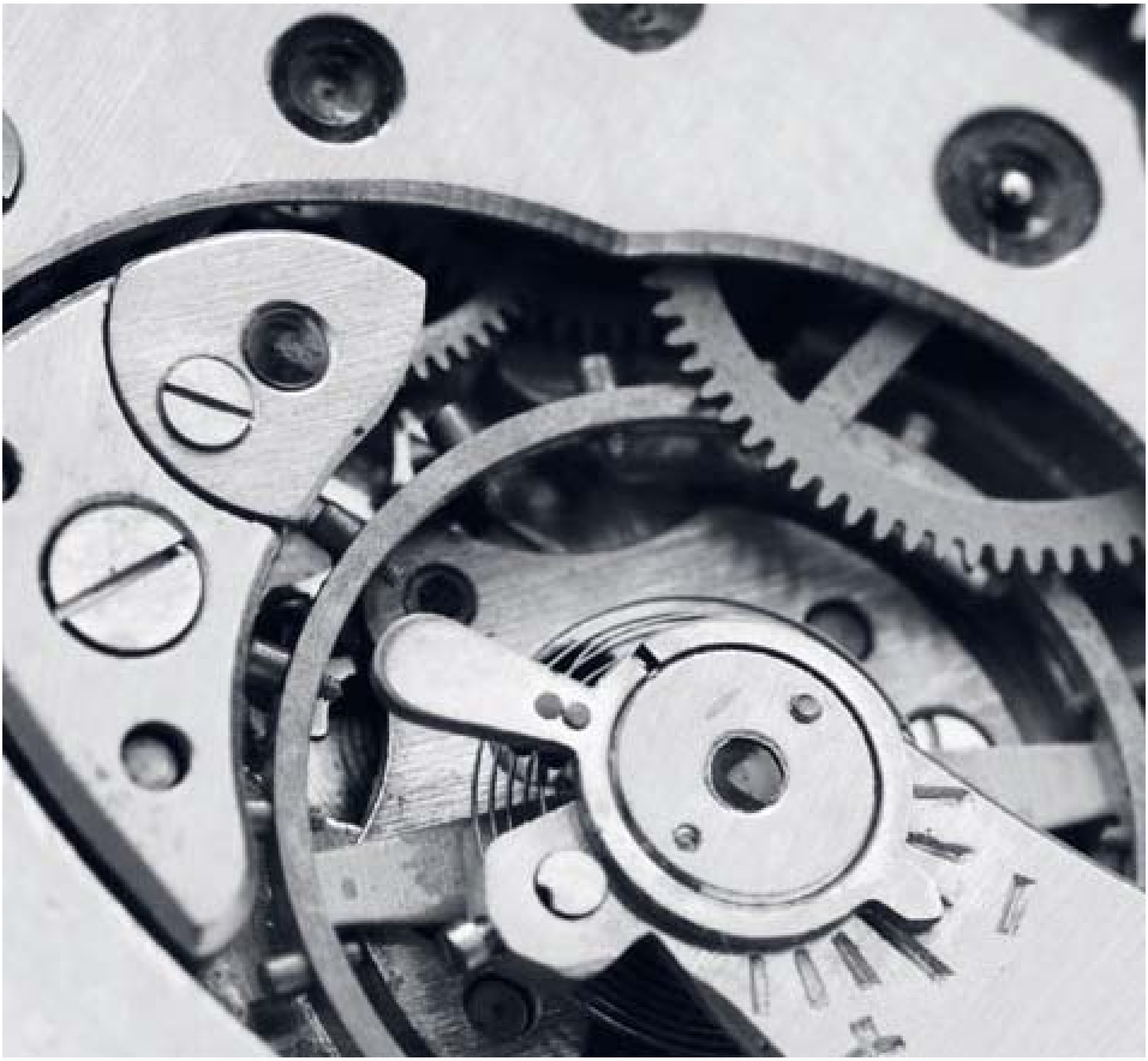


TURNING RISK INTO SUSTAINABLE VALUE

Deutsche Bank "German & Austrian Corporate Conference"

Frankfurt, 20 May 2011

Joachim Wenning

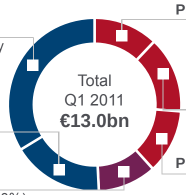
Munich RE

Munich Re highlights – Group

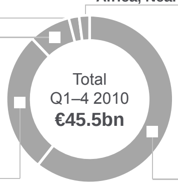
Munich Re: A leading global (re)insurer

Munich RE

Premium breakdown by segment Q1 2011[1]



Premium breakdown by geography 2010[1]



Key business segments

Reinsurance

- Leading expertise worldwide for 130 years
- Full range of products: from traditional reinsurance to alternative risk financing
- Diversification – A key success factor

Primary insurance

- Germany-based with presence in attractive growth markets in Eastern Europe and Asia
- Offers P-C, life and German health insurance
- Multi-channel sales strategy and a powerful new brand

Munich Health

- A leading specialised risk carrier in selected international health markets
- Unique selling proposition: Flexible combination of business models and products across healthcare sector value chain

[1] Consolidated figures.
[2] Q1 2011 compared to Q1 2010.

Financial highlights Q1 2011

Severe nat cats leaving their mark on Q1 figures

Munich RE

Munich Re (Group)

Net loss of €948m in Q1

High burden from nat cat events of ~€2.7bn[1] in total – Positive annual result expected

Shareholders' equity reduced to €20.5bn

Net loss, adverse FX development and increased interest-rates

Solid investment result

Annualised RoI of 3.6%[1]

Reinsurance

Significant claims in property-casualty

Combined ratio of 159.4%[1]

Positive impact on reinsurance prices to be expected

Primary insurance

Positive earnings contribution

Consolidated ERGO result of €15m in Q1 burdened by impairment of €34m in respect of Korean business

Munich Health

Well on track

Consolidation process making good progress

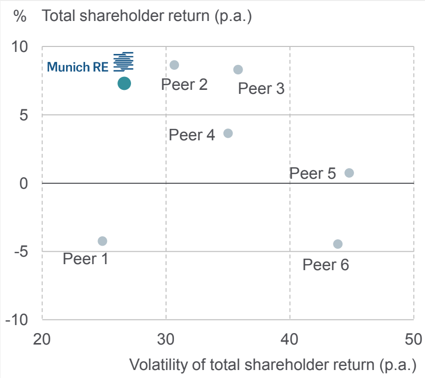
[1] Adjusted for impact from the transfer of insurance risks to the capital markets.

Munich Re highlights – Steering philosophy

Munich Re generates solid shareholder returns

Munich RE

Attractive risk-reward[1] …



… result of our steering philosophy

1 Managing insurance risks as main source of value creation

2 Deeply-embedded risk management

3 Disciplined asset-liability management

4 Efficient capital management

5 Well-balanced business portfolio

Munich Re managing for value – Stringent execution of strategy delivering reliable earnings

[1] Annualised total shareholder return defined as price performance plus dividend yields over a 6-year period (01.01.2005–31.03.2011); based on Datastream total return indices in local currency; volatility calculation with 250 trading days per year. Peers: Allianz, Axa, Generali, Hannover Re, Swiss Re, Zurich Financial Services.

1 Liability-driven business model

Sustainable value generation based on prudent business and financial management

Munich RE

RoE in excess of cost of capital

High persistency in strategic execution

- Strong track record of sustainable earnings
- Current low interest-rate environment a drag on RoE …
- … while Munich Re keeps excess of RoE above cost of capital at relatively stable levels – average spread ~50%
- Low cost of capital as a consequence of liability-driven business model and well-diversified investment portfolio
- Single outlier years due to large claims are part of the reinsurance business

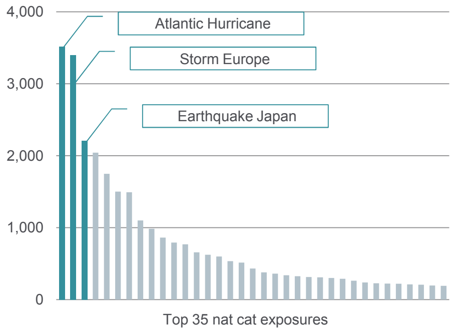
[1] Calculation using CAPM with ten-year German government bonds, 5% market risk premium and one-year raw beta to DJ Stoxx600, daily basis. Source: Bloomberg.

2 Risk management

Strongly diversified natural catastrophe exposure - frequency of severity is coincidental, not systemic

Munich RE

Munich Re Group's nat cat exposures[1]



Highlights

High level of diversification due to

- Global geographical diversification of nat cat-business,
- Strong diversification between perils (storm, earth-quake, flood),
- Peak risk and accumulation management

Despite recent claims experience nat cat business remains one of Munich Re´s most profitable business lines

The recent nat cat events are not expected to require any significant change of indivi-dual scenario curves nor the aggregate loss distribution – Pricing model proves adequate

Munich Re continues to commit substantial capacity to nat cat business

[1] Exposures relate to the full year, e.g. 2011 relates to the period from 1.1.2011 to 31.12.2011.

2 Risk management

Major nat cat losses should have a hardening effect on the market for globally oriented lines of business

Munich RE

Nat cat losses in Q1 2011

Incident	Loss[1] (€m)
Earthquake Japan	1,500
Earthquake Christchurch New Zealand	740
Flood Queensland Australia	260
Cyclone Yasi Australia	100
Other	100
Total	**2,700**

Pricing outlook

- In April renewals impact of Japan earthquake not yet visible to the full extent
- However, loss affected business responded well, further improvement expected
- July renewal expected to show price increases for US nat cat, Australia/ New Zealand, Japan and global large commercial lines
- In market situations influenced by capacity reductions, Munich Re is well placed due to its capital position

[1] Rounded numbers. Adjusted for impact from the transfer of insurance risks to the capital markets.

2 Risk management

Enterprise risk management dedicated to improve Munich Re´s risk/return profile

Munich RE

Business opportunities	Risk management involvement
New oil spill cover Deepwater Horizon case expected to lead to demand for additional liability cover with attractive margin	▪ Comprehensive risk assessment by Corporate Underwriting ▪ In-depth cooperation with business units ▪ Complementing risk strategy with an explicit risk appetite
Munich Re able to use competitive advantage to offer complex structured reinsurance solutions, especially in life reinsurance	▪ Comprehensive risk assessment ▪ In-depth assessment at Board level ▪ Structuring of transactions reflective of original risk concerns
2011 renewals include Solvency II-triggered business for the first time (more than €50m premium volume)	▪ Close cooperation with client management ▪ Identification of solutions optimising clients' risk capital relief under Solvency II ▪ External and internal training and seminars

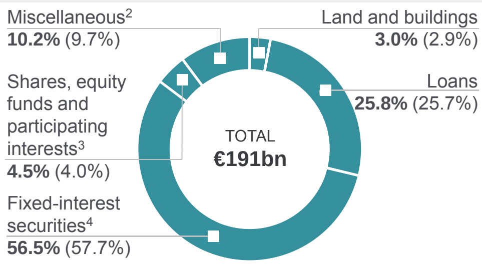
Business-enabling using expertise from deeply entrenched risk management

3 Disciplined asset-liability management

Active asset management on the basis of a well-diversified investment portfolio

Munich RE

Investment portfolio[1]



Portfolio management

- Ongoing tactical reallocation of portfolio, thereby realising disposal gains
  - Slight shift from government bonds into corporates and equities
  - Further improving geographic diversification
- Reduction of net equity exposure to 2.8%

Portfolio duration[5]

	Assets	Liabilities	Net DV01 (€m)
Reinsurance	5.5	4.8	–10.8
Primary insurance	6.5	7.8	14.2
Munich Re (Group)	**6.1**	**6.9**	**3.5**

Interest management

- Slight duration decrease as a result of active portfolio management and increased risk-free yields
- Duration mismatch remaining tight

[1] Fair values as at 31.3.2011 (31.12.2010). [2] Deposits retained on assumed reinsurance, investments for unit-linked life, deposits with banks, investment funds (bond, property), held for trading derivatives with non-fixed-interest underlying and tangible assets in renewable energies. [3] Net of hedges: 2.8% (4.4%). [4] Categories "available for sale", "held to maturity" and "at fair value". [5] As at 31.3.2011. Net DV01: Sensitivity to parallel upward shift of yield curve by one basis point reflecting portfolio size.

4 Efficient capital management

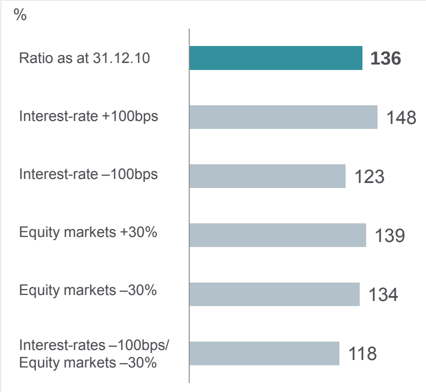
Strong capital position providing strategic flexibility

Munich RE

Available financial resources/Economic basis

€bn (■ Solvency II capital based on VaR 99.5%[2] ■ Hybrid capital)		31.12. 2010	31.12. 2009
Available financial resources (AFR)	29.6	**29.6**	28.4
Economic risk capital[2]	11.8 / 8.9	**20.7**	17.4
Economic capital buffer	4.1 / 4.8	**8.9**	11.0
Economic capital buffer after share buy-back and dividends[3]	2.6 / 4.8	**7.4**	9.3

Economic solvency ratio[1] – Sensitivity



Capital strength maintained despite higher risk exposure

Economic solvency ratio resilient to major capital market movements

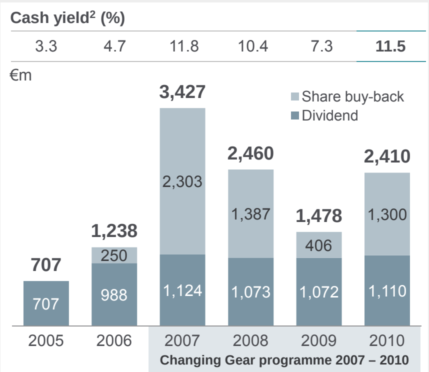
[1] Solvency ratio defined as Available Financial Resources (AFR) over capital requirement; AFR after dividend for 2010 of €1.1bn paid in April 2011 and €0.4bnshare buy-back in January to April 2011. [2] Solvency II capital based on VaR 99.5%, Munich Re internal risk model based on 175% of Solvency II capital. [3] After dividend for 2010 of €1.1bnpaid in April 2011 and €0.4bn from 2010/11 share buy-back programme.

4 Efficient capital management

Capital repatriation: We have delivered on our promise

Munich RE

Active capital management[1] …



… integral part of our financial strategy

- Capital repatriation of more than €10bn since 2007 via dividends and share buy-backs, delivering on our promise of the Changing Gear programme
- Sustaining high underwriting discipline
- Dividend is our strong commitment, whereas share buy-backs are considered a flexible tool
- Dividend of €6.25 per share for 2010, an increase of almost 9%
- New €500m buy-back programme put on hold for the time being

High cash payout to remain a cornerstone of Munich Re´s active capital management

[1] Dividend refers to calendar year, actual cash flow is in the consecutive year.
[2] Total payout (dividend and buy-back) divided by average market capitalisation.

5 Well-balanced business portfolio

Liability-driven strategy facilitating diversification and sustainable earnings

Munich RE

Providing the best solution for each risk category

Risk capacity and know-how — Distribution power and process efficiency

Reinsurance
- Shaping diverging market trends with sharpened value proposition
- Strict cycle management in commodity business …
- … while leveraging underwriting expertise and customer proximity in know-how intensive business
- Continued growth in life

Well-set to perform in any market conditions

Munich Health
- Global health markets providing ample opportunities
- MH making good progress on consolidation path in 2010…
- … pursuing a transition towards managed care in the US
- Flexible use of primary and reinsurance facilitates growth

Flexible business model covering health risk value chain

Primary insurance
- Introduction of new ERGO brand creating momentum
- While domestic p-c business keeps outperforming competitors …
- …in life business the challenging environment is actively addressed
- International expansion with focus on improving profitability

Emphasis on accelerating ERGO's positive earnings trend

Munich Re offering a value-adding integrated business model

5 Well-balanced business portfolio

Striking the balance between capital generation and redeployment

Munich RE

Portfolio of complementary profiles providing strategic flexibility

Strong bottom-line focus …	… enabling profitable growth
High earnings stability	**Business development**
P-C reinsurance business – diversification and innovation at work	**Life reinsurance – leveraging our know-how in attractive target markets**
Primary p-c business – strong contributor to ERGO's overall performance	Munich Health – seizing opportunities as integrated health risk manager
Performance improvement	
Re-positioning of primary life business in Germany	ERGO international – cautious expansion in CEE and Asia
Generating sustainable returns remains the fundament of capital repatriation	Focus on organic growth while considering bolt-on acquisitions

Patience to develop long-term growth opportunities

5 Well-balanced business portfolio – Life reinsurance

Continued growth through consistent execution of business initiatives

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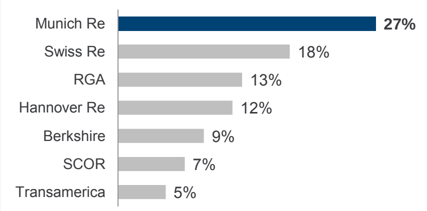
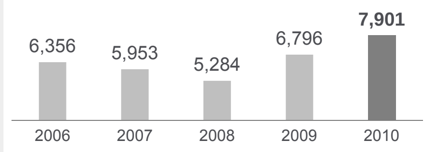
Global market leader (market share)[1]

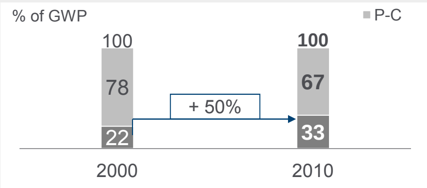


Solid growth in life reinsurance

Gross written premium (GWP), €m



Life re share within reinsurance segment



Strategic focus on biometric risk

Business lines

Mortality	Living benefits	Large-volume deals	Asset protection	Longevity
Fully productive			Experimental stage	

[1] Global life and health market share. Estimates based on net earned premiums 2010 as reported in company reports. Source: Munich Re Economic Research.

5 Well-balanced business portfolio – Life reinsurance

Growth fostered by strategic business initiatives

Munich RE

Financially motivated reinsurance

Large-volume deals

Customised reinsurance solutions

Capacity with high security

Continued demand

Market development Asia

Expertise and capital strength

Outstanding product development and consulting services

Tailor-made reinsurance offerings

STRATEGIC INITIATIVES

Innovation

Coverage of financial guarantees and embedded options

Strong risk management implemented

State-of-the-art modelling capabilities

Selective approach

In-depth actuarial research

Start offering solutions

Asset protection

Longevity

Sustainable growth through consistent execution of business initiatives

5 Well-balanced business portfolio – Life reinsurance

Future value generation – Ambition levels increased

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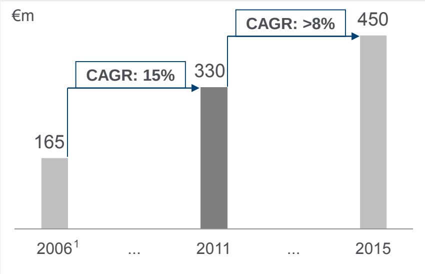
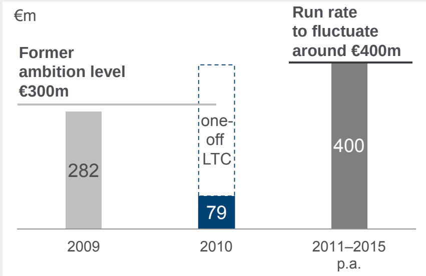
Value of new business (VNB): Communicated ambition achieved/maintained



Driven by large-volume deals exceptionally high VNB in 2009 (€562m) and 2010 (€475m) above original target for 2011

IFRS technical result: Ambition increased



One-off impact in 2010 (US long term care); medium-term expectation in the order of ~€400m[2]

Life reinsurance segment well prepared to maintain growth momentum

[1] Reconciled from European Embedded Value (EEV) to Market Consistent Embedded Value (MCEV.)
[2] Based on best estimate assumptions and not taking into account major interest or currency movements.

Outlook

Outlook 2011 – Even more so after severe events as in Q1 reinsurance remains an attractive business model

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Munich Re (Group)

Gross premiums written	Return on investment	Profit
€47–49bn (prev. €46–48bn)	Slightly below 4%	Positive annual result expected RoRaC-target of 15% after tax over-the-cycle to stand

Reinsurance	Primary insurance	Munich Health
Combined ratio P-C 97% over-the-cycle – Not achievable in 2011	**Combined ratio P-C** < 95%	Positive earnings contribution while concluding consolidation phase
Gross premiums written €25–26bn	**Gross premiums written** €17–18bn	**Gross premiums written** ~€6bn

Key takeaways

Munich RE

Value-adding integrated business model
covers important parts of the value chain of risks

Diversification and sophisticated risk management
are cornerstones of our strategy

Financial strength and track record of solid returns
allow participation in market opportunities mainly via organic growth

Capital management and cycle management
are key to our future success

Appendix

Munich RE

Mission
Feedback
Financial calendar
Contacts
Disclaimer

Appendix

Investor & Rating Agency Relations' Mission

Munich RE

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.

Appendix

Feedback - Anything missing?

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The purpose of this presentation is to provide you with comprehensive, transparent, and user friendly information.

In case that you have any proposals to improve this presentation with respect to content and illustration, we would very much appreciate your feedback by phone (++49 89 3891-3875) or via e-mail (ir@munichre.com). Thank you very much for your kind support.

Appendix

Financial calendar

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FINANCIAL CALENDAR	
26 May 2011	Autonomous "Rendez-Vous 2011", London
6 June 2011	Citi “Climate Change & Water Investment Conference”, London
8 June 2011	Goldman Sachs “Financial Services Conference”, Paris
20 July 2011	Munich Re Capital Markets Day 2011, New York
4 August 2011	Interim report as at 30 June 2011; Half-year press conference
11-13 September 2011	Les Rendez-Vous de Septembre, Monte Carlo
5 October 2011	Bank of America Merrill Lynch "16th Annual Banking & Insurance CEO Conference“, London
8 November 2011	Interim report as at 30 September 2011
13 March 2012	Balance sheet press conference for 2011 financial statements
14 March 2012	Analysts' conference, London
26 April 2012	Annual General Meeting, Munich

Appendix

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Munich RE

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Appendix

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.