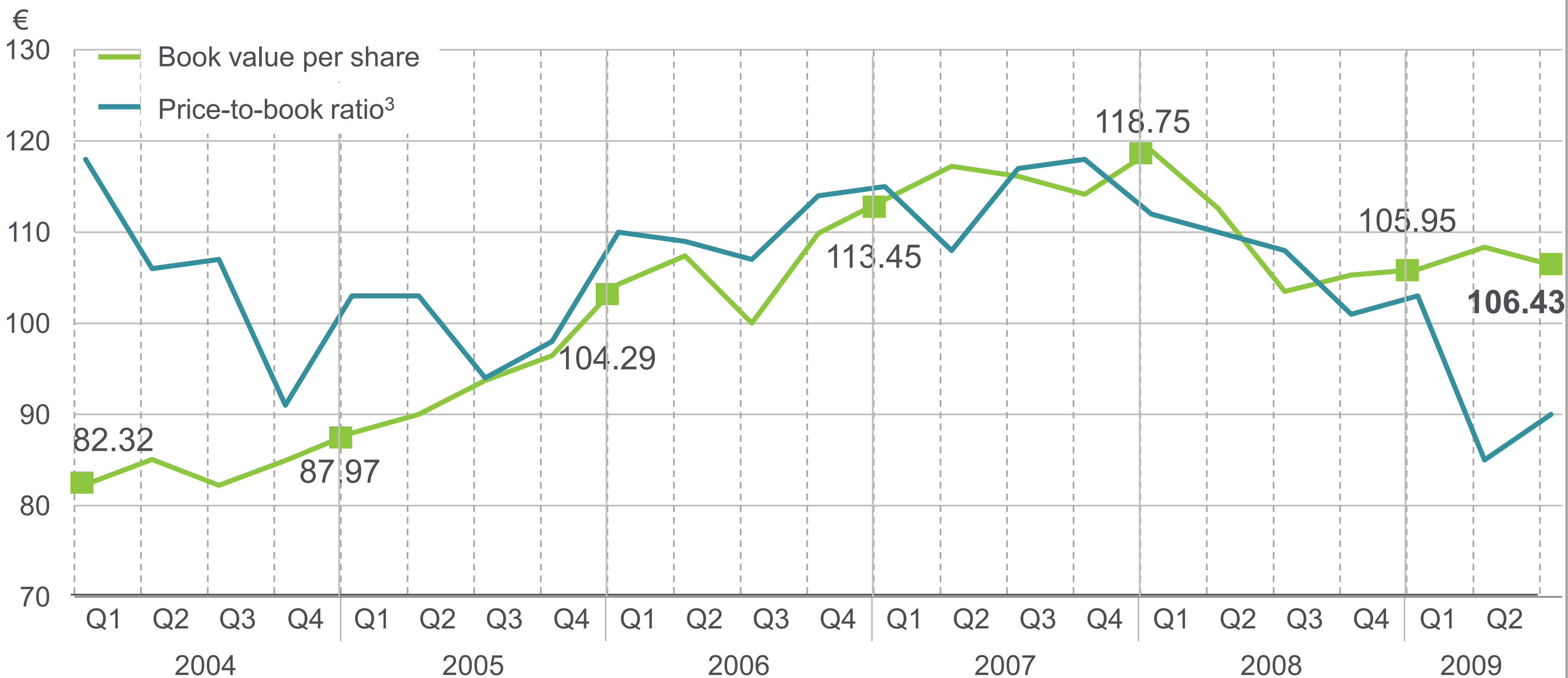
Book value per share[1] and price-to-book ratio



4.8% CAGR since 1.1.2004 clearly above annual performance of insurance index[2]

[1] Shareholders' equity excl. minority interests divided by shares in circulation (after consideration of share buy-backs).
[2] Total return Euro Stoxx Insurance: –6.5% p.a. [3] 100 Book value per share = 1.0 Price-to-book ratio.

Approx. 9.0 million own shares were retired in April 2009

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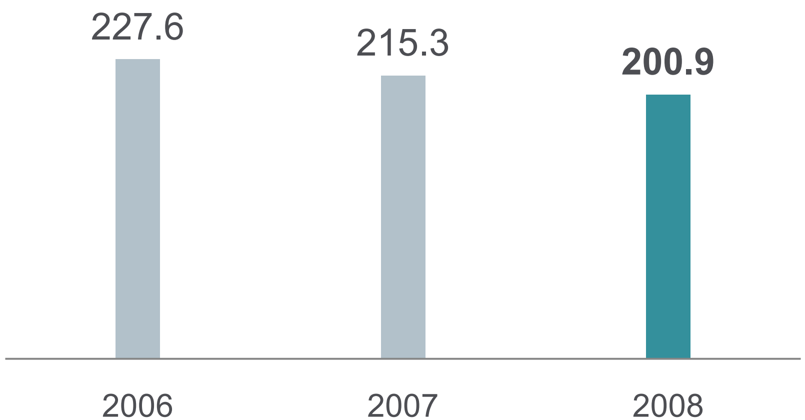
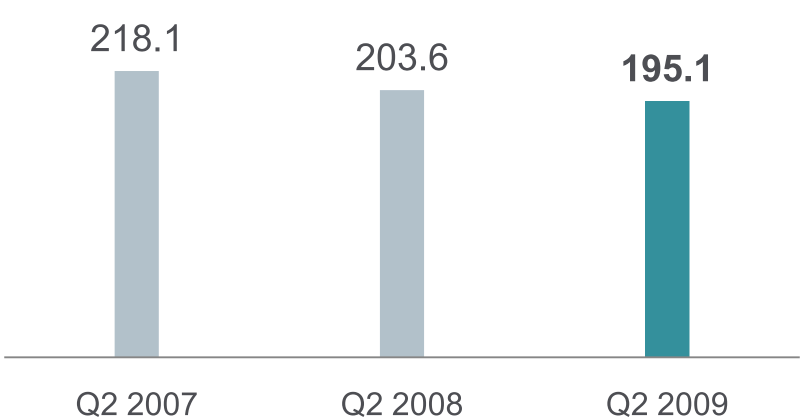
Development of shares in circulation

Shares million	31.12.2008	Acquisition of own shares in Q1–2 2009	Retirement of own shares in Q1–2 2009	30.6.2009
Shares in circulation	195.7	–0.6	0.0	195.1
Own shares held	10.7	0.6	–9.0	2.3
Total	**206.4**	**0.0**	**–9.0**	**197.4**

Weighted average number of shares in circulation





Total number of shares amounts to 197.4 million after retirement

Appendix

Mission

Financial calendar

Contacts

Disclaimer

Investor & Rating Agency Relations' Mission

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Investor & Rating Agency Relations is a central function responsible for Munich Re's communication with the capital market. Its main objective is an active communication to support a fair capital-market valuation of Munich Re shares and outstanding bonds.

External communication...

... should increase the transparency of Munich Re's recent financial performance, strategy and its expectations about future perspectives, while complying with the principles of a credible, accurate, complete and timely provision of relevant information.

... has the goal of achieving a fair valuation and optimising the cost of capital by increasing information efficiency between Munich Re and the financial community and developing a relationship of trust with our investor base.

Internal communication...

... entails the transmission of investors' and creditors' demands, and the capital markets' perception of Munich Re, to management and staff.

... aims to support management in the setting of ambitious targets as well as in the execution of a value-based and shareholder-oriented strategy.

Investor & Rating Agency Relations facilitates targeted, systematic and ongoing communication between current and potential investors, financial analysts and rating agencies on the one hand, and Munich Re's senior management on the other, with the aim of enhancing Munich Re's visibility and attractiveness in the international financial community.

Financial calendar

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Financial calendar	
1 October 2009	Merrill Lynch, "Banking and Insurance CEO Conference", London
26 October 2009	Press conference in Baden-Baden
5 November 2009	Interim report as at 30 September 2009
1 December 2009	Cheuvreux Financials Conference, London
10 March 2010	Balance sheet press conference for 2009 financial statements
28 April 2010	Annual General Meeting
29 April 2010	Dividend payment
7 May 2010	Interim report as at 31 March 2010
4 August 2010	Interim report as at 30 June 2010; Half-year press conference
9 November 2010	Interim report as at 30 September 2010

For information, please contact

Munich RE

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Service for institutional investors and analysts

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Service for private investors

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Disclaimer

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.

Note regarding the presentation of the previous year's figures

- For the new reporting format in connection with the first-time application of IFRS 8 "Operating Segments" as at 1 January 2009, several prior-year figures have been adjusted in the income statement.
- For the sake of better comprehensibility and readability, we have refrained from adding the footnote "Previous year's figures adjusted owing to first-time application of IFRS 8" to every slide.
- For details and background information on IFRS 8, please read the presentation "How does Munich Re apply the accounting standard IFRS 8 „Operating Segments'?" on Munich Re's website (http://www.munichre.com/de/ir/contact_and_service/faq/default.aspx).