PRELIMINARY KEY FIGURES 2009 AND RENEWALS

Telephone conference with analysts and investors

2 February 2010

Jörg Schneider and Torsten Jeworrek

Munich RE

Agenda

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Preliminary key figures 2009

Good consolidated results and sound capitalisation allow increase in dividend

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Munich Re (Group)

Strong top-line development through exploitation of market opportunities

Substantial organic growth (incl. large solvency relief deals in life and health reinsurance[1]) and first-time consolidation of recent acquisitions

Very pleasing consolidated result of €2.56bn in 2009 meets over-the-cycle RoRaC target

RoRaC increased to ~15.1%; proposed dividend for 2009 increases to €5.75 per share (prev. €5.50)

Sound capitalisation sustained – shareholders' equity of €22.3bn as at Dec. 2009

Slight decrease in Q4 due to share buy-back, acquisition of ERGO shares and decrease of unrealised gains/losses on fixed-interest securities

Low-risk investment profile – Return on investment ~4.3%

While benefiting from substantial disposal gains (although lower than 2008) and less impairments, investment result increases significantly

Reinsurance

Strong underwriting performance in 2009

Low NatCat losses more than compensating for recession-induced claims while strict portfolio and cycle management prevails

Primary insurance

Turnaround accelerates in Q4 2009

Net result of €0.38bn confirms upward operating trend throughout 2009; combined ratio well within target of 95%

[1] In total ~20 large quota share deals with an additional €2.3bn gross premium written and VANB contribution >€100m in 2009. Until 2013 these deals are expected to generate gross premium written of €2.5bn p.a. (on average).

Preliminary key figures 2009

Overview

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€bn	FYE 2009	FYE 2008	Q4 2009	Q4 2008
Gross premiums written	**41.4**	37.8	10.4	9.7
Thereof reinsurance[1]	**24.8**	21.9	6.1	5.7
Thereof primary insurance[1]	**17.5**	17.0	4.5	4.3
Combined ratio reinsurance (%)[2]	**95.3**	99.4	92.5	97.6
Combined ratio primary insurance (%)	**93.1**	90.9	90.0	93.8
Investment result	**7.9**	5.9	2.1	1.9
Consolidated result	**2.56**	1.58	0.78	0.11
Thereof reinsurance[1]	**2.56**	2.40	0.70	0.36
Thereof primary insurance[1]	**0.38**	0.16	0.28	–0.22
Dividend per share (€)	**5.75**	5.50		
Shareholders' equity (as per balance-sheet date)[3]	**22.3**	21.1		
Total investments (as per balance-sheet date)	**182.2**	174.9		

[1] Segmental figures, before elimination of intra-Group transactions across segments.
[2] Thereof NatCat Q1-4 2009 1.4% after run-off gains on prior years NatCat events of ~1.0% (2008: 6.2%; five-year average: 6.5%) and man-made Q1-4 2009 : 6.8% (2008: 5.0%; five-year average: 4.5%). In total approx. €0.5bn recession-related losses in 2009, thereof €0.2bn in Q4 2009.
[3] Main changes in Q4 2009: Share-buyback (–€0.3bn, –€0.4bn in Q1-4 2009), acquisition of ERGO shares (–€0.3bn) and decrease of unrealised gains/losses on fixed-interest securities (–€0.4bn).

Preliminary key figures 2009 – Premium development

Substantial increase from organic growth and recent acquisitions

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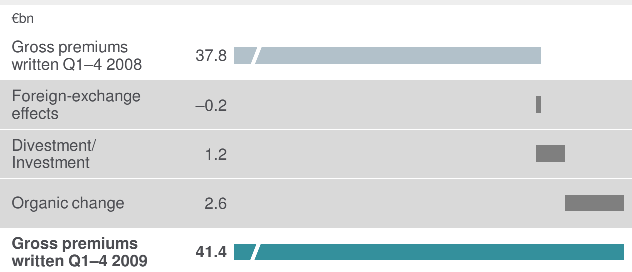
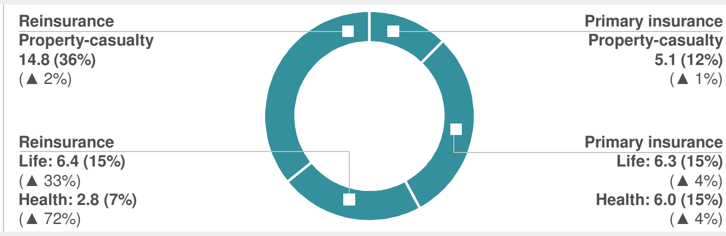


- Slightly negative exchange-rate developments
- Increase due to acquisitions (HSB, Midland, Sterling Life, BACAV, Daum)
- Substantial organic growth mainly from large quota share deals in reinsurance L/H

Breakdown by segment (consolidated, €bn)



Preliminary key figures 2009 – Investment result

Significantly improved investment result

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- Regular income: Reinvestments with lower yields and less dividends following de-risking
- Significantly improved result from write-ups/write-downs due to lower impairments on equities as main driver for strong improvement of investment result ...
- ... more than compensating for lower balance of gains/losses on the disposal of investments (significant gains on derivative instruments in 2008, gains on equities remain on high level in 2009)
- Major change in other income/expenses based on improved result of unrealised gains/losses for unit-linked life insurance (without impact on net income)
- Given a low-interest environment as well as the assumed absence of larger disposal gains, return on investment expected to be noticeably below 4% in 2010

Overall higher RoI[1] of ~4.3% (Q1–4 2008: 3.4%, Q4 2009: 4.5%)

	€bn Q1–4 2009	€bn Q1–4 2008
Regular income	**7.6**	7.9
Write-ups/write-downs of investments	**–1.1**	–2.9
Gains/losses on the disposal of investments	**1.6**	2.2
Other income/expenses	**–0.2**	–1.3
Investment result	**7.9**	**5.9**

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

Preliminary key figures 2009 – Investments

Focus on low-risk investment profile while selectively grasping opportunities in fixed-income portfolio

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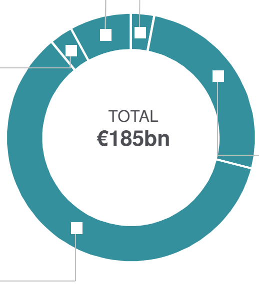
Investment portfolio[1]



[1] Fair values as at 31.12.2009 (31.12.2008).
[2] Deposits retained on assumed reinsurance, investments for unit-linked life insurance, deposits with banks, investment funds (bond, property).

Preliminary key figures 2009 – Investments – Fixed-income portfolio

Flexibility pays off – Successfully navigating through a year of extremes

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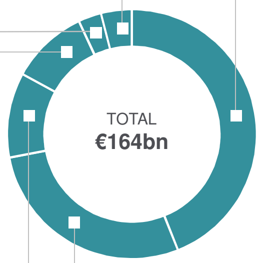
Fixed-income portfolio[1]



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

Structured products
3% (31.12.08: 4%)

Corporates
10% (31.12.08: 8%)

Banks
11% (31.12.08: 11%)
Thereof 29% cash positions

Government/Semi-government
44% (31.12.08: 47%)
Thereof 11% inflation-linked bonds

Pfandbriefe/Covered bonds
28% (31.12.08: 26%)

[1] Incl. loans, parts of other securities, other investments and cash positions. Fair values. Economic view – not fully comparable with IFRS figures.

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Preliminary key figures 2009

Renewals in property-casualty reinsurance

Summary

Backup

Renewals in property-casualty reinsurance

Overall more competitive market environment after recovery of financial markets

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Market environment

- Faster than expected recovery of financial markets led to strengthening of (re)insurers balance sheets
- Slightly decreasing price development on primary as well as reinsurance markets globally
- Negotiations significantly influenced by recent loss experience in individual segments and/or markets

Competitors Supply ↑

- Increasing capacity and thus no constraints in all lines of business
- Ancillary decrease in available business leads to increased level of competition. However, in general reasonable behaviour of reinsurers
- In some segments, reinsurers with lower security aimed to increase shares or get lead positions

Clients Demand ↓

- Cost pressure on primary insurers also affects reinsurance budgets and buying behaviour driving overall market trends
- Security of reinsurers still not adequately reflected, few exceptions with respect to solvency relief business

Renewals in property-casualty reinsurance

Pleasing results due to strict portfolio and cycle management

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Munich Re approach

- Enhanced positioning as a service reinsurer: Munich Re appears to be preferred partner for high-excess and complex business as well as for security-related transactions (solvency relief deals)
- Consistent cycle management: Decision not to renew business accepted if profitability targets are not met

Impact on Munich Re portfolio

PRICE

- Total portfolio experienced stable price development
- Few segments have seen price increases due to recent loss experience (e.g. Storm Spain, credit and aviation) or general market trends (e.g. UK motor)
- The bulk of the business shows flat, partially slightly decreasing price developments

VOLUME

- Deliberate top-line reduction in case of inadequate price levels or in unattractive segments
- Strategic new business partly compensates for volume reduction
- Portfolio mix regarding lines of business, regions and type of business almost unchanged

TERMS AND CONDITIONS

- Largely stable terms and conditions with the exception of tighter terms in credit business
- Stable share of business written at differential terms or as private placement (~1/3 of total portfolio)

Consistent cycle management with clear bottom-line focus maintained

Renewals in property-casualty reinsurance

Total book – Stable price development due to disciplined underwriting approach in softening market

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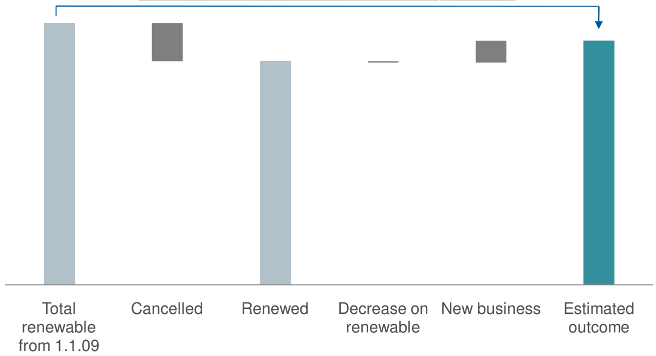
	Total renewable from 1.1.09	Cancelled	Renewed	Decrease on renewable	New business	Estimated outcome
%	100	–14.6	85.4	–0.4	8.3	**93.3**
€m	7,939	1,156	6,783	–34	662	**7,410**

Change in premium:	**–6.7%**
▪ Thereof price movement:	–0.3%
▪ Thereof change in exposure for our share:	–6.4%



Munich Re portfolio
- €7.9bn treaty business up for renewal
- Overall premium decrease (-6.7%) as decline in unprofitable segments not fully compensated by new strategic business
- NatCat portion of total business unchanged; budgets for peak scenarios not fully deployed

Renewals in property-casualty reinsurance

Premium split by lines of business and regions largely unchanged

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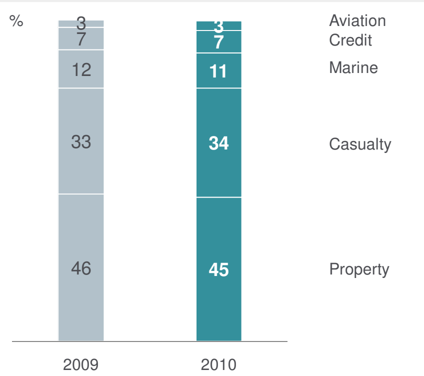
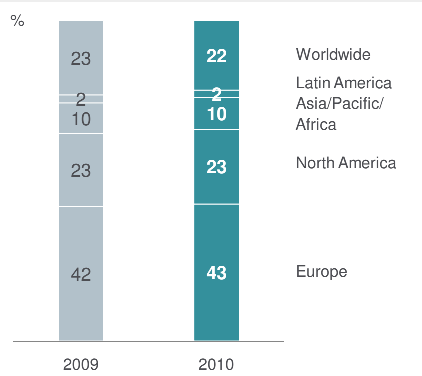
Split by line of business



- Slight trend to casualty driven by strategic new business in UK motor, international expansion of Admiral and solvency relief deals

Regional split



- Regional split nearly unchanged, market developments in this renewal basically on a global level
- Growth in markets with favourable prices (e.g. UK motor)

Rounding differences.

Renewals in property-casualty reinsurance

Concrete initiatives – Successful active portfolio management

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Decrease	Examples		
Strict cancellation of unprofitable business	Motor (proportional) mainly in Eastern Europe, China and Germany	–€194m	Partly compensated by selective growth
	Credit	–€32m	Termination of loss affected sub-segments (structured trade credit)
	US casualty (non-proportional)	–€25m	Equally split between third-party liability and workers' compensation
Selective growth	**Examples**		
Strategic growth	UK motor (proportional)	+€83m	Strong price increases in recovering markets
	Short-tail niche business (casualty and fire)	+€59m	Good price momentum
Opportunistic growth	Motor (proportional) in Asia and USA	+€38m	Solvency relief deals

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Preliminary key figures 2009

Renewals in property-casualty reinsurance

Summary

Backup

Summary

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Summary
Substantial increase of net earnings in challenging environment due to resilient technical result and significantly improved investment result
Solid capitalisation and good operating performance enable increase of dividend to €5.75 per share for 2009
Pleasing price development at the January renewals in reinsurance based on disciplined underwriting and consistent cycle management

Outlook: Munich Re to continue to place high emphasis on reliability and predictability on the basis of low volatility in earnings

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Backup: New business in primary life insurance

ERGO new business life insurance (statutory premiums)

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Total

€m	Total	Regular premium	Single premium	APE[1]
Q1–4 2008	1,794	608	1,186	727
Q1–4 2009	**2,503**	**505**	**1,998**	**705**
Δ	**39.6%**	–16.9%	68.5%	–3.0%

Comments

Germany
- Lower regular premiums partly due to previous year's Riester stage (adjusted –12.3%) and recession-related decline); high single premiums via banks, brokers and direct channels
- Total new business growth of 10.7% (adjusted for Riester effect 16.9%)

International
- Strong organic growth of new business at BACAV: +41.1% (APE €71.0m)[2]
- Belgian new business up 52.7% (APE €50.3m)

Germany

€m	Total	Regular premium	Single premium	APE[1]
Q1–4 2008	1,445	464	981	562
Q1–4 2009	**1,600**	**340**	**1,260**	**466**
Δ	**10.7%**	–26.7%	28.4%	–17.1%

International

€m	Total	Regular premium	Single premium	APE[1]
Q1–4 2008	349	144	205	164
Q1–4 2009	**903**	**165**	**738**	**239**
Δ	**159.1%**	14.9%	260.4%	45.5 %

1 Annual premium equivalent.
2 [2]BACAV Q1–4 2008: APE €50.3m (regular premium €27.7m and single premium €226.6m).

Backup: Renewals in property-casualty reinsurance

Changes in premium: Property

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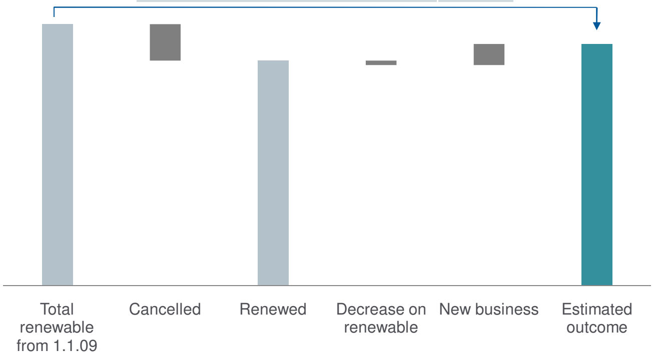
	Total renewable from 1.1.09	Cancelled	Renewed	Decrease on renewable	New business	Estimated outcome
%	100	–13.9	86.1	–1.8	8.1	**92.4**
€m	3,641	508	3,133	–65	294	**3,363**

Change in premium:	**–7.6%**
▪ Thereof price movement:	–0.4%
▪ Thereof change in exposure for our share:	–7.2%



Market
- Ample reinsurance capacity available
- Negotiations driven by recent loss events
- Overall prices slightly down after last year's strong rate increases in certain segments

Munich Re portfolio
- Overall rates largely flat (–0.4%) at expense of deliberate volume reduction in certain segments
- Constant proportion of NatCat premium; slight shift from US to Europe
- Reduction of solvency relief deal in Agro only partly compensated by new business
- Further introduction of nuclear exclusion clause

Backup: Renewals in property-casualty reinsurance

Changes in premium: Casualty

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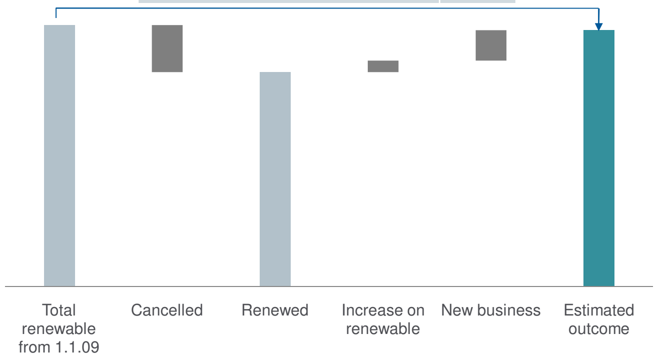
%	100	–18.0	82.0	4.4	11.6	**98.1**
€m	2,597	468	2,130	115	302	**2,547**

Change in premium:	**–1.9%**
▪ Thereof price movement:	–1.8%
▪ Thereof change in exposure for our share:	–0.1%



Market
- Prices are flat to slightly down globally
- Trend supported by abundant capacity

Munich Re portfolio
- Large-scale reductions in motor proportional partly compensated by new business/expansion of existing contracts limiting the rate decrease (–1.8%)
- Growth in third-party liability
- Reduction of US casualty exposure (non-proportional)

Rounding differences.

Backup: Renewals in property-casualty reinsurance

Changes in premium: Marine

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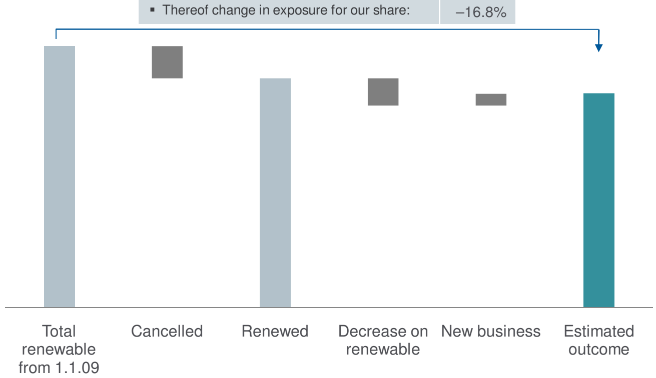
%	100	–12.4	87.6	–10.3	4.5	**81.8**
€m	959	119	839	–98	43	**784**

Change in premium:	**–18.2%**
▪ Thereof price movement:	–1.4%
▪ Thereof change in exposure for our share:	–16.8%



Market
- Reduction of original premiums of insurers due to lower turnover of policyholders
- Plenty capacity available, except for offshore energy (esp. Gulf of Mexico)
- Prices flat to slightly down, still high prices for offshore energy

Munich Re portfolio
- Significant volume decrease due to recession-induced lower business activity
- Slight shift to proportional business

Backup: Renewals in property-casualty reinsurance

Changes in premium: Credit

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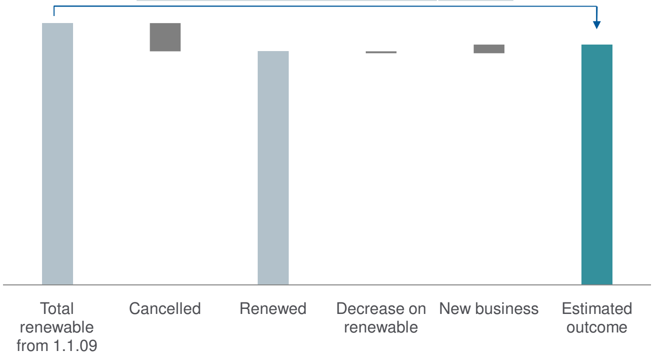
%	100	–10.8	89.2	–0.7	3.3	**91.8**
€m	534	58	476	–4	18	**490**

Change in premium:	**–8.2%**
▪ Thereof price movement:	+14.5%
▪ Thereof change in exposure for our share:	–22.7%



Market
- Reduction of original premiums of insurers due to lower turnover of policyholders
- Primary insurers took massive actions to improve their portfolio
- New reinsurance capacity

Munich Re portfolio
- Clear strategy with strong focus on profitable business
- Extension of business with three main clients
- Consequent share decrease/cancellation of business with inadequate terms and conditions or transparency
- Tightening of terms and conditions

Backup: Renewals in property-casualty reinsurance

Changes in premium: Aviation

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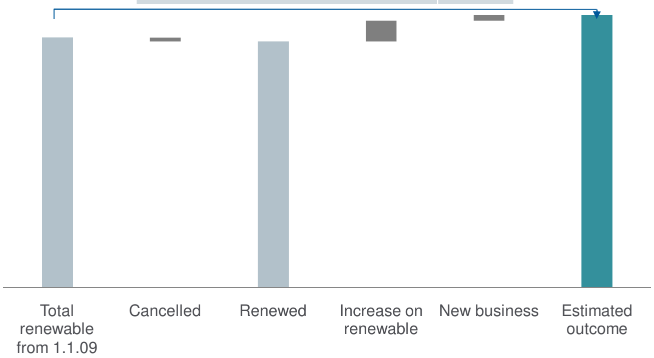
%	100	–1.5	98.5	8.3	2.3	**109.0**
€m	207	3	204	17	5	**226**

Change in premium:	**+9.0%**
▪ Thereof price movement:	+1.0%
▪ Thereof change in exposure for our share:	+8.0%



Market
- Hardening in fleet business due to recent significant losses
- General aviation broadly flat
- Aviation business written to a large extent on a facultative basis, which also benefits from the favourable pricing environment

Munich Re portfolio
- Volume increase mainly driven by our strategic partner GAUM (+€10m)
- Exposure reduction in general aviation
- New business in highly profitable segments
- Terms and conditions stable

Appendix: Shareholder information

Financial calendar

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FINANCIAL CALENDAR	
10 March 2010	Balance sheet press conference for financial statements 2009; conference call/audiocast with analysts and investors 2.30 pm (CET)
11 March 2010	Analysts' conference with videocast, London, 1.30 pm (local time/GMT)
24 March 2010	Morgan Stanley "European Financial Conference", London
28 April 2010	Annual General Meeting, Munich
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
10 March 2011	Balance sheet press conference for 2010 financial statements
11 March 2011	Analysts' conference
20 April 2011	Annual General Meeting, Munich

Backup: Shareholder information

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Backup: Shareholder information

Disclaimer

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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/en/ir/contact_and_service/faq/default.aspx).
- On 30 September 2008, through its subsidiary ERGO Austria International AG, Munich Re increased its stake in Bank Austria Creditanstalt Versicherung AG (BACAV) and included it in the consolidated group. The figures disclosed at the time of first consolidation were of a provisional nature. Therefore, several previous year figures have been adjusted in order to complete the initial accounting for a business combination (IFRS 3.62).
- Previous year figures also adjusted according to IAS 8.