



Q1–3 on track to beat profit targets

Quarterly financial statements as at 30 September 2014

6 November 2014

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Munich RE 

Agenda



Financial reporting Q1–3 2014

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Munich Health	17
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Munich Re (Group) – Financial highlights Q3 2014

Full-year net earnings guidance raised to slightly above €3bn



Munich Re (Group) – Q3 2014 (Q1–3 2014)

NET RESULT €738m (€2,442m)	SHAREHOLDERS' EQUITY €29.3bn (+5.8% vs. 30.6.)	INVESTMENT RESULT RoI of 3.0% (3.8%)
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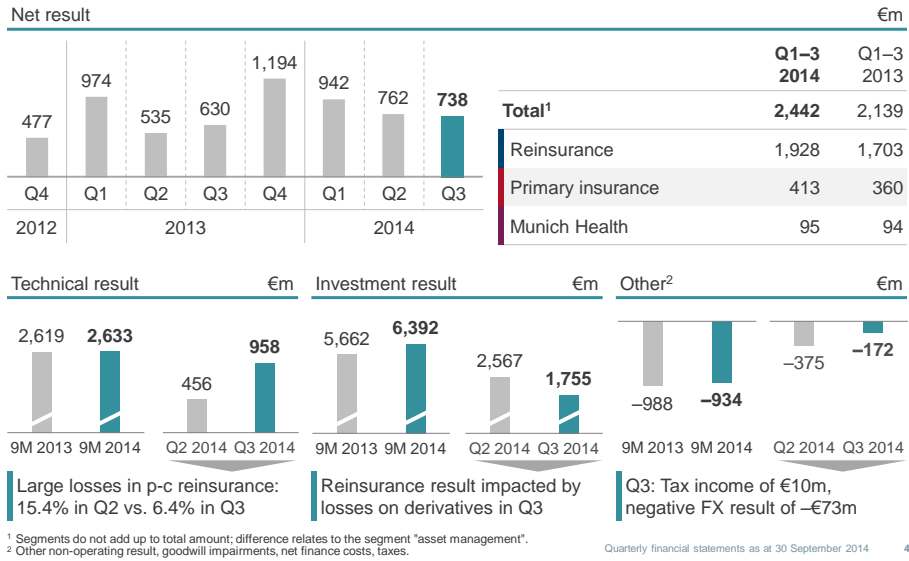
Q3 with good underwriting results across almost all segments – net earnings impacted by significant countervailing one-off effects	Strong capitalisation according to all metrics provides financial flexibility – ongoing share buybacks	Solid return given low interest rates, investment result differing by segment – primary insurance 3.8%, reinsurance 1.7%
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Reinsurance	Primary insurance	Munich Health
NET RESULT €533m (€1,928m)	NET RESULT €155m (€413m)	NET RESULT €53m (€95m)
496 37	31 71 53	53

P-C	LIFE	P-C	REINSURANCE
Combined ratio 91.3% (93.2%) Large loss ratio 6.4% (7.5%)	Technical result affected by recaptures – Annual guidance of €400m still achievable	Combined ratio 95.8% (Germany: 93.2%, international: 100.0%)	Combined ratio 99.7%
	LIFE	HEALTH	PRIMARY INSURANCE
	Pleasing operating result	Solid, stable performance	Combined ratio 81.1%

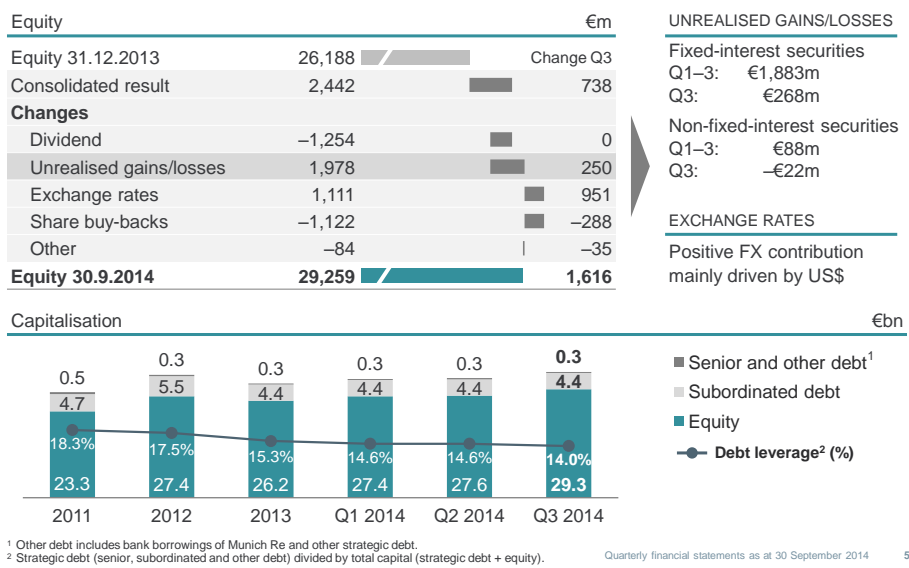
Munich Re (Group) – Financial highlights Q3 2014

Tax gains and low nat cat claims offsetting FX losses and lower investment result in Q3



Munich Re (Group) – Capitalisation

IFRS capital position

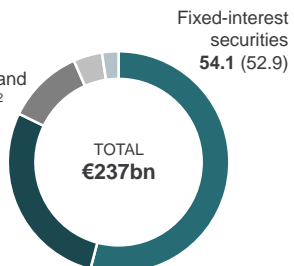


Munich Re (Group) – Investment portfolio

Investment portfolio

Munich RE Investment portfolio¹

%

Land and buildings
2.4 (2.5)Shares, equity funds and
participating interests²
4.2 (4.6)Miscellaneous³
11.2 (11.8)Loans
28.1 (28.2)

Portfolio management

Overall increase in market values driven
by FX and lower interest ratesOngoing reduction of German government
bonds to further improve diversification ...
... by cautiously increasing exposure in USA,
Italy, Spain, France and emerging marketsSlight reduction in structured products,
covered and corporate bondsSlight decrease of equity-backing ratio
to 3.8% net of hedgesPortfolio duration⁴

	Assets	Liabilities	Net DV01 (€m)
Reinsurance	5.1 (4.4)	3.9 (3.1)	-3.0
Primary insurance	8.1 (7.4)	8.7 (8.1)	9.6
Munich Re (Group)	7.0 (6.4)	6.9 (6.2)	6.6

¹ Fair values as at 30.9.2014 (31.12.2013). ² Net of hedges: 3.8% (4.5%). ³ Deposits retained on assumed reinsurance, unit-linked investments, deposits with banks, investment funds (excl. equities), derivatives and investments in renewable energies and gold. ⁴ As at 30.9.2014 (31.12.2013). Net DV01: Sensitivity to parallel upward shift of yield curve by one basis point reflecting portfolio size.

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Munich Re (Group) – Investment result

Investment result

Munich RE 

Investment result	€m							
	Q1–3 2014	Return ¹	Q1–3 2013	Return ¹	Q3 2014	Return ¹	Q2 2014	Return ¹
Regular income	5,429	3.2%	5,686	3.4%	1,793	3.1%	1,924	3.4%
Write-ups/write-downs	-194	-0.1%	-541	-0.3%	-223	-0.4%	156	0.2%
Disposal gains/losses	1,214	0.7%	729	0.4%	261	0.4%	441	0.8%
Other income/expenses ²	-57	0.0%	-212	-0.1%	-76	-0.1%	46	0.1%
Investment result	6,392	3.8%	5,662	3.4%	1,755	3.0%	2,567	4.5%
Total return³		10.4%		-0.4%		8.6%		12.1%

		Q1–3 2014	Q3 2014		Q1–3 2014	Q3 2014
Regular income	Write-ups/write-downs			Disposal gains/losses		
Further decline of interest rates in Q3 – Average reinvestment yield dropping to -2.2% vs. -2.7% in Q2 2014	Equities	-74	-37	Fixed-income	808	194
	Derivatives	-83	-130	Equities	836	254
	thereof interest-rate hedging programme	264	109	Derivatives	-475	-217
	Other	-37	-56	Other	45	30

¹ Annualised return on quarterly weighted investments (market values) in % p.a.

² Including impact from unit-linked business. Q1–3 2014: €404m (0.2%-points). Q3 2014: €79m (0.1%-points).

³ Including unrealised gains and losses.

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Financial reporting Q1–3 2014

Munich Re (Group)

Primary insurance

Munich Health

Reinsurance

Outlook

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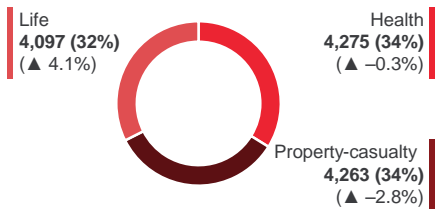
Primary insurance – Premium development

Primary insurance – Premium development



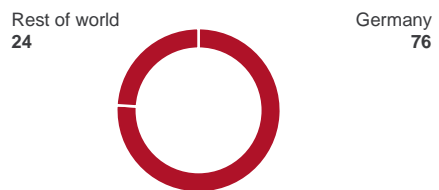
Gross premiums written	€m
Q1–3 2013	12,612
Foreign-exchange effects	-44
Divestments/Investments	0
Organic change	67
Q1–3 2014	12,635

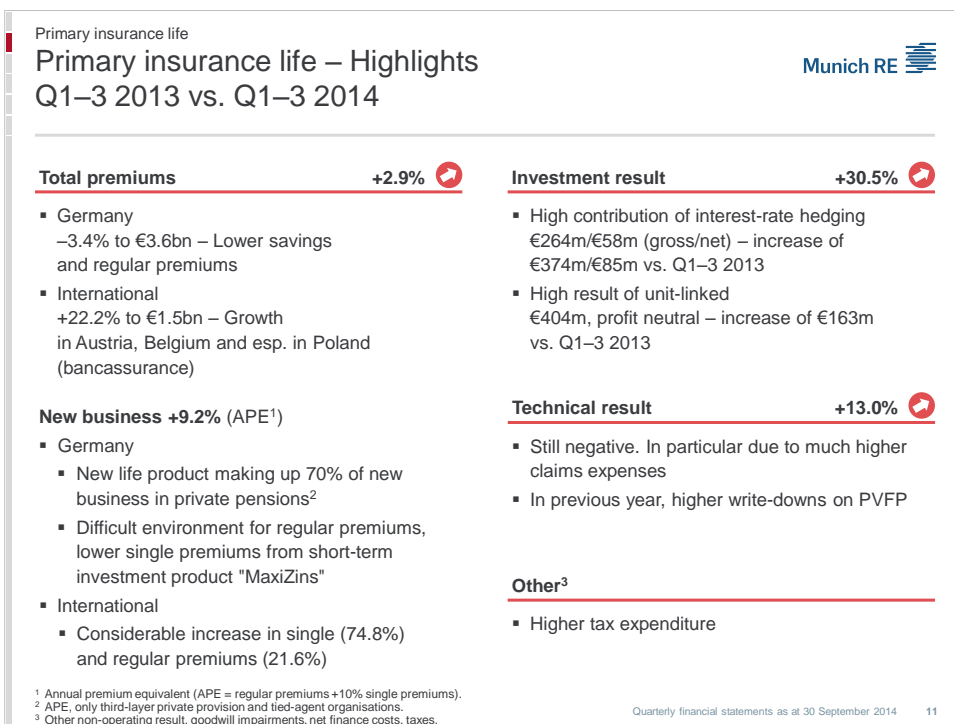
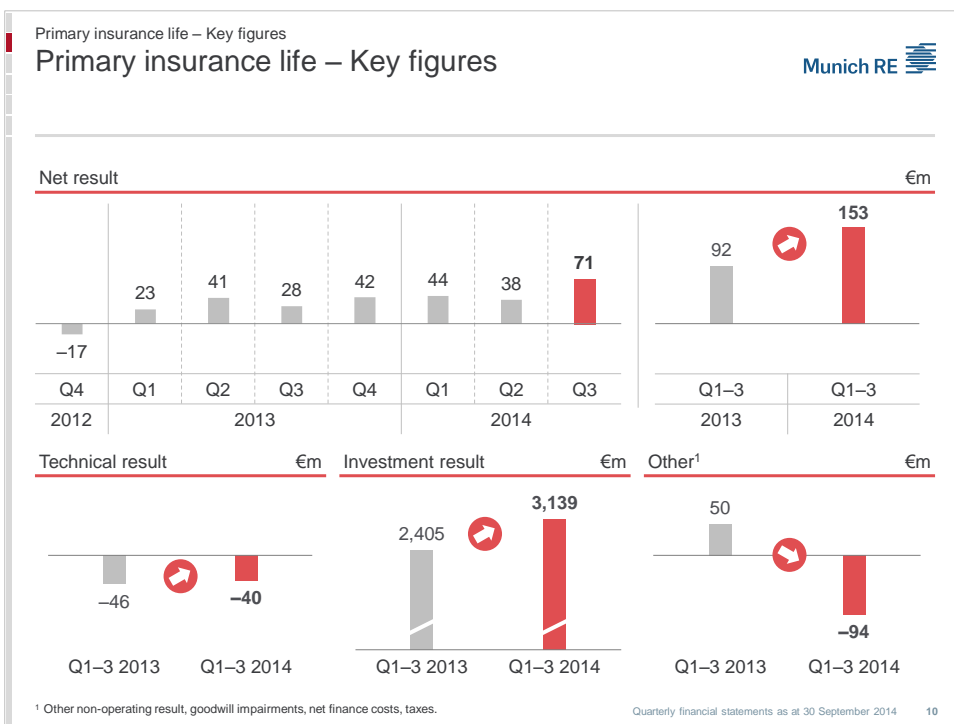
Segmental breakdown €m



Gross premiums written	€m
Q1–3 2013	12,612
Life	161
Health	-14
Property-casualty	-124
Q1–3 2014	12,635

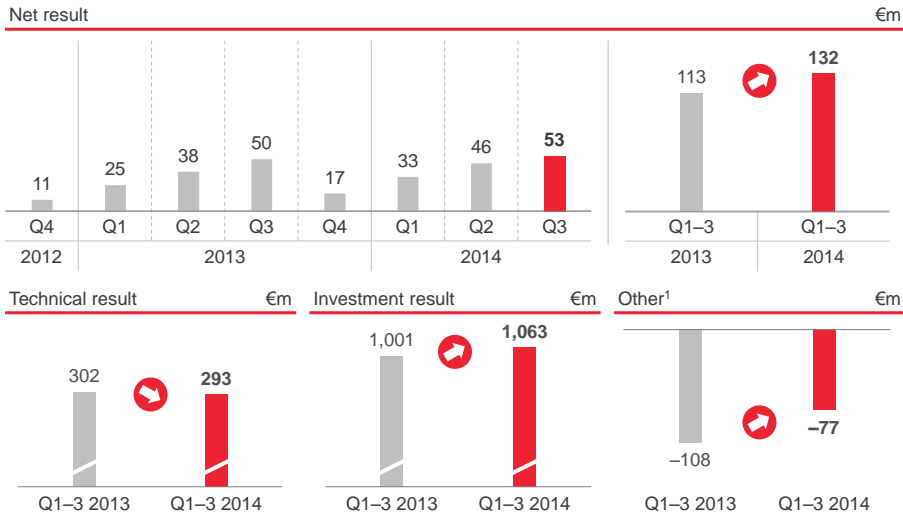
Regional breakdown %





Primary insurance health – Key figures

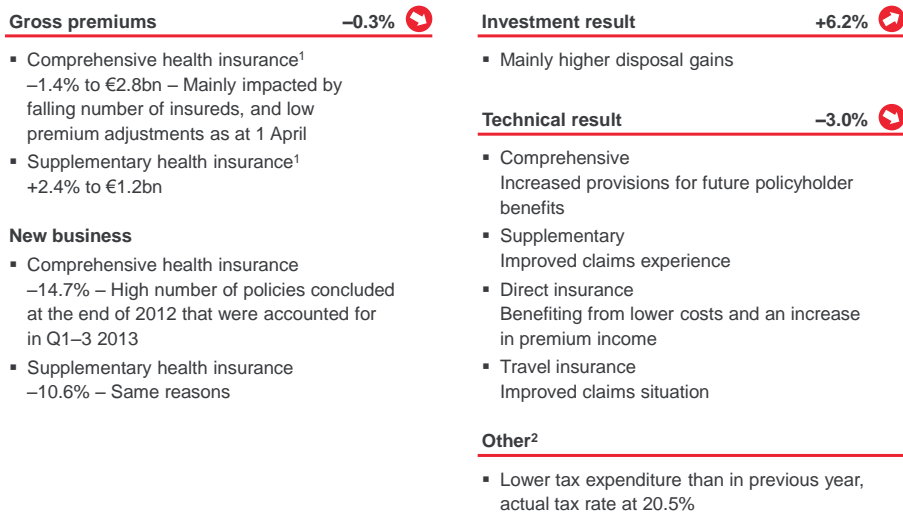
Primary insurance health – Key figures



¹ Other non-operating result, goodwill impairments, net finance costs, taxes.

Primary insurance health

Primary insurance health – Highlights
Q1–3 2013 vs. Q1–3 2014

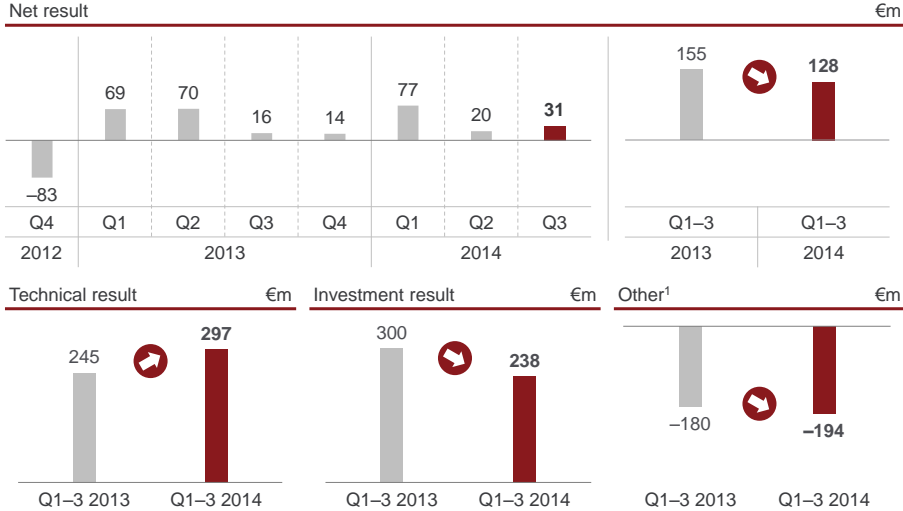


¹ Local GAAP figures.

² Other non-operating result, goodwill impairments, net finance costs, taxes.

Primary insurance property-casualty – Key figures

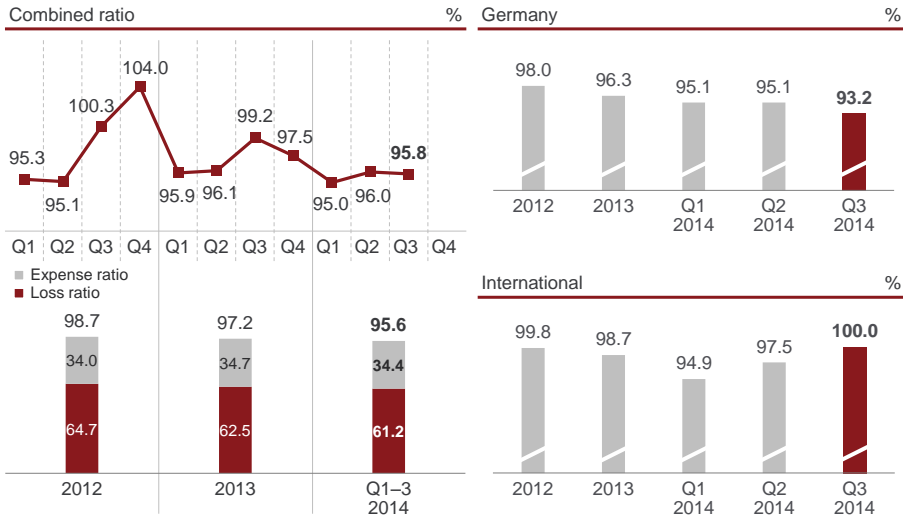
Primary insurance property-casualty – Key figures



¹ Other non-operating result, goodwill impairments, net finance costs, taxes.

Primary insurance property-casualty – Combined ratio

Combined ratio



Primary insurance property-casualty

Primary insurance property-casualty – Highlights Q1–3 2013 vs. Q1–3 2014

Munich RE 

Gross premiums -2.8%

Germany: -3.9%

- Improvement measures impacting commercial/ industrial, homeowners' comprehensive and marine business
- Legal protection and personal accident: General decline in premiums

International: -1.1%

- Turkey
Decline due to FX but organic growth in local currency (+14%)
- Poland
Decline mainly due to a multi-year contract signed in 2013

Investment result -20.7%

- Lower regular income and less disposal gains

Technical result +21.2%

Germany

- Favourable claims experience in Q3 (combined ratio: 93.2%) improving Q1–3 combined ratio to 94.5% (Q2 2014 burdened by large liability claim)
- Previous year with higher nat cat losses

International

- Improvement in legal protection insurance, especially Belgium and Netherlands
- Lower result from business, especially in Austria, Poland and Greece
- Combined ratio Q3: Poland (99.8%), Turkey (104.4%), Netherlands (95.3%)

Other¹

- Negative impact from FX and higher taxes

¹ Other non-operating result, goodwill impairments, net finance costs, taxes.

Agenda

Munich RE 

Financial reporting Q1–3 2014

Munich Re (Group)
Primary insurance

Munich Health

Reinsurance

Outlook

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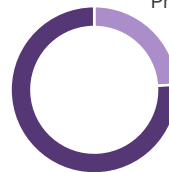
Munich Health – Premium development

Munich Health – Premium development



Gross premiums written	€m
Q1–3 2013	4,988
Foreign-exchange effects	-224
Divestments/Investments	-550
Organic change	-171
Q1–3 2014	4,043

Segmental breakdown	€m
Reinsurance	3,073 (76%) (▲ -12.5%)
Primary insurance	970 (24%) (▲ -34.2%)



Gross premiums written	€m
Q1–3 2013	4,988
Reinsurance	-440
Primary insurance	-505
Q1–3 2014	4,043

Regional breakdown	%
Asia and Australasia	2
Africa, Near and Middle East	7
North America	56
Europe	35

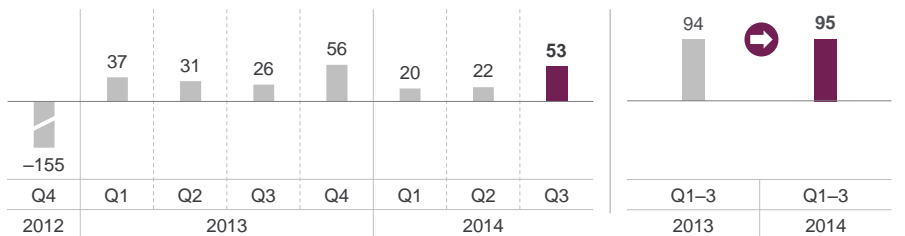


Munich Health – Key figures

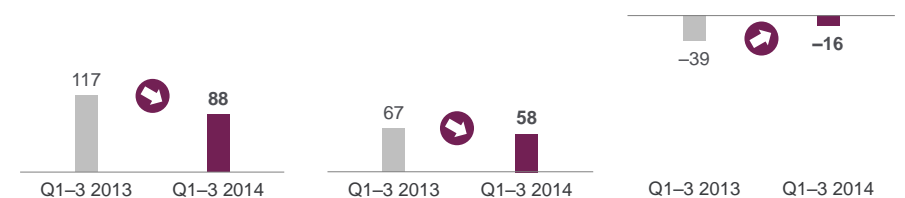
Munich Health – Key figures



Net result	€m
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Technical result	€m	Investment result	€m	Other ¹	€m
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¹ Other non-operating result, goodwill impairments, net finance costs, taxes.

Munich Health

Munich Health – Highlights Q1–3 2013 vs. Q1–3 2014

Munich RE 

Gross premiums -18.9%

- Negative FX effects (–€224m), mainly CAD
- Reduced share of large-volume deals
- Sale of Windsor Health Group at end of 2013 (–€550m)

Technical result -24.8%

- Overall combined ratio slightly up to 98.5% due to increased share of reinsurance business
- Q3 combined ratio of 81.1% in primary insurance supported by seasonal effects
- 2013 influenced by one-time positive contribution from Windsor Health Group (reversal of high 2012 provisions)

Investment result -13.4%

- Slightly reduced regular income
- Losses from sale of Windsor Health Group and high disposal gains in total leading to a positive one-off in the previous year

Other¹

- Low tax rate of 10.4%

¹ Other non-operating result, goodwill impairments, net finance costs, taxes.

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Munich RE 

Financial reporting Q1–3 2014

Munich Re (Group)

Primary insurance

Munich Health

Reinsurance

Outlook

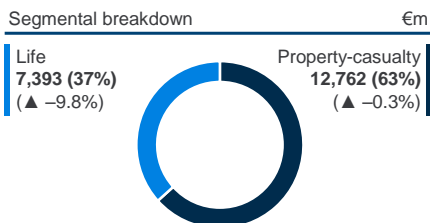
Backup

Reinsurance – Premium development

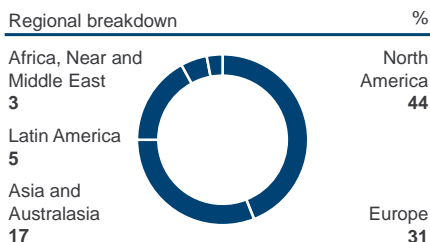
Reinsurance – Premium development



Gross premiums written		€m
Q1–3 2013	20,990	
Foreign-exchange effects	-785	
Divestments/Investments	0	
Organic change	-50	
Q1–3 2014	20,155	

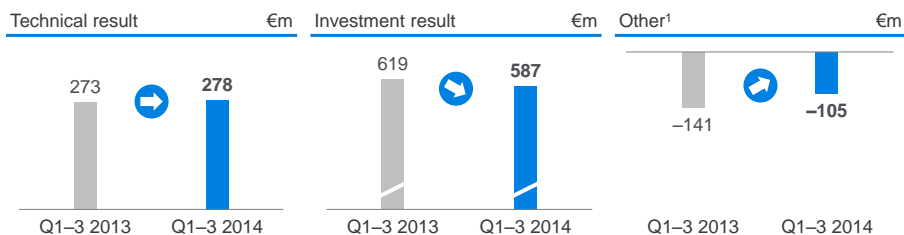
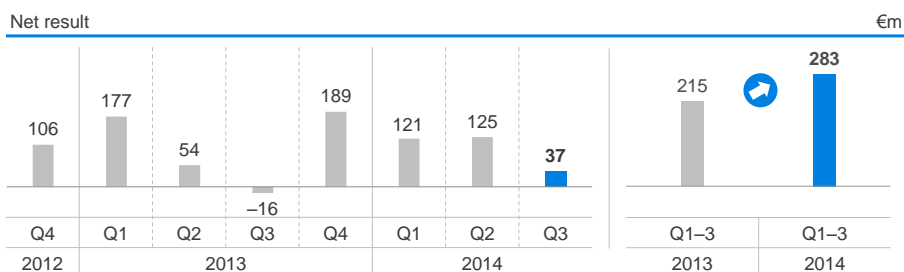


Gross premiums written		€m
Q1–3 2013	20,990	
Life	-801	
Property-casualty	-34	
Q1–3 2014	20,155	



Reinsurance life – Key figures

Reinsurance life – Key figures



¹ Other non-operating result, goodwill impairments, net finance costs, taxes.

Reinsurance life

Reinsurance life – Highlights Q1–3 2013 vs. Q1–3 2014

Munich RE 

Gross premiums -9.8%

- Negative FX effects (–€430m), mainly CAD
- Organic change (–€371m), chiefly due to reduced share of large volume deals
- Expanding primary insurance markets in Asia remain an important driver

Technical result +1.8%

- US business
 - Recapture of several contracts caused a one-time hit
 - Mortality experience improved but still at an elevated level to date
- Performance of other major markets at least in line with expectations
- No major bottom-line effect from a reduced share of large-volume deals
- Previous year burdened by adverse development in Australian disability

Investment result -5.2%

- High level of disposal gains and regular income from deposits retained on assumed reinsurance
- Losses on derivatives in Q3

Other¹

- Negative currency impact (–€54m) but unusually low tax rate (7.8%)

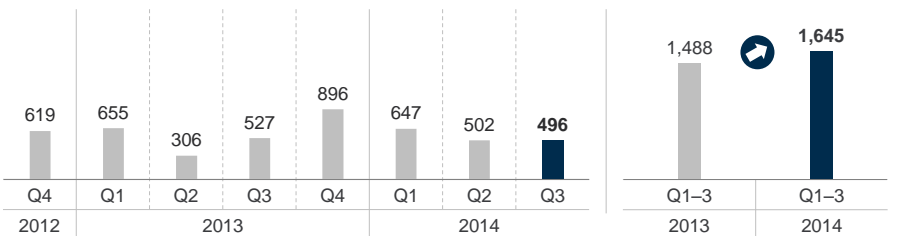
¹ Other non-operating result, goodwill impairments, net finance costs, taxes.

Reinsurance property-casualty – Key figures

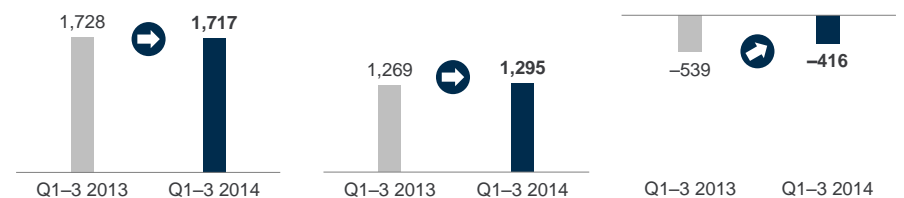
Reinsurance property-casualty – Key figures

Munich RE 

Net result €m



Technical result €m Investment result €m Other¹ €m



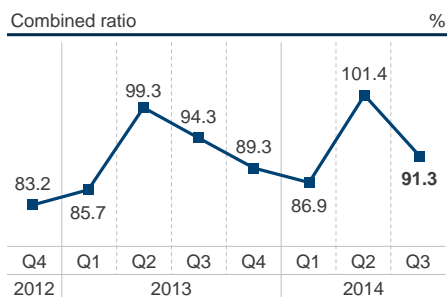
¹ Other non-operating result, goodwill impairments, net finance costs, taxes.

Reinsurance property-casualty – Combined ratio

Combined ratio

Munich RE

Combined ratio	%				
	Basic losses	Nat cat losses	Man-made losses	Expense ratio	
2013	92.1	51.3	4.7	5.7	30.4
Q1–3 2013	93.1	52.5	5.3	5.5	29.8
Q1–3 2014	93.2	55.3	3.5	4.0	30.4
Q3 2014	91.3	55.3	2.5	3.9	29.6



Large losses 2014 %

	Total	Nat cat	Man-made
Q1–3 2014	7.5	3.5	4.0
Q3 2014	6.4	2.5	3.9
Avg. annual expectation	~12.0	~8.5	~3.5

Reserve releases basic losses ¹	€m	%
Q1–3 2014	~485	~4.0
Q3 2014	~160	~4.0

¹ Balance of increases (e.g. agriculture) and releases (e.g. fire, motor, marine and liability).

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Reinsurance property-casualty

Reinsurance property-casualty – Highlights
Q1–3 2013 vs. Q1–3 2014

Munich RE

Gross premiums –0.3%

- Negative FX effects (–€355m) offsetting organic growth (€321m) mainly due to new and increased shares in motor business in Australia and China as well as growth in other casualty business

Investment result +2.0%

- High gains on equities and fixed income securities, but considerable burden from losses on derivatives, especially in Q3
- Overall stable investment result as previous year was affected by losses of derivatives

Technical result –0.6%

- Low level of major nat cat losses
- Higher basic losses resulting from price deteriorations and business mix effects (major casualty contracts in countries with high interest rates)
- Increased operating expenses influenced by higher commissions in proportional business
- Normalised combined ratio adjusted for major losses and reserve releases at 97.8% (96.9% in Q3)

Other¹

- Unusually low tax rate (5.7%) more than offsetting negative currency impact (–€198m)

¹ Other non-operating result, goodwill impairments, net finance costs, taxes.

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Agenda

Financial reporting Q1–3 2014

- Munich Re (Group)
- Primary insurance
- Munich Health
- Reinsurance

Outlook

Backup

Outlook 2014

Munich Re (Group)

GROSS PREMIUMS WRITTEN¹
~€48bn

Focus on bottom line prevails

RETURN ON INVESTMENT
~3.5%

Solid return given ongoing low-interest-rate environment

NET RESULT
slightly above €3bn
 (prev. €3bn)

Q1–3 earnings above expectations

Reinsurance

COMBINED RATIO
~94%
 (prev. ~95%)

NET RESULT
>€2.5bn
 (prev. €2.3–2.5bn)

Primary insurance

COMBINED RATIO
~95%

NET RESULT²
–
 (prev. €400–500m)

Munich Health

COMBINED RATIO
~99%

NET RESULT
>€100m
 (prev. ~€100m)

¹ By segment: Reinsurance slightly above €26bn, primary insurance slightly above €16.5bn, Munich Health slightly below €5.5bn.

² Well on track to exceeding initial target. However, the introduction of a new segmentation at year-end may trigger write-downs of intangible assets in excess of possible tax benefits in Q4.

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Financial reporting Q1–3 2014

Munich Re (Group)

Primary insurance

Munich Health

Reinsurance

Outlook

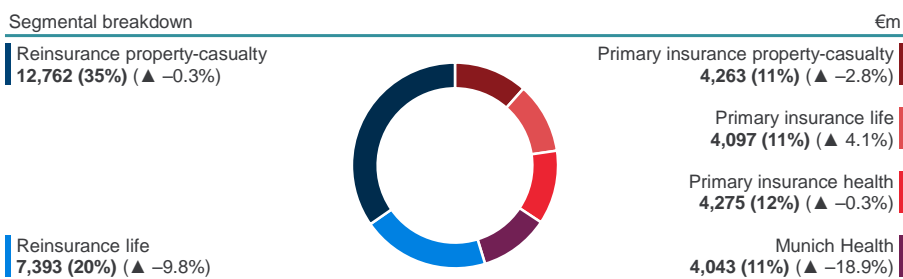
Backup

Backup: Munich Re (Group)

Premium development



Gross premiums written		€m
Q1–3 2013	38,590	
Foreign-exchange effects	-1,053	
Divestment/Investment	-550	
Organic change	-154	
Q1–3 2014	36,833	



Backup: Munich Re (Group)

Reconciliation of operating to net result

Munich RE 

Reconciliation of operating to net result		€m
	Q1-3	Q3
Operating result	3,376	910
Other non-operating result	-466	-126
Goodwill impairments	0	0
Net finance costs	-170	-56
Taxes	-298	10
Net result	2,442	738

Other non-operating result	€m		Tax rates	%	
	Q1-3	Q3		Q1-3	Q3
Foreign exchange	-292	-73	Group	10.9	-1.4
Restructuring charges	-19	-3	Reinsurance	6.0	-8.8
Other	-155	-50	Primary insurance	24.5	12.9
			Munich Health	10.4	-8.2

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Backup: Munich Re (Group)

Actual vs. analysts' consensus

Munich RE 

Operating result – Actual vs. analysts' consensus ¹ €m				Major developments in Q3 2014	
	Actual Q3	Consensus	Delta		
Reinsurance property-casualty	542	748	-206	Reinsurance property-casualty	Investment result €500m lower than in Q2 2014 Combined ratio of 91.3% below consensus (92.2%) – major loss ratio: 6.4%, reserve releases ~4%
Reinsurance life	56	122	-66	Reinsurance life	Investment result €104m lower than in Q2 2014 Technical result of €57m below pro-rata annual guidance due to recaptures
Primary insurance life/health	167	124	+43	Primary insurance life	Positive contribution from interest-rate hedge (€109m/€22m gross/net)
Primary insurance property-casualty	84	126	-42	Primary insurance property-casualty	Combined ratio of 95.8% above consensus (95.3%) – lower investment result than in Q2
Munich Health	51	39	+12	Munich Health	Seasonal effect in Spain – low claims ratios during summer months
Operating result	910	1,167	-257		
FX	-73	-	-		
Other	-109	-	-		
Taxes	10	-	-		
Net result	738	776	-38		

¹ Simple average of estimates the Munich Re investor relations team has gathered from analysts covering Munich Re, not taking into account any external data providers.

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Backup: Munich Re (Group)

Impact of FX movements on balance sheet and P&L

Munich RE 

Shareholders' equity

€   Equity 

- Currency-translation-induced changes in the value of non-monetary FX assets (e.g. equity investments) only impact shareholders' equity as unrealised gains and losses (UGL) increase
- Shareholders' equity increases due to revaluation of assets and liabilities of non-€ consolidated entities with current exchange rates

Net income/Other non-operating result

€   P&L 

- All P&L items are sensitive to FX changes, e.g. investment income, premiums or claims – generally, for profitable business, a weaker euro will lead to higher results on a long-term basis
- Structurally fewer assets than liabilities in IFRS accounting – long-term claims provisions are largely undiscounted while economic steering aims to limit currency risks by matching assets to discounted liabilities
- International diversification of the fixed-income portfolio may lead to currency gains or losses – e.g. in some emerging markets, assets are not necessarily covering insurance liabilities
- While in IFRS terms, non-€ subordinated bonds are reported as non-€ liabilities, they are considered equity substitutes and therefore only covered by euro assets in an economic view

A weaker euro positively impacts IFRS shareholders' equity but tends to burden the P&L – however, no general rule due to multitude of currencies and different long/short positions

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Backup: Reinsurance

Reinsurance: Use of derivatives in our economic steering – Taking account of result fluctuations in IFRS

Munich RE 

€m		Impact on extraordinary result ¹			
Type	Reason for using derivatives	Q3 2014	Q1–3 2014	Result drivers	
Commodity derivative	▪ Inflation protection – physical commodities entail higher costs	-70	Break-even results	Declining commodity price expectations	
Inflation swap	▪ Inflation protection – long-term inflation-linked bonds are only issued by a few states	-122	-132	Declining inflation expectations	
Interest-rate derivative ²	▪ Duration management	-54	-232	Declining interest rates	
Equity derivative	▪ Acquisition preparation ▪ Hedging equity exposure	Derivatives	-229	-416	High volatility
		Physical equities	+197	+611	
Total return equities³		-14 (-0.8%)	+455 (8.6%)		

Derivatives provide an efficient way of quickly and flexibly adjusting the investment portfolio to changing market conditions – high market liquidity and low transaction costs

¹ Disposal gains/losses and write-ups/write-downs.

² In primary insurance, interest-rate derivatives also used to hedge policyholder guarantees.

³ Including regular income and change of unrealised gains and losses of in total €18m in Q3 (€260m in Q1–3).

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Backup: Primary insurance life – New business

Primary insurance life –
New business (statutory premiums)

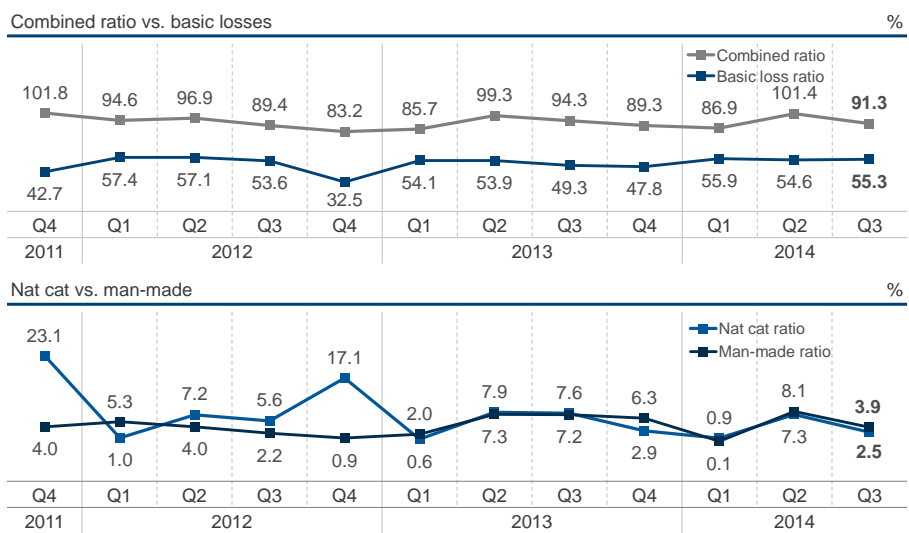


	Total premiums	Regular premiums	Single premiums	APE ¹
Life total				
Q1–3 2013	1,361	294	1,067	401
Q1–3 2014	1,665	302	1,363	438
▲	22.3%	2.7%	27.7%	9.2%
Germany				
Q1–3 2013	825	178	647	243
Q1–3 2014	790	161	629	224
▲	-4.2%	-9.6%	-2.8%	-7.8%
International				
Q1–3 2013	536	116	420	158
Q1–3 2014	875	141	734	214
▲	63.2%	21.6%	74.8%	35.4%

¹ Annual premium equivalent (APE = regular premiums +10% single premiums).
² APE, only third-layer private provision and tied-agent organisations.

Backup: Reinsurance property-casualty – Combined ratio

Development of combined ratio



Backup: Reinsurance property-casualty – Combined ratio

Normalised combined ratio

Munich RE

Normalised combined ratio							%
	Reported combined ratio	Reported major losses	Expected major losses ¹	Reported reserve releases ²	Changes sliding-scale provisions	Modelled assumption on reserve releases	Normalised combined ratio
Q1 2013	85.7	-2.6	+12.0	+2.5	-	-4.0	93.6
Q2 2013	99.3	-15.2	+12.0	+4.0	-	-4.0	96.1
Q3 2013	94.3	-14.8	+12.0	+6.0	-0.7	-4.0	92.8
Q4 2013	89.3	-9.2	+12.0	+9.0	-2.3	-4.0	94.8
FY 2013	92.1	-10.4	+12.0	+5.2	-0.8	-4.0	94.1
Q1 2014	86.9	-1.0	+12.0	+3.5	+0.2	-4.0	97.6
Q2 2014	101.4	-15.4	+12.0	+4.5	-	-4.0	98.5
Q3 2014	91.3	-6.4	+12.0	+4.0	-	-4.0	96.9
Q1-3 2014	93.2	-7.5	+12.0	+4.0	+0.1	-4.0	97.8

¹ Simplified assumption of evenly distributed major losses over every quarter.² Basic losses.

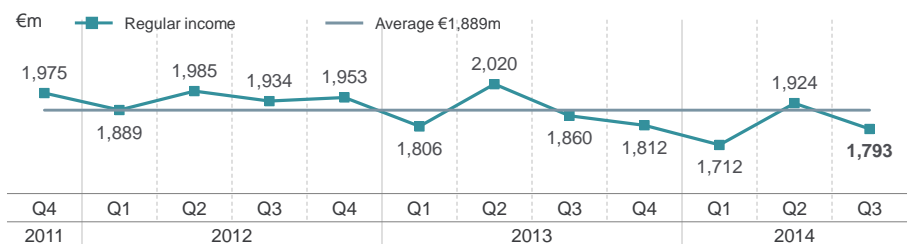
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Backup: Investments

Breakdown of regular income

Munich RE

Investment result – Regular income (€m)	Q2 2014	Q3 2014	Q1-3 2014	Q1-3 2013	Change
Afs fixed-interest	902	913	2,687	2,814	-127
Afs non-fixed-interest	216	77	365	352	13
Derivatives	33	34	99	156	-57
Loans	546	549	1,643	1,684	-41
Real estate	89	91	262	256	6
Deposits retained on assumed reinsurance and other investments	138	129	373	424	-51
Total regular income	1,924	1,793	5,429	5,686	-257



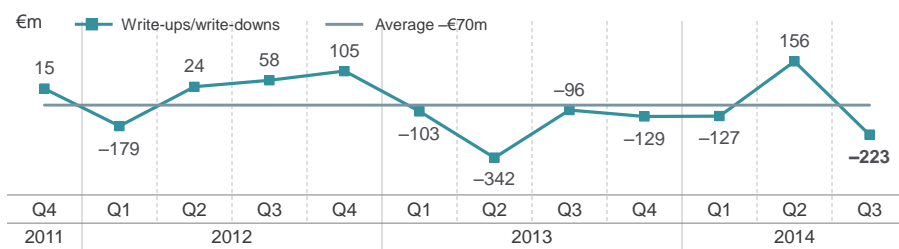
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Backup: Investments

Breakdown of write-ups/write-downs

Munich RE 

Investment result – Write-ups/write-downs (€m)	Q2 2014	Q3 2014	Q1-3 2014	Q1-3 2013	Change
Afs fixed-interest	2	-4	-3	4	-7
Afs non-fixed-interest	-17	-37	-74	-84	10
Derivatives	155	-130	-83	-271	188
Loans	6	-1	6	0	6
Real estate	-15	-12	-42	-60	18
Deposits retained on assumed reinsurance and other investments	25	-39	2	-130	132
Total net write-ups/write-downs	156	-223	-194	-541	347



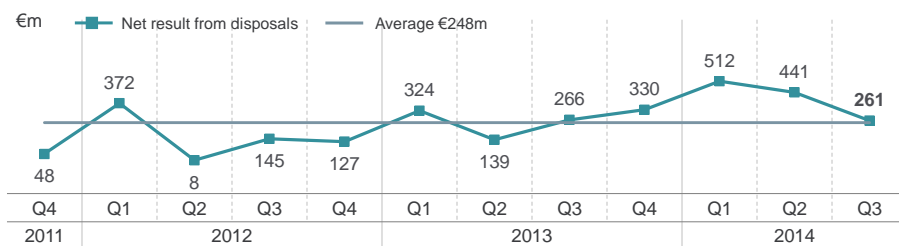
Quarterly financial statements as at 30 September 2014 40

Backup: Investments

Breakdown of net result from disposals

Munich RE 

Investment result – Net result from disposal of investments (€m)	Q2 2014	Q3 2014	Q1-3 2014	Q1-3 2013	Change
Afs fixed-interest	238	148	623	590	33
Afs non-fixed-interest	437	254	836	536	300
Derivatives	-244	-217	-475	-491	16
Loans	11	46	185	115	70
Real estate	0	16	20	11	9
Deposits retained on assumed reinsurance and other investments	-1	14	25	-32	57
Total net result from disposals	441	261	1,214	729	485



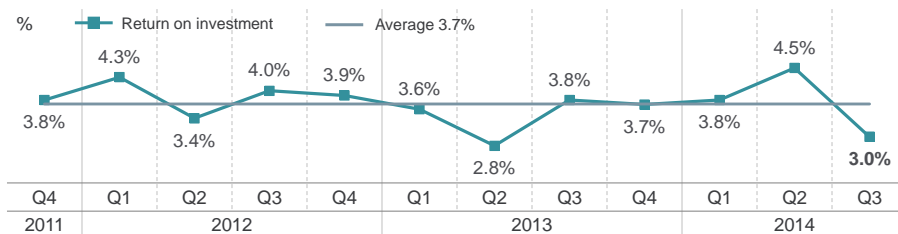
Quarterly financial statements as at 30 September 2014 41

Backup: Investments

Return on investment by asset class and segment

Munich RE 

% ¹	Regular income	Write-ups/downs	Disposal result	Other inc./exp.	RoI	Market value ³
Afs fixed-interest	3.0	–	0.7	–	3.7	120,311
Afs non-fixed-interest	4.0	–0.8	9.3	–	12.5	12,022
Derivatives	6.3	–5.3	–30.3	–4.2	–33.5	2,087
Loans	3.4	–	0.4	–	3.8	63,962
Real estate	6.3	–1.0	0.5	–	5.8	5,515
Other ²	2.2	–	0.2	–	2.4	23,053
Total	3.2	–0.1	0.7	–	3.8	226,950
Reinsurance	3.1	–0.8	1.1	–0.4	3.0	82,335
Primary insurance	3.3	0.3	0.4	0.2	4.2	139,796
Munich Health	2.0	–0.2	0.5	–0.2	2.1	3,714

¹ Annualised. ² Including management expenses and impact from unit-linked business.³ In €m. Segments do not add up to total amount; difference relates to the segment "asset management".

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Backup: Investments

Investment result by segment

Munich RE 

Investment result – Reinsurance – Life

€m

	Q1–3 2014	Return ¹	Q1–3 2013	Return ¹	Q3 2014	Return ¹	Q2 2014	Return ¹
Regular income	640	3.5%	688	3.9%	213	3.4%	227	3.8%
Write-ups/write-downs	–66	–0.3%	–35	–0.2%	–44	–0.7%	13	0.2%
Disposal gains/losses	116	0.6%	65	0.4%	17	0.3%	61	1.0%
Other income/expenses	–103	–0.6%	–99	–0.6%	–31	–0.5%	–42	–0.7%
Investment result	587	3.2%	619	3.5%	155	2.5%	259	4.3%
Average market value	24,187		23,760		24,846		23,947	

Investment result – Reinsurance – Property-casualty

€m

	Q1–3 2014	Return ¹	Q1–3 2013	Return ¹	Q3 2014	Return ¹	Q2 2014	Return ¹
Regular income	1,268	2.9%	1,365	3.1%	430	2.9%	449	3.1%
Write-ups/write-downs	–433	–1.0%	–256	–0.6%	–281	–1.9%	26	0.2%
Disposal gains/losses	611	1.4%	308	0.7%	114	0.7%	295	2.1%
Other income/expenses	–151	–0.3%	–148	–0.3%	–49	–0.3%	–56	–0.4%
Investment result	1,295	3.0%	1,269	2.9%	214	1.4%	714	5.0%
Average market value	58,148		59,152		59,564		57,641	

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

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Backup: Investments

Investment result by segment

Munich RE 

Investment result – Primary insurance – Life								€m
	Q1–3 2014	Return ¹	Q1–3 2013	Return ¹	Q3 2014	Return ¹	Q2 2014	Return ¹
Regular income	2,117	3.2%	2,193	3.4%	696	3.0%	726	3.2%
Write-ups/write-downs	363	0.5%	–195	–0.3%	130	0.6%	130	0.6%
Disposal gains/losses	381	0.6%	289	0.4%	123	0.5%	68	0.3%
Other income/expenses ²	278	0.4%	118	0.2%	32	0.1%	172	0.8%
Investment result	3,139	4.7%	2,405	3.7%	981	4.2%	1,096	4.9%
Average market value	89,538		86,975		92,352		89,625	

Investment result – Primary insurance – Property-casualty								€m
	Q1–3 2014	Return ¹	Q1–3 2013	Return ¹	Q3 2014	Return ¹	Q2 2014	Return ¹
Regular income	210	2.7%	230	3.1%	69	2.6%	76	2.9%
Write-ups/write-downs	–35	–0.4%	–25	–0.3%	–13	–0.5%	–14	–0.5%
Disposal gains/losses	79	1.0%	118	1.6%	–4	–0.1%	35	1.3%
Other income/expenses	–16	–0.2%	–23	–0.3%	–5	–0.2%	–6	–0.2%
Investment result	238	3.1%	300	4.1%	47	1.8%	91	3.5%
Average market value	10,306		9,852		10,499		10,360	

¹ Return on quarterly weighted investments (market values) in % p.a. ² Including impact from unit-linked business. Q1–3 2014: €404m (0.6%-points). Q1–3 2013: €241m (0.4%-points). Q3 2014: €79m (0.3%-points). Q2 2014: €214m (1.0%-points).

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Backup: Investments

Investment result by segment

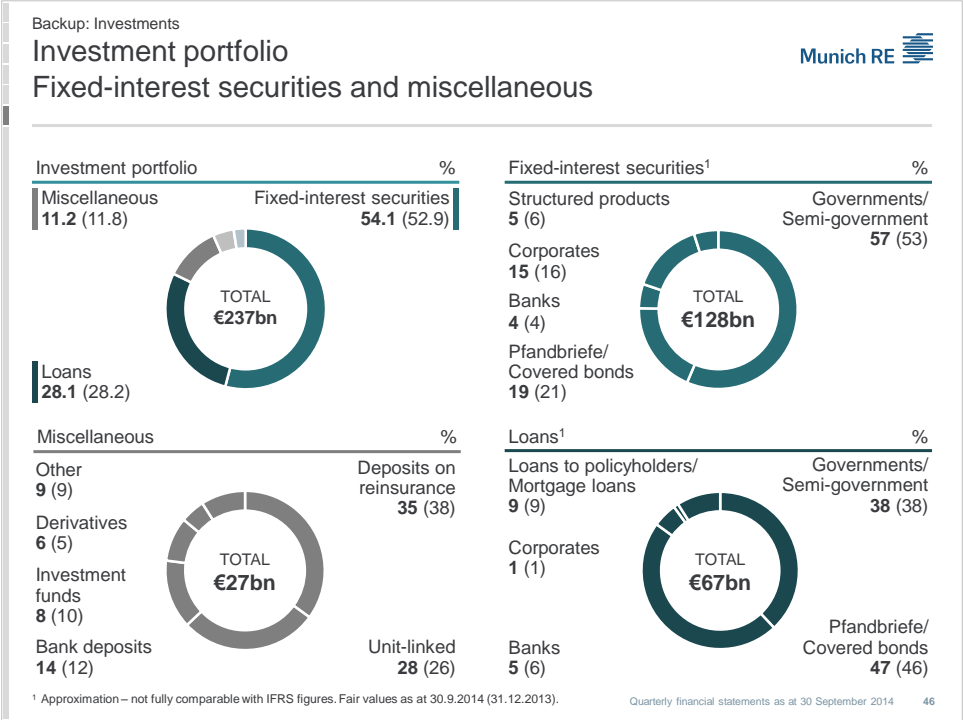
Munich RE 

Investment result – Primary insurance – Health								€m
	Q1–3 2014	Return ¹	Q1–3 2013	Return ¹	Q3 2014	Return ¹	Q2 2014	Return ¹
Regular income	1,127	3.8%	1,133	4.1%	360	3.5%	421	4.2%
Write-ups/write-downs	–18	–0.1%	–28	–0.1%	–8	–0.1%	–1	0.0%
Disposal gains/losses	13	0.0%	–47	–0.2%	11	0.1%	–23	–0.2%
Other income/expenses	–59	–0.2%	–57	–0.2%	–21	–0.2%	–20	–0.2%
Investment result	1,063	3.5%	1,001	3.6%	342	3.3%	377	3.8%
Average market value	39,952		37,273		41,272		40,067	

Investment result – Munich Health								€m
	Q1–3 2014	Return ¹	Q1–3 2013	Return ¹	Q3 2014	Return ¹	Q2 2014	Return ¹
Regular income	57	2.0%	67	2.3%	23	2.5%	20	2.2%
Write-ups/write-downs	–6	–0.2%	9	0.3%	–6	–0.7%	0	0.0%
Disposal gains/losses	12	0.5%	–6	–0.2%	0	0.0%	5	0.5%
Other income/expenses	–5	–0.2%	–3	–0.1%	–2	–0.2%	–2	–0.2%
Investment result	58	2.1%	67	2.3%	15	1.6%	23	2.5%
Average market value	3,714		3,866		3,743		3,726	

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

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Backup: Investments

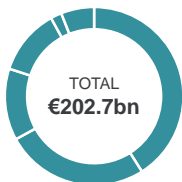


Fixed-income portfolio Total

Munich RE

Rating structure %

Rating	Count	%
<BB and NR	6 (6)	41 (42)
BB	2 (2)	
BBB	12 (12)	
A	13 (12)	26 (26)



Maturity structure %

Maturity	Count	%
n.a.	2 (2)	9 (9)
>10 years	34 (31)	14 (16)
7-10 years	14 (14)	14 (15)
		5-7 years
		13 (13)



Regional breakdown %

Region	Without	With	Total	
	policyholder participation		2014	2013
Germany	5.0	24.9	29.9	32.2
US	12.7	1.1	13.8	13.7
France	2.6	5.6	8.2	7.9
UK	3.6	2.8	6.4	6.4
Netherlands	1.8	2.8	4.6	4.8
Supra-nationals	0.9	2.7	3.6	3.3
Canada	3.4	0.1	3.5	3.5
Spain	1.6	1.9	3.5	2.8
Italy	1.2	2.1	3.3	2.7
Ireland	0.8	1.7	2.5	2.7
Austria	0.5	2.0	2.5	2.7
Australia	1.5	0.4	1.9	1.9
Sweden	0.4	1.4	1.8	2.0
Norway	0.5	1.3	1.8	1.9
Belgium	0.5	1.1	1.6	1.5
Other	7.1	4.0	11.1	10.0
Total	44.1	55.9	100.0	100.0

Approximation – not fully comparable with IFRS figures. Fair values as at 30.9.2014 (31.12.2013).

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Backup: Investments



Fixed-income portfolio Governments/Semi-government

Munich RE

Rating structure %

Rating	Count	%
BB	1 (1)	47 (47)
BBB	11 (10)	
A	7 (6)	
AA	34 (36)	



Maturity structure %

Maturity	Count	%
>10 years	42 (39)	9 (9)
		13 (17)
		13 (13)
		11 (12)

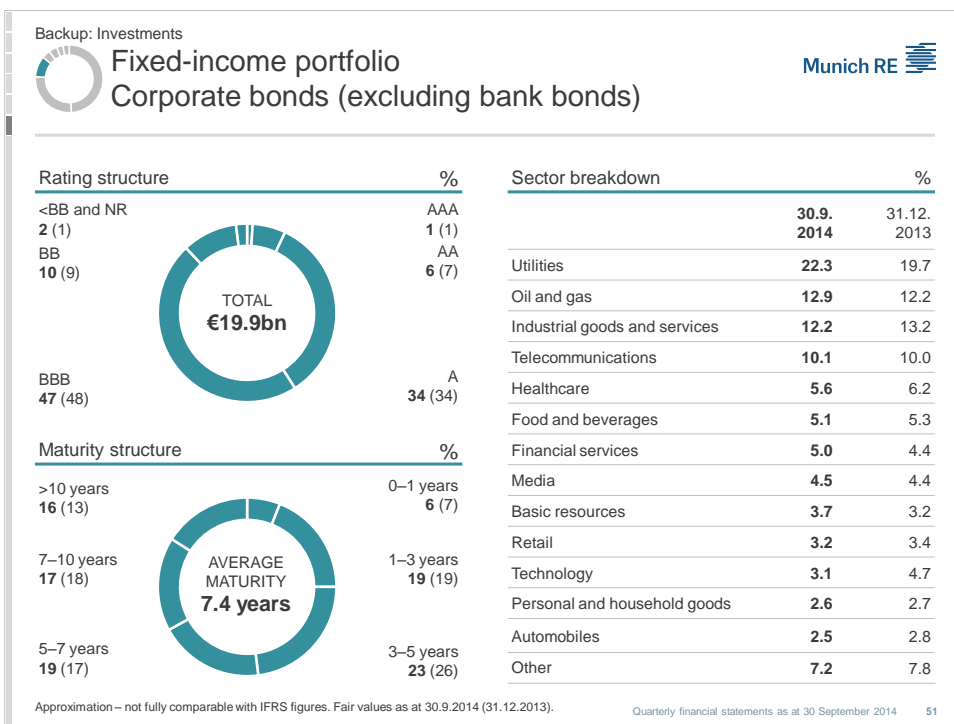
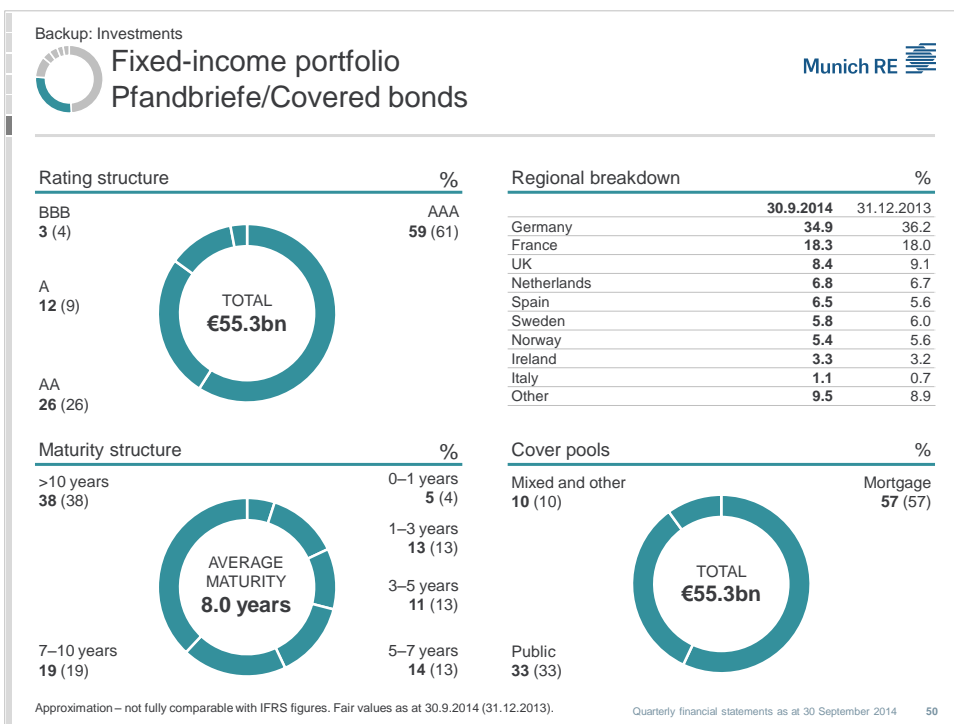


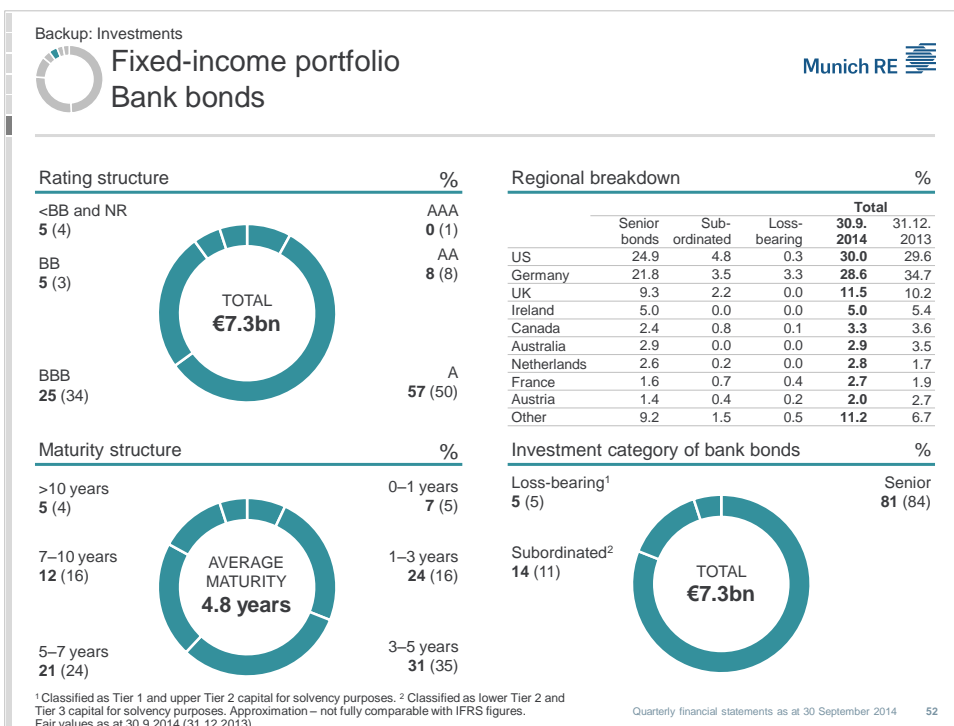
Regional breakdown %

Region	Without	With	Total	
	policyholder participation		2014	2013
Germany	4.8	24.0	28.8	33.0
US	14.9	0.5	15.4	13.9
Supra-nationals	1.9	5.4	7.3	7.2
Canada	5.3	0.1	5.4	5.9
UK	4.6	0.2	4.8	4.5
Italy	1.2	3.2	4.4	3.7
France	2.4	2.0	4.4	3.6
Austria	0.8	2.6	3.4	3.9
Spain	1.5	1.5	3.0	1.9
Belgium	0.9	2.0	2.9	3.0
Australia	2.5	0.0	2.5	2.4
Netherlands	1.6	0.7	2.3	2.3
Finland	0.5	1.5	2.0	2.1
Ireland	0.2	1.4	1.6	1.7
Portugal	0.1	0.0	0.1	0.0
Other	9.0	2.7	11.7	10.9
Total	52.2	47.8	100.0	100.0

Approximation – not fully comparable with IFRS figures. Fair values as at 30.9.2014 (31.12.2013).

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Backup: Investments

Fixed-income portfolio

Structured products

Munich RE

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

	Rating						Region		Total	Market-to-par
	AAA	AA	A	BBB	<BBB	NR	USA + RoW	Europe		
ABS										
Consumer-related ABS ¹	418	308	166	18	–	–	373	537	910	101%
Corporate-related ABS ²	68	101	174	73	5	–	–	421	421	100%
Subprime HEL	–	2	1	2	–	–	5	–	5	100%
CDO/CLN										
Subprime-related	–	–	–	–	–	–	–	–	–	0%
Non-subprime-related	476	427	244	27	–	33	290	917	1,207	97%
MBS										
Agency	1,334	80	–	–	–	–	1,414	–	1,414	104%
Non-agency prime	387	169	216	66	4	–	32	810	842	101%
Non-agency other (not subprime)	135	76	21	25	1	–	20	238	258	100%
Commercial MBS	626	29	298	97	54	3	589	518	1,107	101%
Total 30.9.2014	3,444	1,192	1,120	308	64	36	2,723	3,441	6,164	100%
In %	56%	19%	18%	5%	1%	1%	44%	56%	100%	
Total 31.12.2013	3,875	1,353	1,293	382	159	63	3,145	3,980	7,125	99%

¹ Consumer loans, auto, credit cards, student loans. ² Asset-backed CPs, business and corporate loans, commercial equipment. Approximation – not fully comparable with IFRS figures. Fair values as at 30.9.2014.

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Backup: Investments

Sensitivities to interest rates, spreads and equity markets

Munich RE 

Sensitivity to risk-free interest rates – Basis points	-50	-25	+50	+100
Change in gross market value (€bn)	+7.9	+3.8	-7.1	-13.3
Change in on-balance-sheet reserves, net (€bn) ¹	+1.8	+0.9	-1.7	-3.3
Change in off-balance-sheet reserves, net (€bn) ¹	+0.4	+0.2	-0.4	-0.7
P&L impact (€bn) ¹	-0.0	-0.0	+0.0	+0.1
Sensitivity to spreads² (change in basis points)			+50	+100
Change in gross market value (€bn)			-5.0	-9.3
Change in on-balance-sheet reserves, net (€bn) ¹			-1.1	-2.1
Change in off-balance-sheet reserves, net (€bn) ¹			-0.3	-0.5
P&L impact (€bn) ¹			+0.1	+0.1
Sensitivity to equity and commodity markets³	-30%	-10%	+10%	+30%
EURO STOXX 50 (3,226 as at 30.9.2014)	2,258	2,903	3,549	4,194
Change in gross market value (€bn)	-3.6	-1.2	+1.2	+3.7
Change in on-balance-sheet reserves, net (€bn) ¹	-1.0	-0.4	+0.7	+2.1
Change in off-balance-sheet reserves, net (€bn) ¹	-0.6	-0.2	+0.2	+0.6
P&L impact (€bn) ¹	-1.4	-0.4	+0.1	+0.3

¹ Rough calculation with limited reliability assuming unchanged portfolio as at 30.9.2014. After rough estimation of policyholder participation and deferred tax; linearity of relations cannot be assumed. Approximation – not fully comparable with IFRS figures.

² Sensitivities to changes of spreads are calculated for every category of fixed-interest securities, except government securities with AAA ratings.

³ Worst-case scenario assumed including commodities; impairment as soon as market value is below acquisition cost. Approximation – not fully comparable with IFRS figures.

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Backup: Investments

On- and off-balance-sheet reserves (gross)

Munich RE 

€m	31.12. 2012	31.12. 2013	31.3. 2014	31.6. 2014	30.9. 2014
Market value of investments	224,537	217,738	223,463	229,336	237,263
Total reserves	22,478	15,192	18,931	23,208	26,476
On-balance-sheet reserves					
Fixed-interest securities	9,980	4,661	6,568	8,719	10,097
Non-fixed-interest securities	1,503	1,975	2,032	2,118	2,072
Other on-balance-sheet reserves ¹	291	292	306	309	312
Subtotal	11,774	6,928	8,906	11,146	12,481
Off-balance-sheet reserves					
Real estate ²	1,519	1,763	1,772	1,800	1,823
Loans and investments (held to maturity)	8,831	6,071	7,887	9,880	11,801
Associates	354	430	366	382	371
Subtotal	10,704	8,264	10,025	12,062	13,995
Reserve ratio (%)	10.0%	7.0%	8.5%	10.1%	11.2%

¹ Unrealised gains/losses from unconsolidated affiliated companies, valuation at equity and cash-flow hedging.

² Excluding reserves from owner-occupied property.

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Backup: Investments

On-balance-sheet reserves

Munich RE 

On-balance-sheet reserves		€m
	Q1–3	Change Q3
Investments afs	12,169	1,332
Valuation at equity	116	0
Unconsolidated affiliated enterprises	167	4
Cash-flow hedging	29	–1
Total on-balance-sheet reserves (gross)	12,481 	1,335
Provision for deferred premium refunds	–5,408	–866
Deferred tax	–1,653	–142
Minority interests	–15	–3
Consolidation and currency effects	–52	–80
Shareholders' stake	5,353 	244

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Backup: Investments

Off-balance-sheet reserves

Munich RE 

Off-balance-sheet reserves		€m
	Q1–3	Change Q3
Real estate ¹	1,823	23
Loans and investments (held to maturity)	11,801	1,921
Associates	371	–11
Total off-balance-sheet reserves (gross)	13,995 	1,933
As if		
Provision for deferred premium refunds	–10,436	–1,617
Deferred tax	–1,078	–103
Minority interests	–1	0
Shareholders' stake	2,480 	213

¹ Excluding reserves for owner-occupied property.

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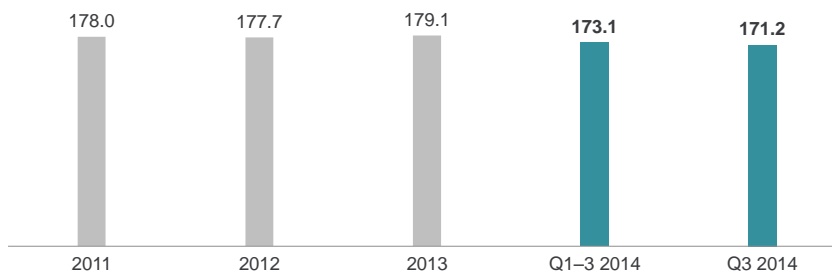
Backup: Shareholder information

Development of shares in circulation

Munich RE 

Shares (millions)	31.12. 2013	Acquisition of own shares in Q1–2 2014	Retirement of own shares in Q1–2 2014	30.9. 2014
Shares in circulation	177.4	–7.2		170.2
Own shares held	1.9	7.2	–6.4	2.7
Total	179.3	–	–6.4	172.9

Weighted average number of shares in circulation (millions)



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Backup: Shareholder information

Financial calendar

Munich RE 

2014

27 November Analysts' briefing, London

2015

5 February Preliminary key figures 2014 and renewals

11 March Balance sheet press conference for 2014 financial statements
Analysts' conference with videocast

23 April Annual General Meeting, ICM – International Congress Centre Munich

7 May Interim report as at 31 March 2015

30 June Investor Day, London

6 August Interim report as at 30 June 2015

5 November Interim report as at 30 September 2015

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Backup: Shareholder information

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Figures up to 2010 are shown on a partly consolidated basis.

"Partly consolidated" means before elimination of intra-Group transactions across segments.