

Good start to 2015

Quarterly financial statements as at 31 March 2015

7 May 2015

Jörg Schneider
Torsten Jeworrek

Financial reporting Q1 2015

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Good start to 2015

Munich Re (Group) – Q1 2015

NET RESULT
€790m

Good operating performance in core business supported by benign major losses in reinsurance

SHAREHOLDERS' EQUITY
€34.8bn (+14.7% vs. 31.12.)

Sound capital position – continuation of €1bn share buy-backs until AGM 2016

INVESTMENT RESULT
Rol of 3.0%

Solid return given low interest rates – Economic ALM resulting in losses on derivatives, with usual portfolio turnover leading to disposal gains

Reinsurance

NET RESULT
€668m

597

71

P-C

Combined ratio
92.3%

Major-loss ratio
6.2%

LIFE

Technical result of €103m in line with pro-rata annual guidance

ERGO

NET RESULT
€99m

37

51

11

P-C GERMANY

Combined ratio 98.1% – above-average major losses

L/H GERMANY

Pleasing result

INTERNATIONAL

Combined ratio
98.7%

Munich Health

NET RESULT
€23m

23

REINSURANCE

Combined ratio 100.8%

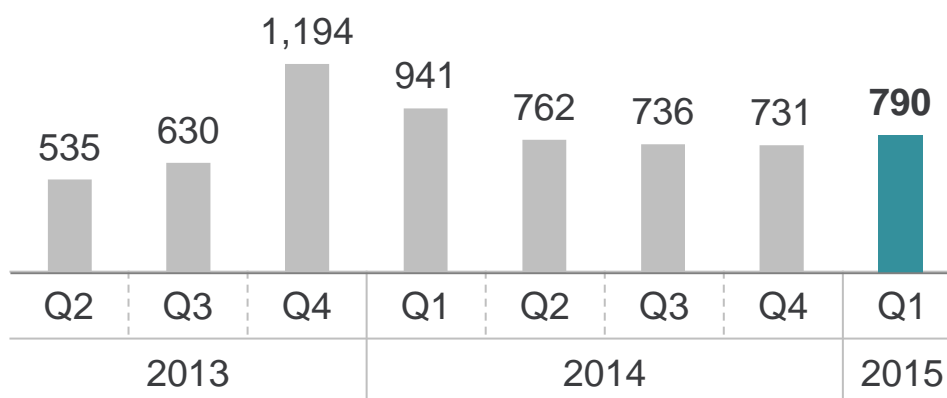
PRIMARY INSURANCE

Combined ratio 98.0%

Net result

Net result

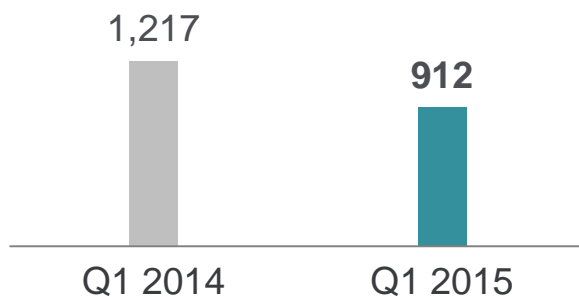
€m



	Q1 2015	Q1 2014
Total	790	941
Reinsurance	668	768
ERGO	99	153
Munich Health	23	20

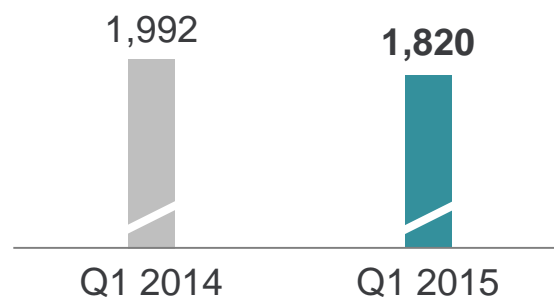
Technical result

€m



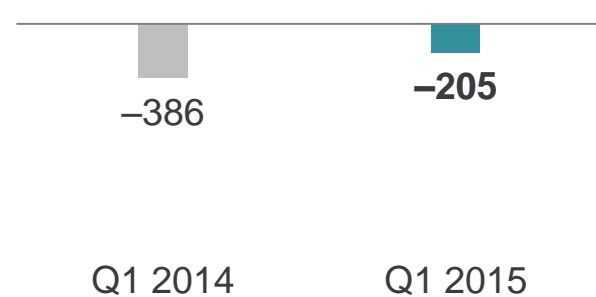
Investment result

€m



Other¹

€m



Benign major losses in reinsurance
Q1 2014: 1.0%, Q1 2015: 6.2%

Solid performance given ongoing
decline of interest rates

Low tax rate (16.0%) and positive
FX result (€66m)

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

IFRS capital position

Equity		€m
Equity 31.12.2014	30,289	
Consolidated result	790	
Changes		
Dividend	–	
Unrealised gains/losses	2,035	
Exchange rates	1,857	
Share buy-backs	–279	
Other	61	
Equity 31.3.2015	34,753	

UNREALISED GAINS/LOSSES

Fixed-interest securities
€1,077m

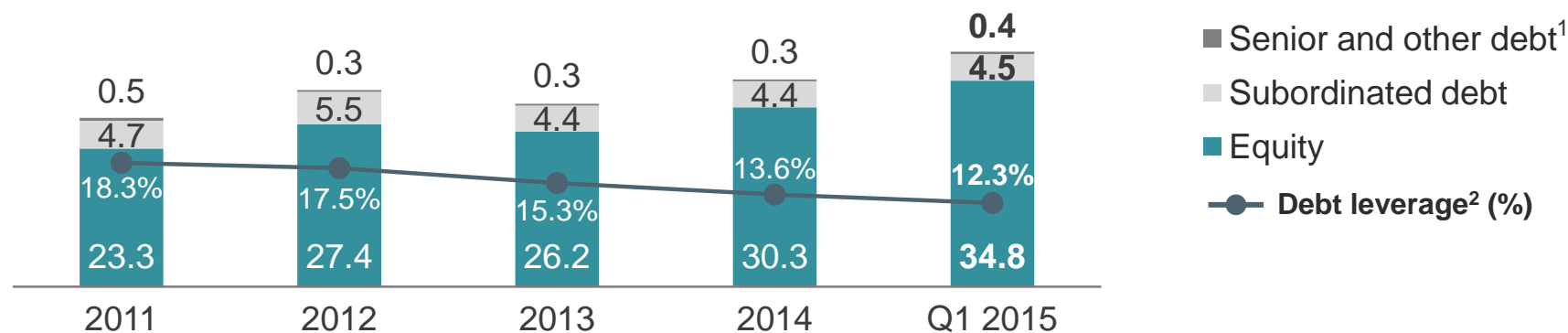
Non-fixed-interest securities
€945m

EXCHANGE RATES

Positive FX contribution
mainly driven by US\$

Capitalisation

€bn



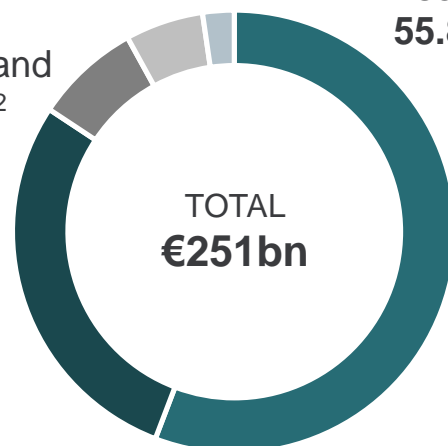
¹ Other debt includes bank borrowings of Munich Re and other strategic debt.

² Strategic debt (senior, subordinated and other debt) divided by total capital (strategic debt + equity).

Investment portfolio

Investment portfolio¹

%

Land and buildings
2.3 (2.4)Shares, equity funds and
participating interests²
5.7 (5.2)Miscellaneous³
7.7 (7.7)Loans
28.5 (29.2)Fixed-interest
securities
55.8 (55.5)

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,
Spain, Ireland and emerging marketsPurchase of corporate bonds (esp. in USA)
while reducing ABS/MBS and covered bondsDuration increase due to decline of interest
rates and investments in higher maturitiesPortfolio duration⁴



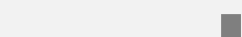
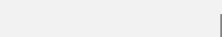
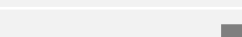
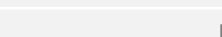
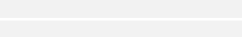
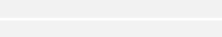
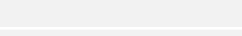
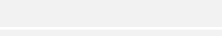
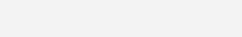
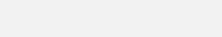
	Assets	Liabilities	Net DV01 (€m)
Reinsurance	6.3 (5.6)	5.3 (4.6)	-0.1
ERGO	8.7 (8.3)	9.6 (9.2)	21.0
Munich Re (Group)	7.8 (7.4)	7.9 (7.4)	20.9

¹ Fair values as at 31.3.2015 (31.12.2014). ² Net of hedges: 4.2% (4.3%). ³ Deposits retained on assumed reinsurance, deposits with banks, investment funds (excl. equities), derivatives and investments in renewable energies and gold. ⁴ As at 31.3.2015 (31.12.2014). Net DV01: Sensitivity to parallel upward shift of yield curve by one basis point reflecting portfolio size.

Investment result

Investment result

€m

	Q1 2015		Return ¹ %	Q1 2014		Return ¹ %
Regular income	1,801		3.0%	1,697		3.2%
Write-ups/write-downs	-151		-0.2%	-15		0.0%
Disposal gains/losses	997		1.6%	517		0.9%
Derivatives ²	-706		-1.2%	-96		-0.2%
Other income/expenses	-121		-0.2%	-111		-0.2%
Investment result	1,820		3.0%	1,992		3.7%
Total return %			16.2%			10.8%

3-month reinvestment yield		Write-ups/ write-downs	Q1 2015	Q1 2014	Disposal gains/losses	Q1 2015	Q1 2014	Derivatives	Q1 2015	Q1 2014
Q1 2015	2.0%	Fixed income	-97	0	Fixed income	620	364	Fixed income ³	134	25
Q4 2014	2.1%	Equities	-31	-19	Equities	369	145	Equities	-760	-86
		Real estate	-19	-16				Commodities	-68	7
Q1 2014	2.5%	Other	-4	20	Other	8	8	Other	-12	-42

¹ Annualised return on quarterly weighted investments (market values) in %. ² Result from derivatives without regular income and other income/expenses. ³ Thereof interest-rate hedging ERGO: €209m/€35m (gross/net).

Financial reporting Q1 2015

Munich Re (Group)

ERGO

Munich Health

Reinsurance

Outlook

Backup

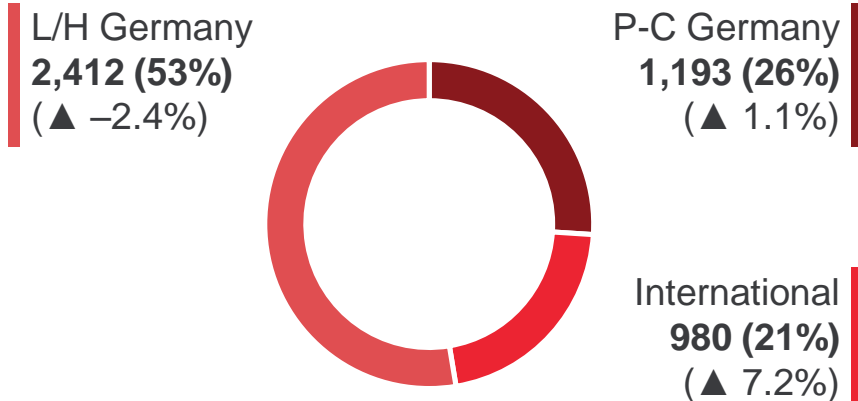
Gross premiums written €m

Q1 2014	4,565	
Foreign-exchange effects	2	
Divestments/investments	10	
Organic change	8	
Q1 2015	4,585	

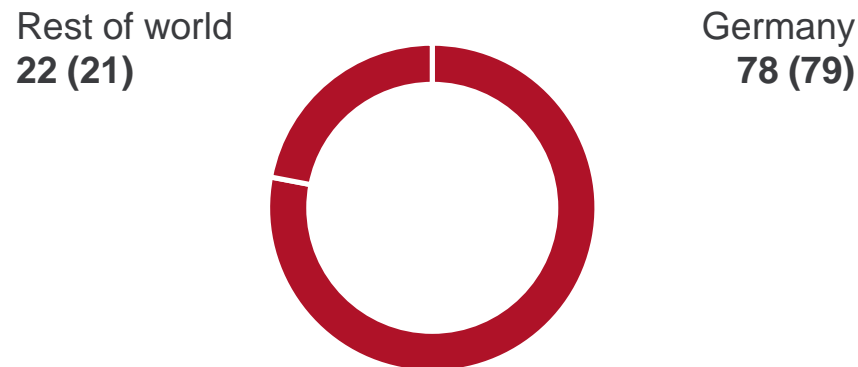
Gross premiums written €m

Q1 2014	4,565	
Life/Health Germany	-59	■
Property-casualty Germany	13	
International	66	■
Q1 2015	4,585	

Segmental breakdown €m



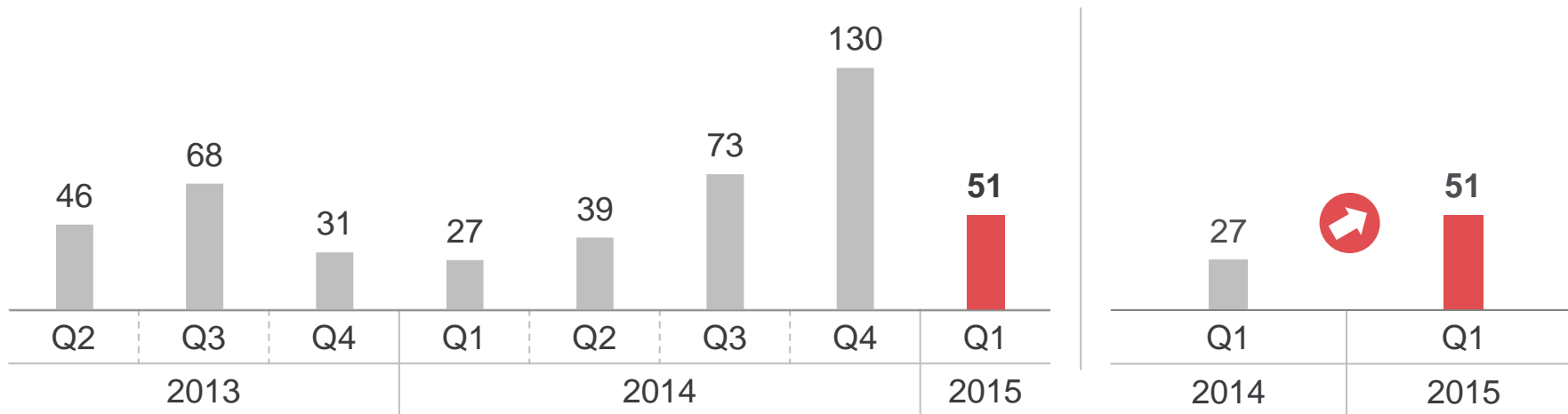
Regional breakdown %



ERGO Life/Health Germany – Key figures

Net result

€m



Technical result

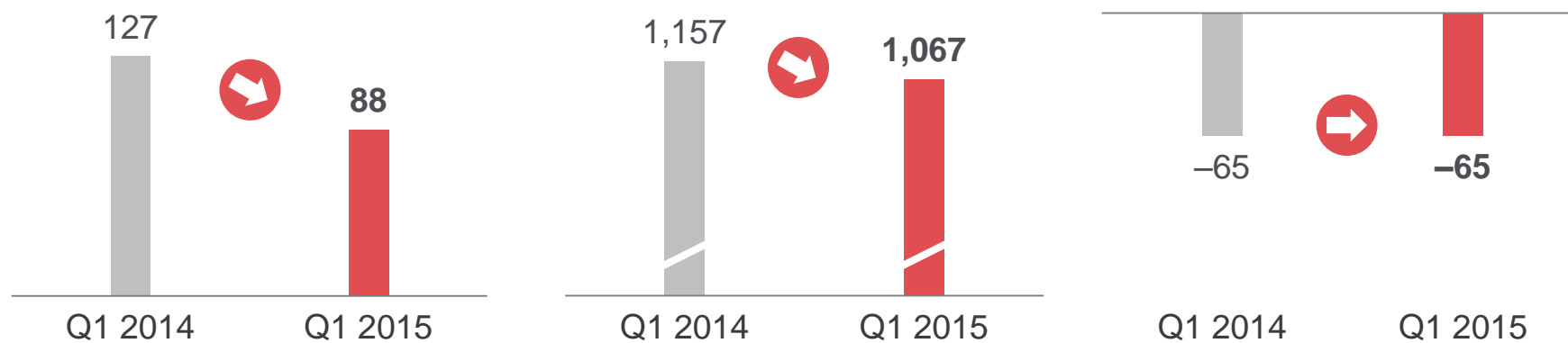
€m

Investment result

€m

Other¹

€m



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

Q1 2015 vs. Q1 2014

Total premiums-1.4% 


- Life: Reduced new business – New life products making up ~20% of total new business¹ (~86% of 3rd layer in German pension system)
- Difficult environment for regular premiums, slightly higher single premiums from short-term investment product “MaxiZins”
- Lower business in force; higher savings premiums resulting from unit-linked business
- Health: Decrease in comprehensive health cover; stable premium income in supplementary insurance

Investment result-7.8% 

- Losses on equity derivatives and write-downs
- High disposal gains on fixed-income securities and equities
- High contribution of interest-rate hedging €175m/€17m (gross/net)

Technical result-30.7% 

- Slight improvement in life
- Decrease in health and direct business

Net result+88.9% 

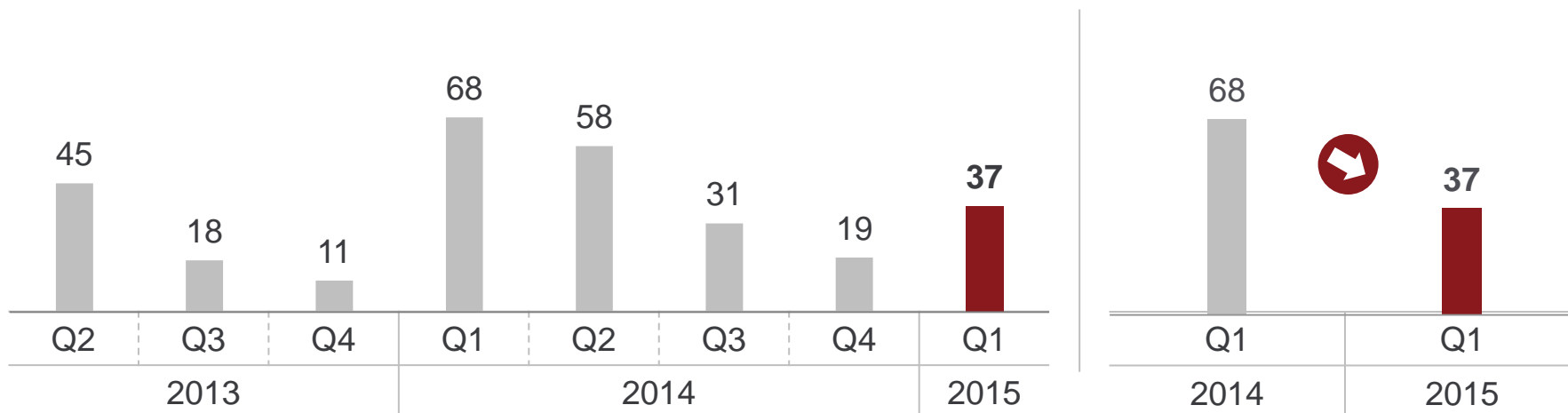
- Previous year impacted by restructuring of sales organisation

¹ Annual premium equivalent (APE = regular premiums +10% single premiums)

ERGO Property-casualty Germany – Key figures

Net result

€m



Technical result

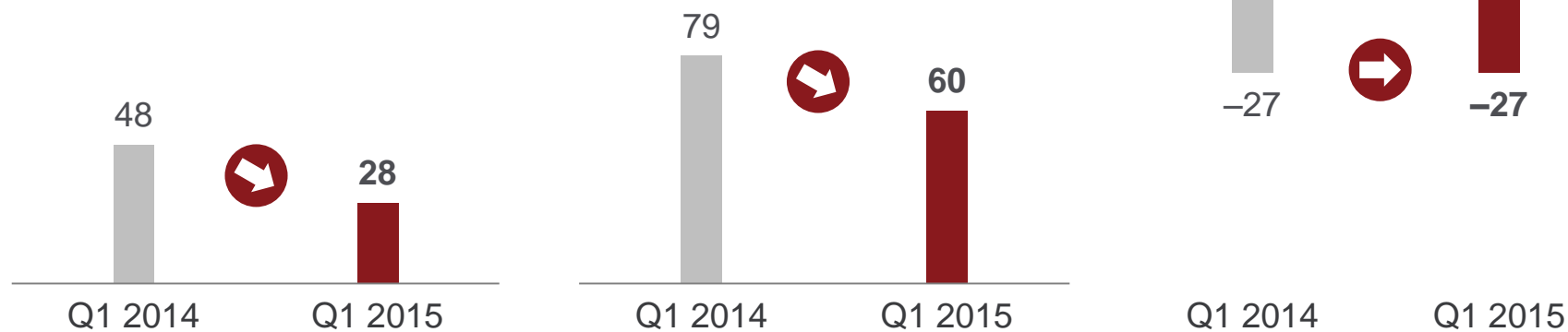
€m

Investment result

€m

Other¹

€m



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

Gross premiums**+1.1%** 

- Increase mainly driven by fire/property and liability

Technical result**-41.7%** 

- Combined ratio increased to 98.1% due to seasonal effects and several large losses (e.g. storm Niklas)
- Outlook of ~93% remains unchanged

Investment result**-24.1%** 

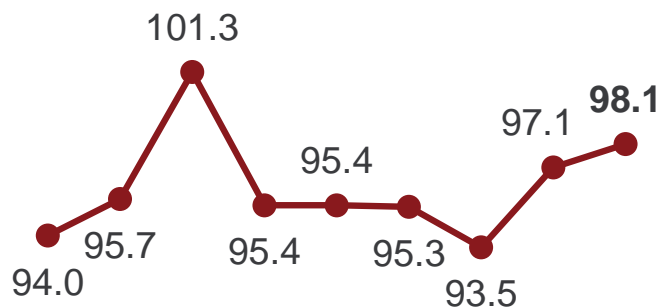
- Lower derivative result and write-downs

Other¹

- Improved FX result from investment funds
- Increased tax rate at 11.9%

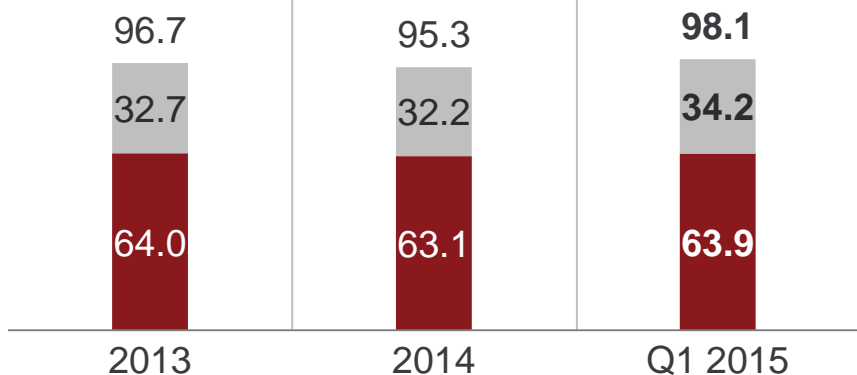
¹ Other non-operating result, goodwill impairments, net finance costs, taxes.

Combined ratio %

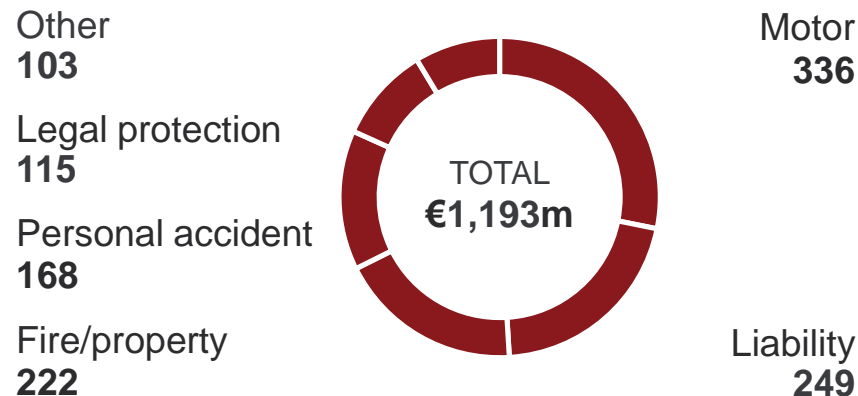


Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4

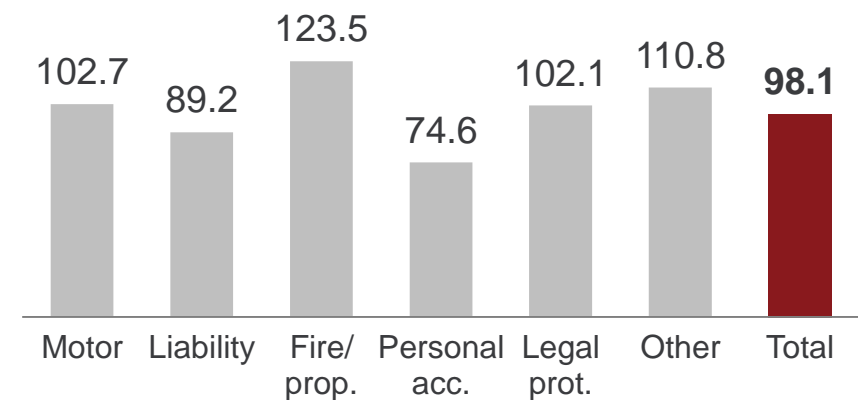
■ Expense ratio
■ Loss ratio



Gross premiums written €m



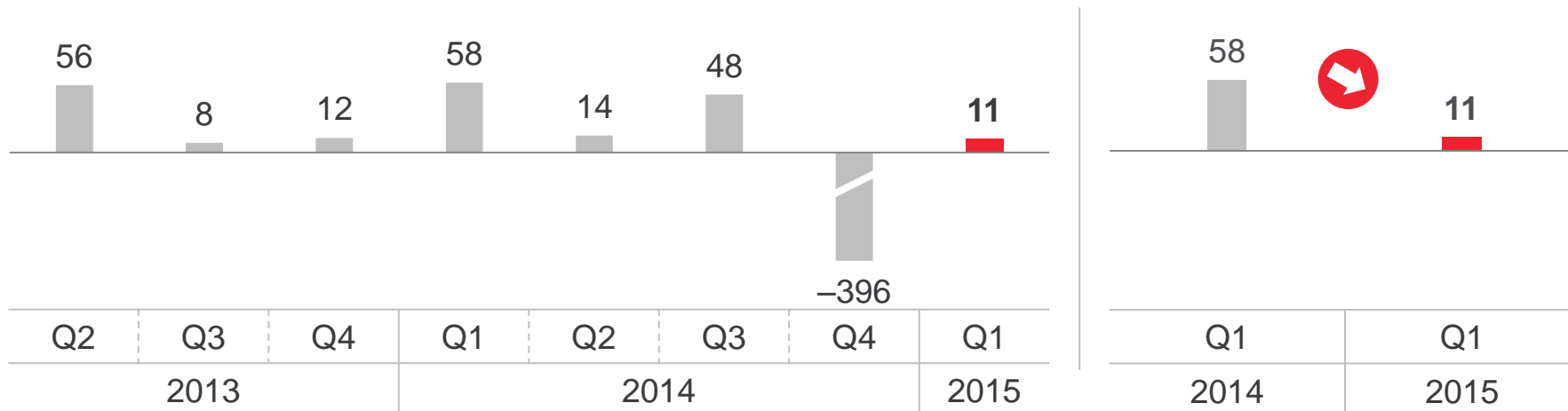
Combined ratio %



ERGO International – Key figures

Net result

€m



Technical result

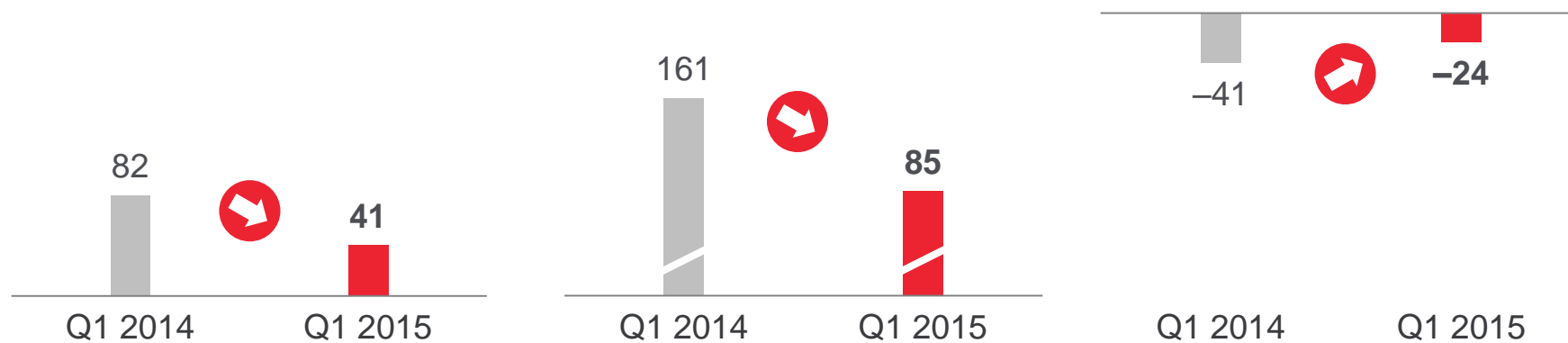
€m

Investment result

€m

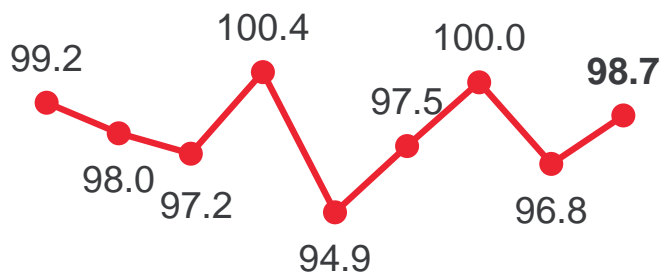
Other¹

€m



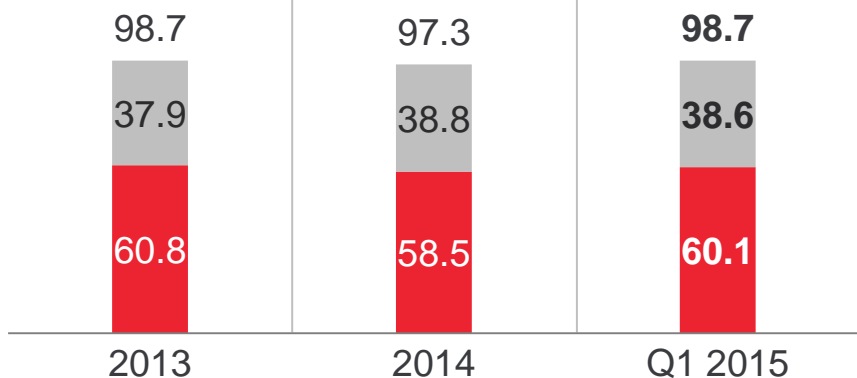
¹ Other non-operating result, goodwill impairments, net finance costs, taxes.

Combined ratio %

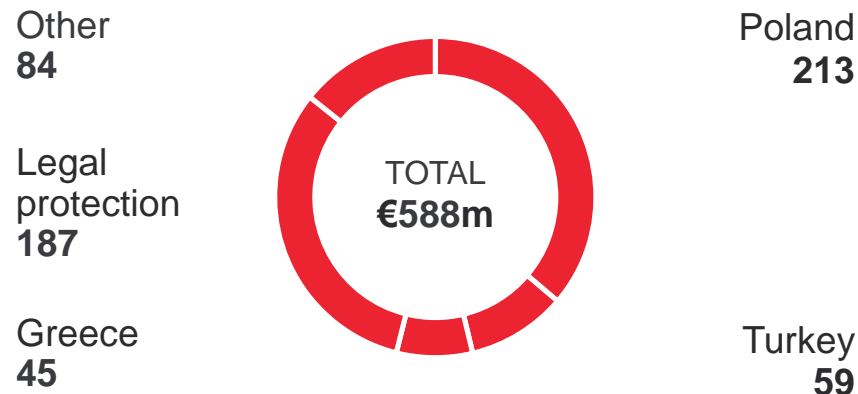


Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4

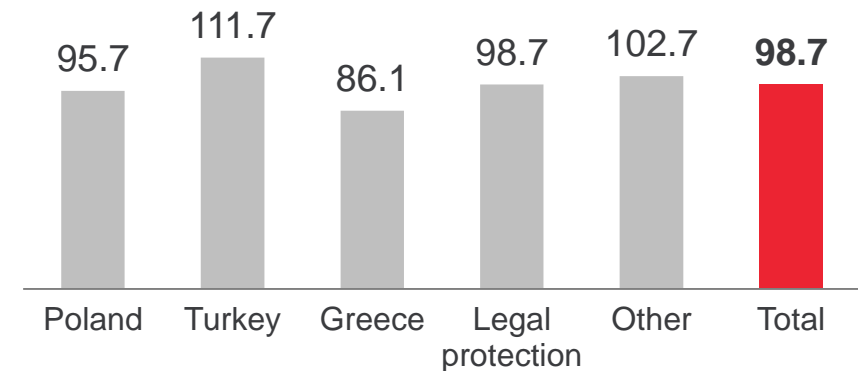
■ Expense ratio
■ Loss ratio



Gross premiums written €m



Combined ratio %



ERGO International – Highlights

Q1 2015 vs. Q1 2014

Total premiums

+5.6% 

- P-C: Higher premiums esp. in Poland, Turkey and UK; new company in Singapore
- Life: Higher sales of bancassurance products in Poland

Investment result

-47.2% 

- Lower derivative result and write-downs

Technical result

-50.0% 

- P-C: Exceptionally good Q1 2014, lower result mainly in Poland and UK in Q1 2015
- Life: Positive one-off effect in Belgium in prior year (release of provision for profit participation)

Other¹

- Lower tax expenditure than in previous year, actual tax rate at 8.3%

¹ Local GAAP figures.

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

Financial reporting Q1 2015

Munich Re (Group)

ERGO

Munich Health

Reinsurance

Outlook

Backup

Munich Health – Premium development

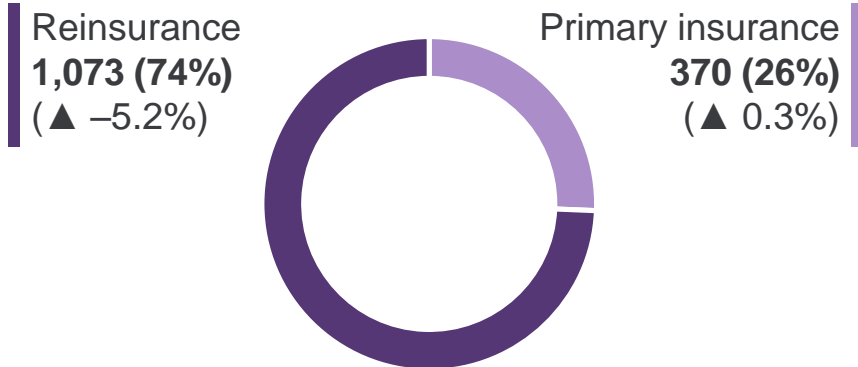
Gross premiums written €m

Q1 2014	1,501	
Foreign-exchange effects	85	
Divestments/investments ¹	-11	
Organic change	-132	
Q1 2015	1,443	

Gross premiums written €m

Q1 2014	1,501	
Reinsurance	-59	
Primary insurance	1	
Q1 2015	1,443	

Segmental breakdown €m



Regional breakdown %

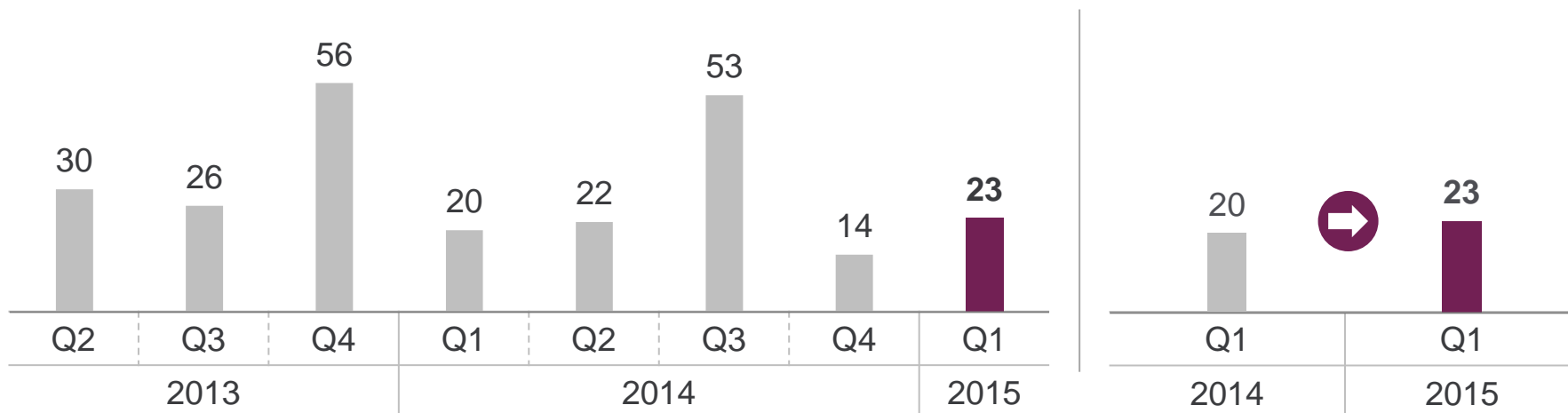


¹ DKV Luxembourg.

Munich Health – Key figures

Net result

€m



Technical result

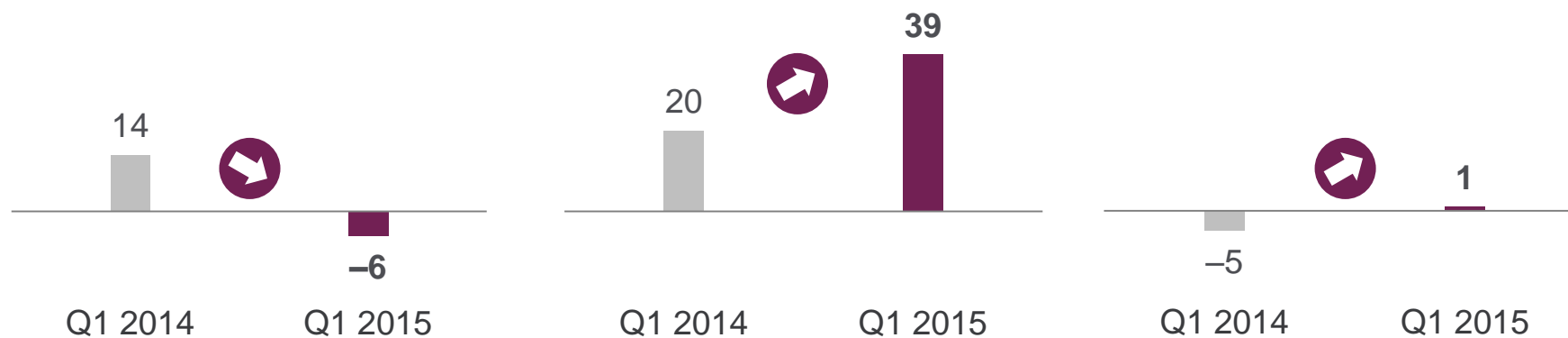
€m

Investment result

€m

Other¹

€m



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

Munich Health – Highlights

Q1 2015 vs. Q1 2014

Gross premiums

 –3.9% 

- Organic change –€132m: Reduced share of large-volume deals, partly compensated for by organic growth in Middle East
- Positive FX effects (€85m), mainly CAD

Technical result



- Overall combined ratio up slightly to 100.4% due to change in cost allocation for administrative expenses in reinsurance
- Reinsurance combined ratio: 100.8% (+1.1%)
- Primary insurance combined ratio: 98.0% (–1.4%)

Investment result

 +95.0% 

- Higher regular income (e.g. Daman) and disposal gains mainly driven by associated companies

Other¹

- Low tax rate of 4.2%

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

Financial reporting Q1 2015

Munich Re (Group)

ERGO

Munich Health

Reinsurance

Outlook

Backup

Reinsurance – Premium development

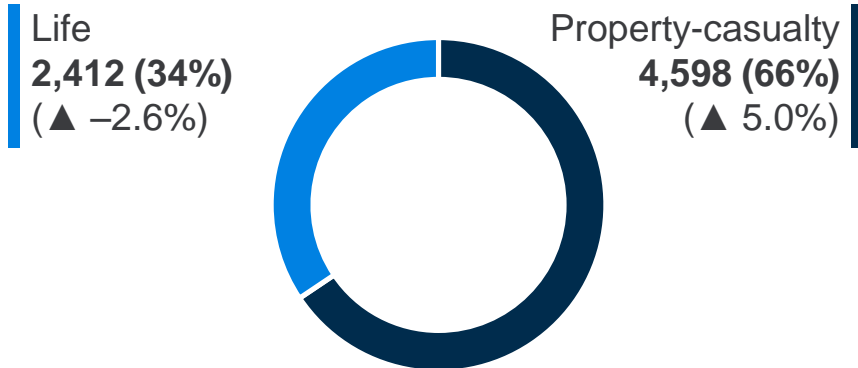
Gross premiums written €m

Q1 2014	6,858	
Foreign-exchange effects	731	
Divestments/Investments	18	
Organic change	-597	
Q1 2015	7,010	

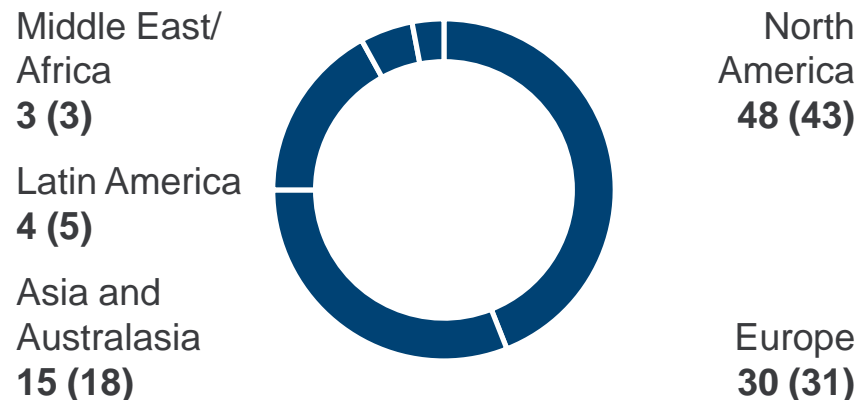
Gross premiums written €m

Q1 2014	6,858	
Life	-65	
Property-casualty	217	
Q1 2015	7,010	

Segmental breakdown €m



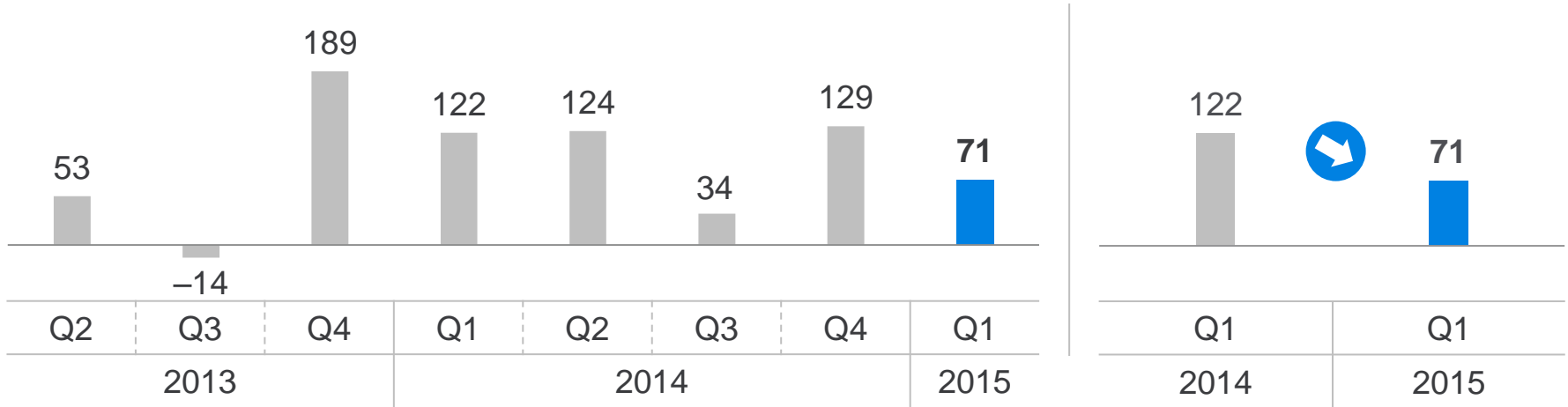
Regional breakdown %



Reinsurance Life – Key figures

Net result

€m



Technical result

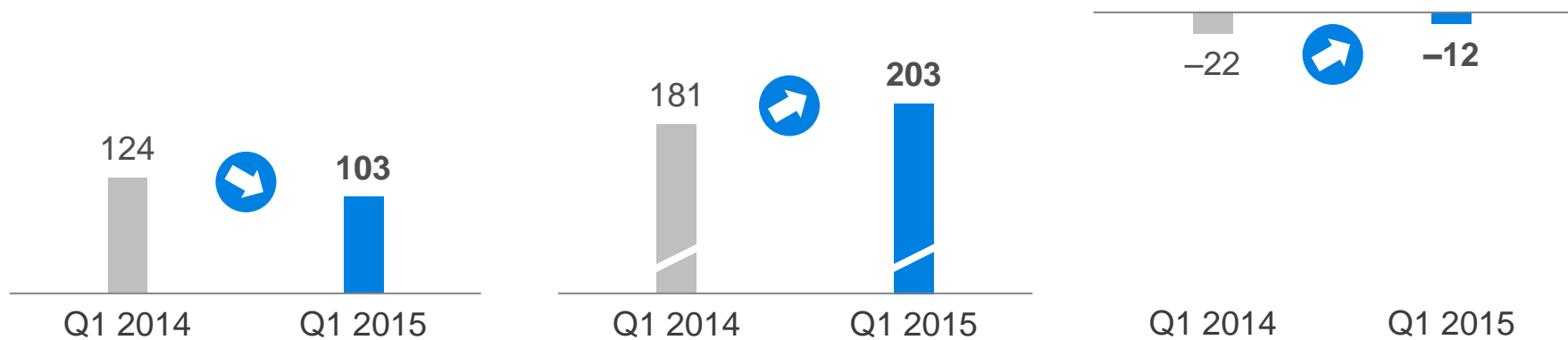
€m

Investment result

€m

Other¹

€m



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

Reinsurance Life – Highlights

Q1 2015 vs. Q1 2014

Gross premiums

–2.6% 

- Positive FX effects of €197m driven by the US and Canadian dollars
- Organic change –€262m chiefly due to reduced share of large volume deals

Investment result


+12.2% 

- Regular income increased due to exchange rate development
- Higher disposal gains but higher losses on equity derivatives

Insurance-related investment result

- Negative impact –€42m mainly from GmxB

Technical result

–16.9% 

- Technical result in line with full-year ambition of €400m
- All main markets performed largely as expected
- Ongoing solid contributions from Canada, Continental Europe and the UK, development in Asia once again very pleasing
- No further negative news emerged from US mortality and Australian disability business

Other¹

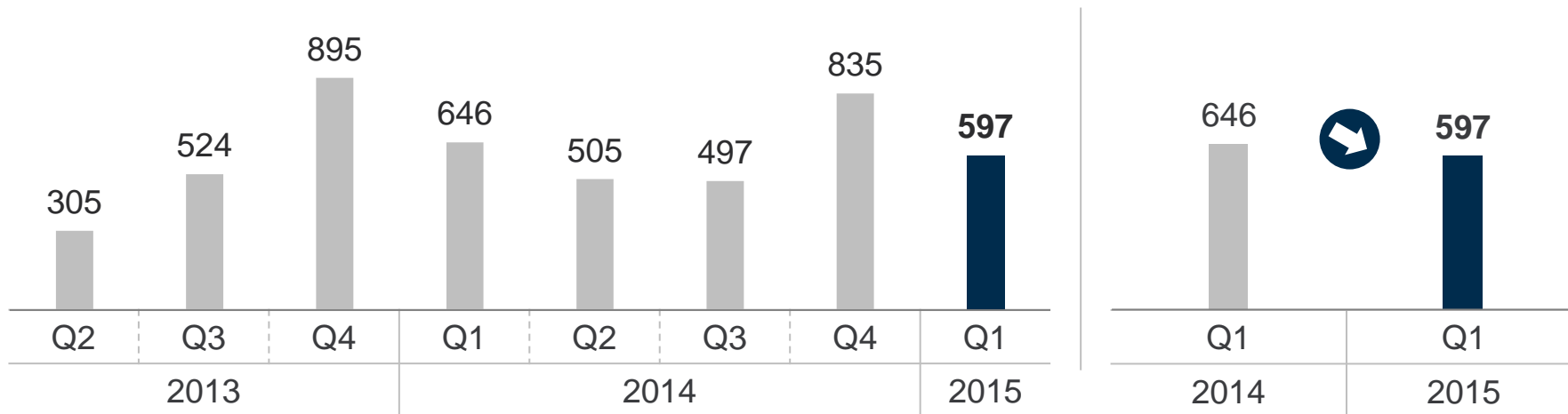
- Positive currency impact €11m
- Tax rate: 14.5%

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

Reinsurance Property-casualty – Key figures

Net result

€m



Technical result

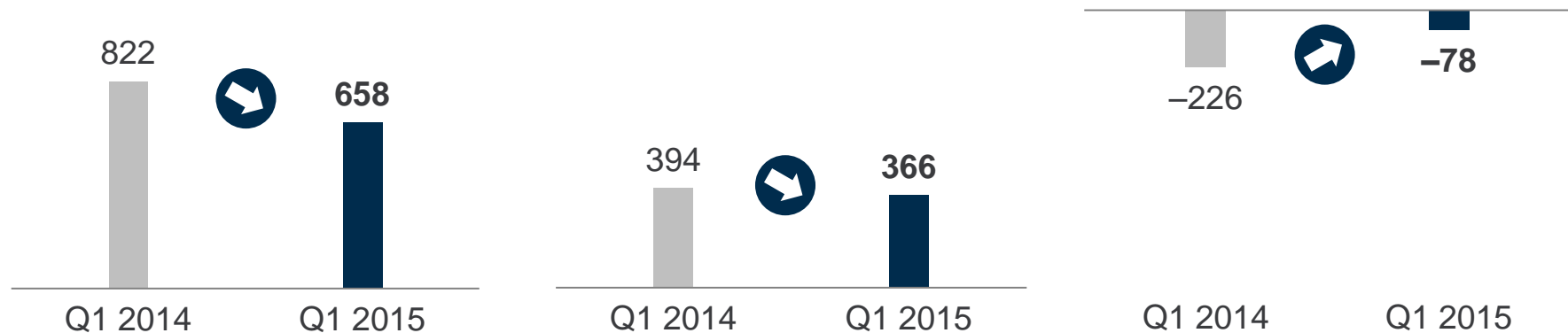
€m

Investment result

€m

Other¹

€m



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

Q1 2015 vs. Q1 2014

Gross premiums**+5.0%** 

- Significant positive FX effects €534m mainly driven by USD
- Negative organic change –€335m resulting from motor (prior-year effect), fire and credit business
- Acquisition of Australian entity Calliden (€18m)

Technical result**–20.0%** 

- Again low level of major nat cat losses, but higher than prior year
- Reduced basic loss ratio driven by positive currency effects overcompensating renewal impact
- Reserve releases of 4% in line with expected run-rate

Investment result**–7.1%** 

- Regular income increased due to higher contribution of foreign exchange investments
- Derivative result decreased mainly due to equity and commodity derivatives, compensated by disposal gains

Other¹

- Improved non-operating result driven by FX €77m
- Tax rate: 15.7%

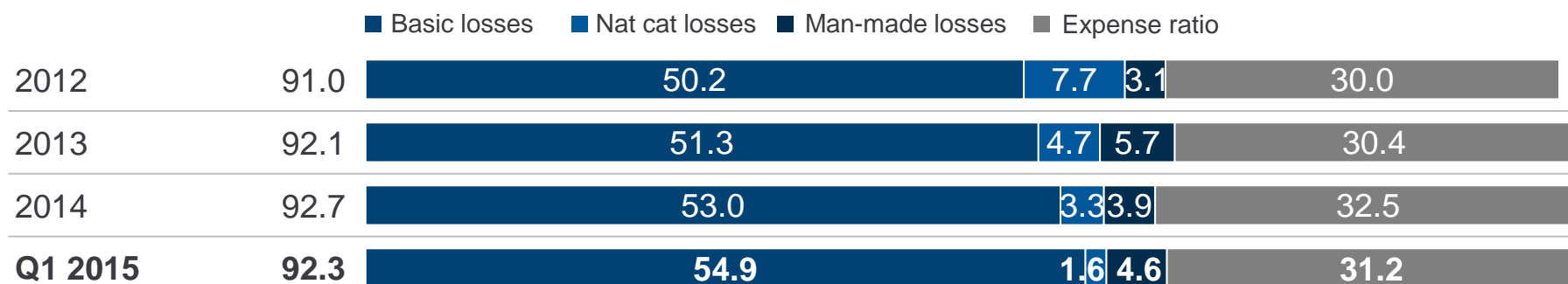
¹ Other non-operating result, goodwill impairments, net finance costs, taxes.

Combined ratio

Actual Q1 2015

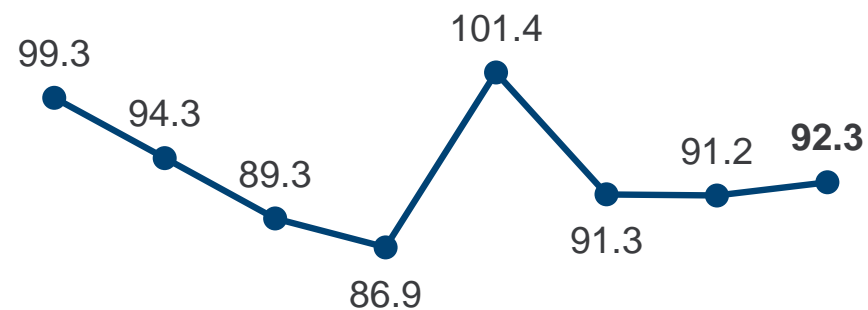
Combined ratio

%



Combined ratio

%



Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
2013			2014			2015	

Major losses

%

	Total	Nat cat	Man-made
Q1 2015	6.2	1.6	4.6
Avg. annual expectation	~12.0	~8.5	~3.5

Reserve releases basic losses ¹	€m	%-points
Q1 2015	~165	~4.0

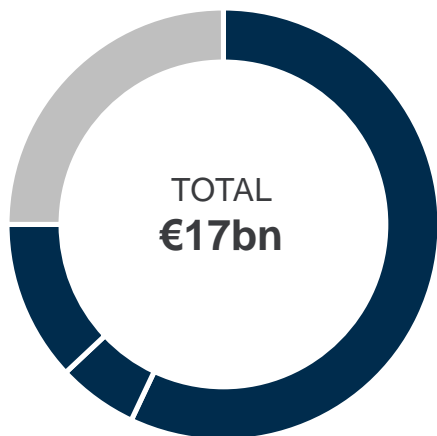
Normalised combined ratio: ~98.1%

¹ Mainly fire and motor; no corresponding sliding scale effects.

April renewals – Regional focus on Japan and USA, high nat cat share

Total property-casualty book¹ %

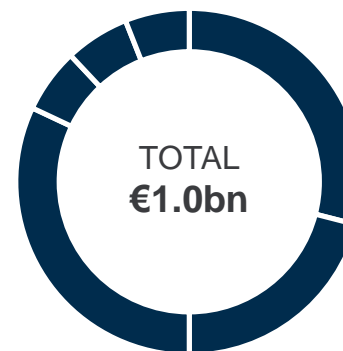
Remaining business	25	Business up for January renewal	57
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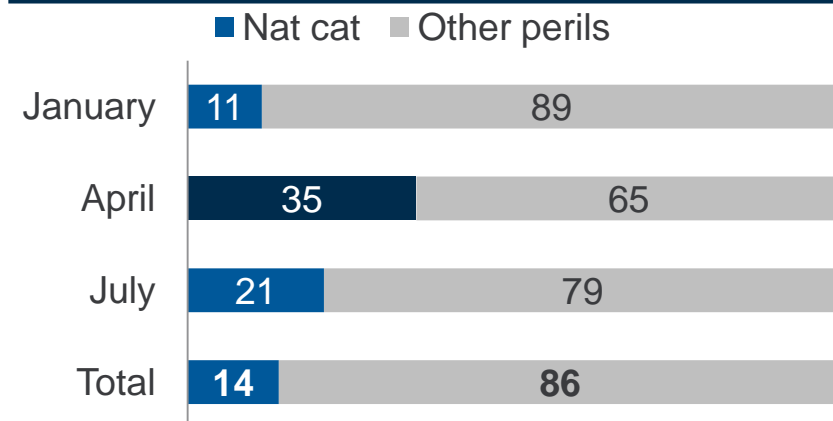
Business up for July renewal	12	Business up for April renewal	6
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Regional allocation of April renewal %

Rest ²	6	Worldwide	29
Europe	6	Japan	21
Latin America	6	North America	32



Nat cat shares of renewable portfolio %



¹ Gross premiums written. Economic view – not fully comparable with IFRS figures.

² Asia, Pacific and Africa.

Market trends observed in January continuing in April renewals

Market environment

- Abundant reinsurance capacity
- Continued softening of reinsurance prices, particularly in nat cat
- Primary markets with stable or improving rates
- Increasing commissions on proportional treaties
- Pressure on terms and conditions

Munich Re portfolio

- Active portfolio management
- Consistent cycle management in all lines of business, particularly in property (e.g. nat cat), and realisation of new business opportunities
- Japan: Premium decline driven by strict cycle management overcompensated by taking advantage of single opportunities

Competitors

Supply



- Increased capital base of the (re)insurance sector
- Sustained presence of alternative capital
- High risk appetite

Clients

Demand



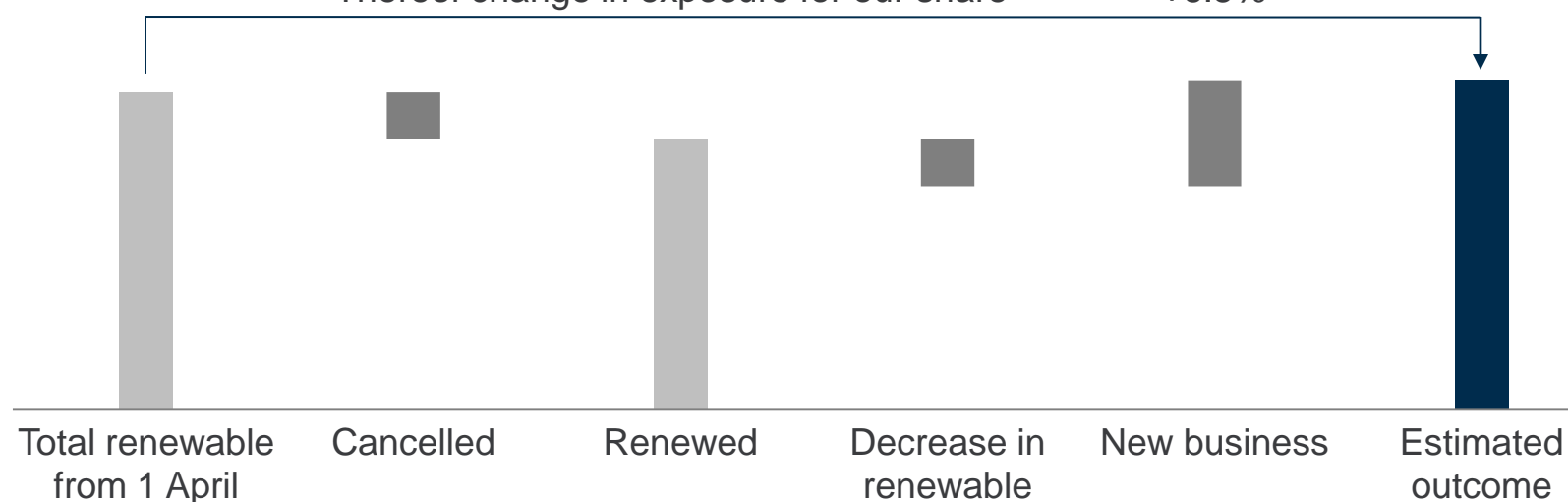
- Rising retention levels
- Change in demand towards tailor-made solutions and larger placements with major best-rated reinsurers
- Rising importance of long-standing relationship with reinsurer

Moderate price decline reflects cycle management and realisation of profitable new business opportunities

April renewals 2015

%	100	-14.8	85.2	-14.8	33.5	103.9
€m	1,045	-155	890	-155	350	1,085

Change in premium	+3.9%
Thereof price movement ¹	~ -2.6%
Thereof change in exposure for our share	+6.5%

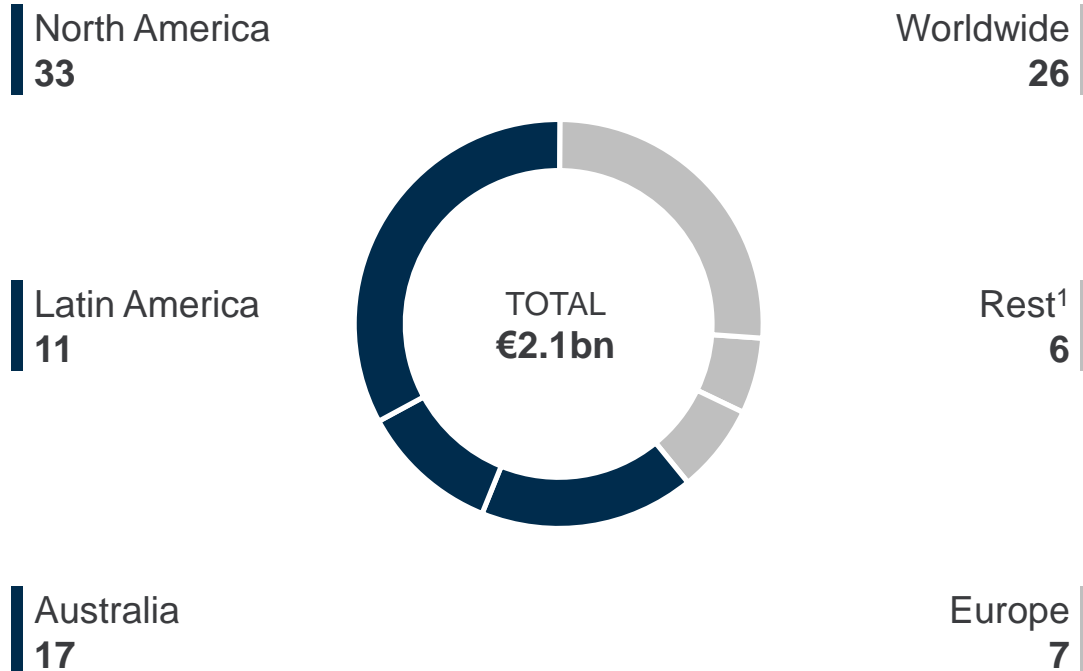


Portfolio profitability continues to comfortably meet cost of capital

¹ Price movement is calculated on a wing-to-wing basis (including cancelled and new business) and risk-adjusted (including claims inflation/loss trend and portfolio mix effects).

Outlook July renewals – Regional focus on North and Latin America, main renewal date in Australia

Regional allocation of July renewals



Outlook for July renewal

- Capacity and competition expected to remain high unless major losses occur
- Due to the relatively high nat cat share of ~21%, overall pricing trend will largely depend on nat cat prices

Clear focus on profitability to maintain portfolio quality

¹ Asia, Pacific and Africa.

Financial reporting Q1 2015

Munich Re (Group)

ERGO

Munich Health

Reinsurance

Outlook

Backup

Munich Re (Group)

GROSS PREMIUMS WRITTEN¹

€49–51bn
(prev. €47–49bn)

Higher expectation due to FX

RETURN ON INVESTMENT

At least 3%

Solid return given ongoing low-interest-rate environment

NET RESULT

€2.5–3bn

RoRaC target of 15% after tax over the cycle to stand

Reinsurance

COMBINED RATIO

~97%
(prev. 98%)

NET RESULT

at least €2bn

ERGO

COMBINED RATIO

Germany: **~93%**
International: **~97%**

NET RESULT

~€500m

Munich Health

COMBINED RATIO

~99%

NET RESULT

€50–100m

¹ By segment: Reinsurance ~€28bn, ERGO €16–16.5bn, Munich Health ~€5.5bn.

Financial reporting Q1 2015

Munich Re (Group)

ERGO

Munich Health





Reinsurance

Outlook

Backup

Gross premiums written

€m

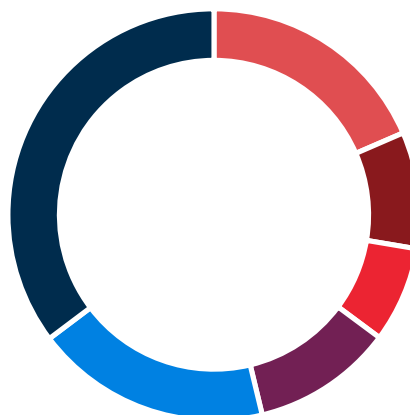
Q1 2014	12,924	
Foreign-exchange effects	818	
Divestment/investment	17	
Organic change	-721	
Q1 2015	13,038	

Segmental breakdown

€m

Reinsurance property-casualty
4,598 (36%) (▲ 5.0%)

Reinsurance life
2,412 (18%) (▲ -2.6%)



ERGO Life/Health Germany
2,412 (18%) (▲ -2.4%)






ERGO Property-casualty Germany
1,193 (9%) (▲ 1.1%)

ERGO International
980 (8%) (▲ 7.2%)

Munich Health
1,443 (11%) (▲ -3.9%)

Reconciliation of operating to net result

Reconciliation of operating to net result €m

	Q1 2015	
Operating result	995	
Other non-operating result	6	
Goodwill impairments	–	
Net finance costs	–60	
Taxes	–151	
Net result	790	

Other non-operating result	€m
	Q1 2015
Foreign exchange	66
Restructuring charges	–6
Other	–54

Tax rates	%
	Q1 2015
Group	16.0
Reinsurance	15.5
ERGO	21.4
Munich Health	4.2

Actual vs. analysts' consensus

Operating result – Actual vs. analysts' consensus¹ €m

	Actual Q1	Consensus	Delta
Reinsurance P-C	675	688	-13
Reinsurance Life	83	145	-62
ERGO L/H Germany	116	94	22
ERGO P-C Germany	64	80	-16
ERGO International	35	72	-37
Munich Health	22	33	-11
Operating result	995	1,103	-108
FX	66	–	–
Other	-120	–	–
Taxes	-151	–	–
Net result	790	775	15

Major developments in Q1 2015

Reinsurance Property-casualty

Combined ratio of 92.3% below consensus (93.0%) – major loss ratio: 6.2%, reserve releases ~4%, losses on derivatives

Reinsurance Life

Technical result of €103m in line with pro-rata annual guidance, lower insurance-related investment result

ERGO Life/Health Germany

Positive contribution from interest-rate hedge (€175m/€17m gross/net)

ERGO Property-casualty Germany

Combined ratio of 98.1% above consensus (97.0%) – impact from storm Niklas ~2.3%

ERGO International

Combined ratio of 98.7% above consensus (98.0%), lower investment result

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.

ERGO Life – New business (statutory premiums)

	New business	Regular premiums	Single premiums	APE¹
Life total				
Q1 2014	439	115	324	147
Q1 2015	459	98	361	134
▲	+4.6	-14.8	+11.4	-8.8
Germany (including direct business)				
Q1 2014	219	67	152	82
Q1 2015	220	65	155	81
▲	+0.5	-3.0	+2.0	-1.2
International				
Q1 2014	220	48	172	65
Q1 2015	239	33	206	53
▲	+8.6	-31.3	+19.8	-18.5

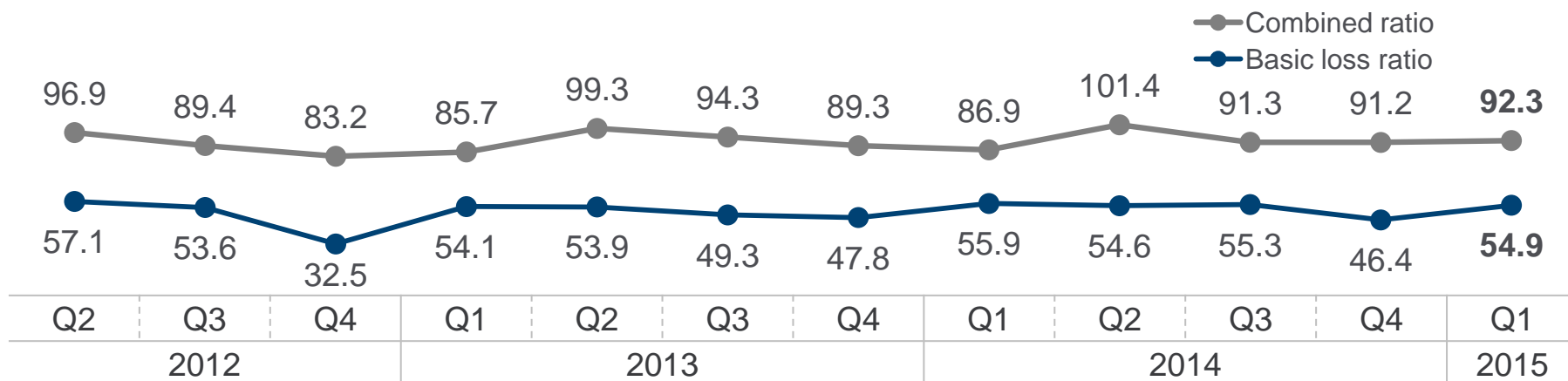
¹ Annual premium equivalent (APE = regular premiums +10% single premiums).

² APE, only third-layer private provision and tied-agent organisations.

Development of combined ratio

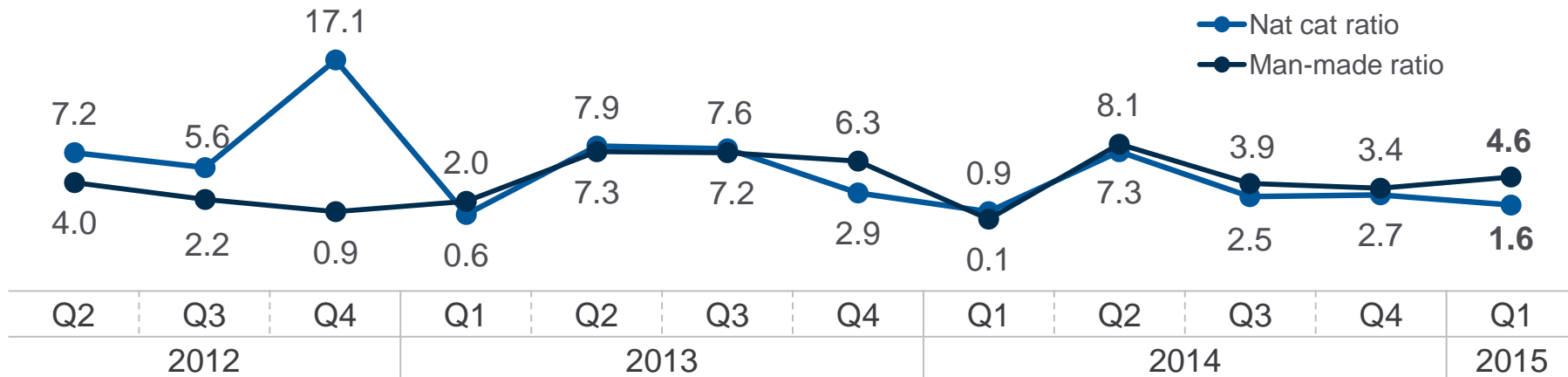
Combined ratio vs. basic losses

%



Nat cat vs. man-made

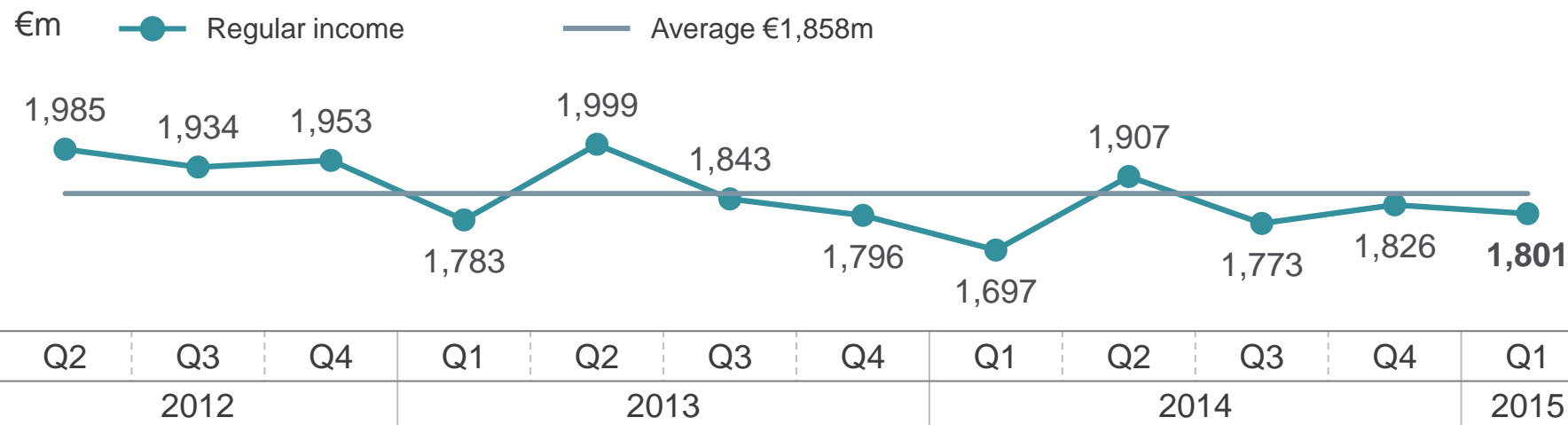
%



Breakdown of regular income

Actual Q1 2015

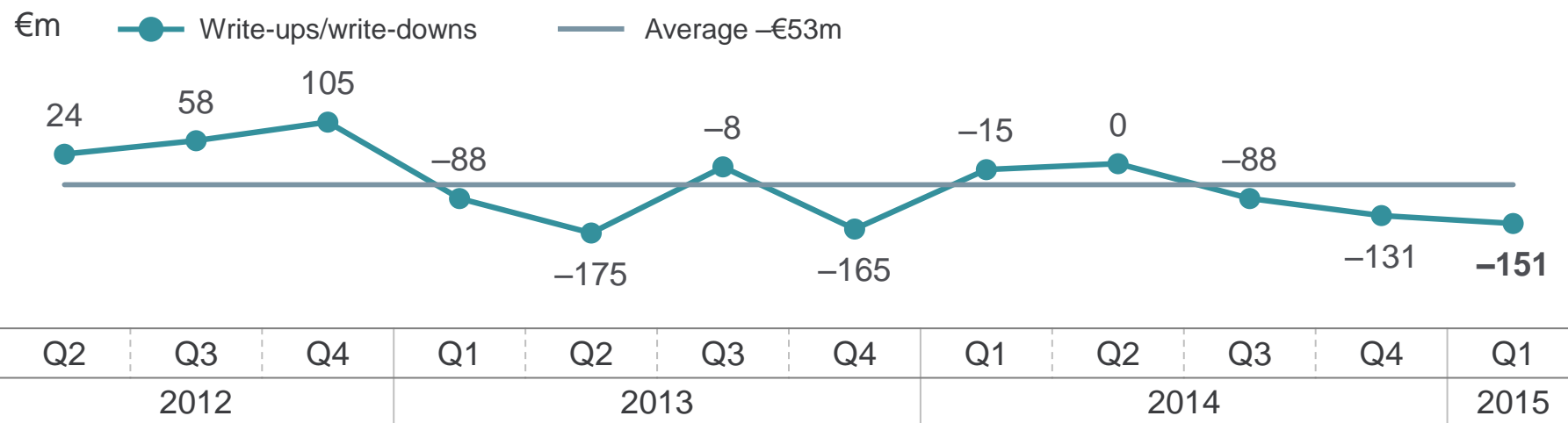
Investment result – Regular income (€m)	Q1 2015	Q1 2014	Change
Afs fixed-interest	907	872	35
Afs non-fixed-interest	98	71	27
Derivatives	35	18	17
Loans	526	548	-22
Real estate	88	83	5
Deposits retained on assumed reinsurance and other investments	147	105	42
Total regular income	1,801	1,697	104



Breakdown of write-ups/-downs

Actual Q1 2015

Investment result – Write-ups/write-downs (€m)	Q1 2015	Q1 2014	Change
Afs fixed-interest	-32	-1	-31
Afs non-fixed-interest	-31	-19	-12
Loans	-65	1	-66
Real estate	-19	-16	-3
Deposits retained on assumed reinsurance and other investments	-4	20	-24
Total net write-ups/write-downs	-151	-15	-136

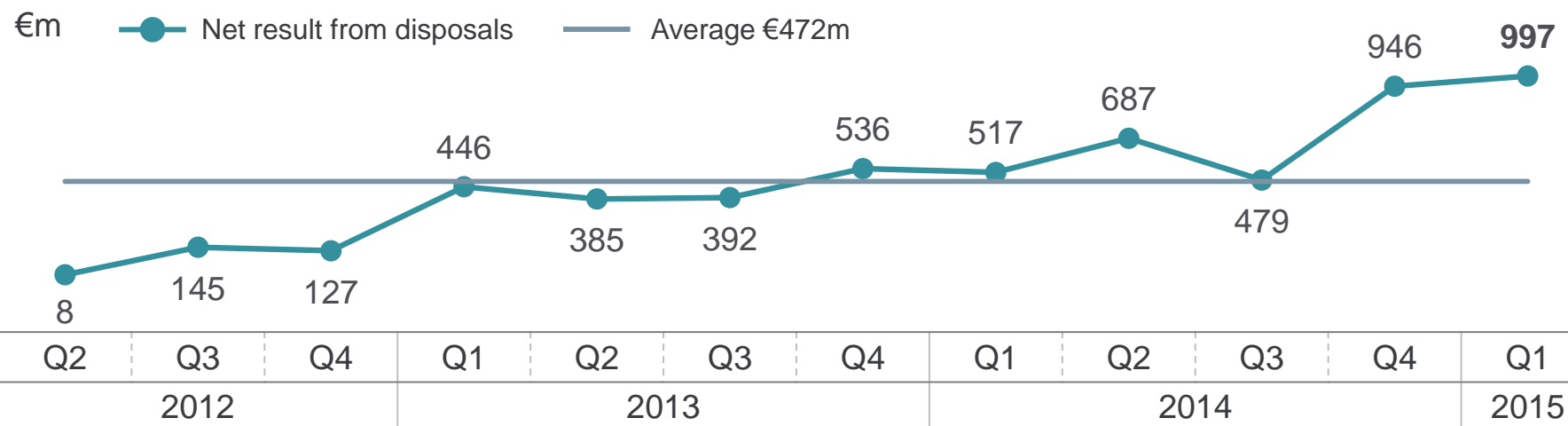


Restated figures for 2013 and 2014 due to separate disclosure of investment result of derivatives.
For 2012, no restated figures are available.

Breakdown of net result from disposals

Actual Q1 2015

Investment result – Net result from disposal of investments (€m)	Q1 2015	Q1 2014	Change
Afs fixed-income	610	237	373
Afs non-fixed-income	369	145	224
Loans	10	127	–117
Real estate	5	4	1
Deposits retained on assumed reinsurance and other investments	3	4	–1
Total net result from disposals	997	517	480

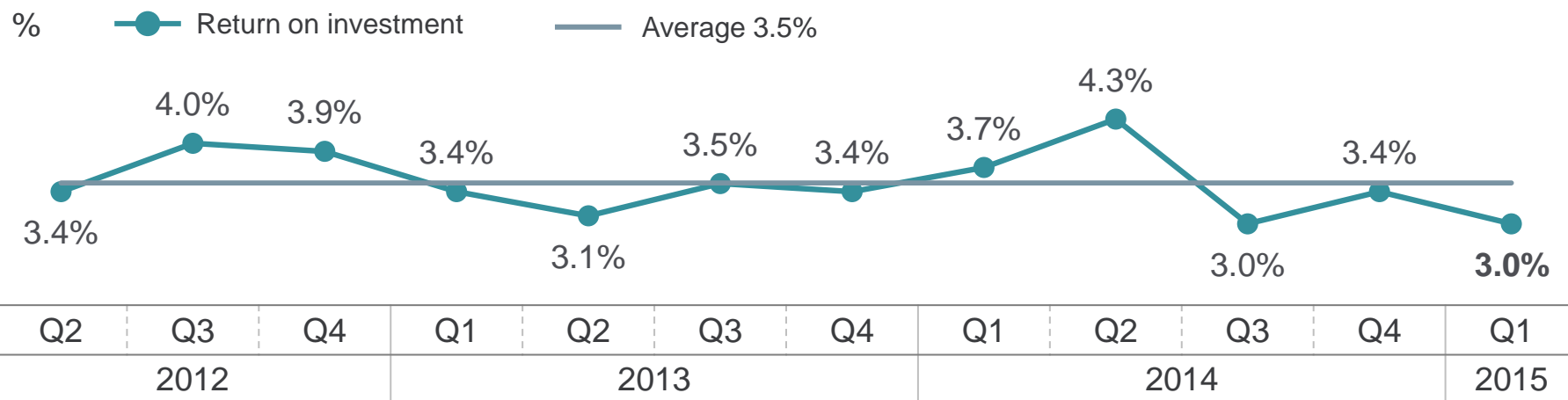


Restated figures for 2013 and 2014 due to separate disclosure of investment result of derivatives.
For 2012, no restated figures are available.

Return on investment by asset class and segment

Actual Q1 2015

% ¹	Regular income	Write-ups/ -downs	Disposal result	Extraord. derivative result	Other inc./exp.	Rol	Market value (€m)
Afs fixed-income	2.7	-0.1	1.8	-	-	4.4	134,480
Afs non-fixed-income	2.6	-0.8	9.7	-	-	11.5	15,192
Derivatives	6.8	-	-	-136.0	-0.1	-129.3	2,076
Loans	3.0	-0.4	0.1	-	-	2.7	70,243
Real estate	6.1	-1.3	0.4	-	-	5.2	5,766
Other ²	3.7	-0.1	0.1	-	-3.1	0.6	15,809
Total	3.0	-0.2	1.6	-1.2	-0.2	3.0	243,566
Reinsurance	3.0	-0.2	2.2	-2.3	-0.2	2.5	92,389
ERGO	3.0	-0.3	1.3	-0.5	-0.2	3.3	147,140
Munich Health	2.4	0.0	1.5	0.1	-0.1	3.9	4,037

¹ Annualised. ² Including management expenses.

Investment result by segment

Investment result – Reinsurance – Life

€m

	Q1 2015	Return ¹	Q1 2014	Return ¹
Regular income	223	3.4%	186	3.2%
Write-ups/write-downs	-8	-0.1%	-1	0.0%
Disposal gains/losses	99	1.5%	36	0.6%
Derivatives ²	-99	-1.5%	-31	-0.5%
Other income/expenses	-12	-0.2%	-9	-0.2%
Investment result	203	3.1%	181	3.1%
Average market value	26,195		23,105	

Investment result – Reinsurance – Property-casualty

€m

	Q1 2015	Return ¹	Q1 2014	Return ¹
Regular income	466	2.8%	388	2.7%
Write-ups/write-downs	-34	-0.2%	-5	0.0%
Disposal gains/losses	416	2.5%	197	1.4%
Derivatives ²	-437	-2.6%	-147	-1.0%
Other income/expenses	-45	-0.3%	-39	-0.3%
Investment result	366	2.2%	394	2.8%
Average market value	66,194		57,202	

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

² Result from derivatives without regular income and other income/expenses.

Investment result by segment

Investment result – ERGO Life/Health Germany

€m

	Q1 2015	Return ¹	Q1 2014	Return ¹
Regular income	922	3.0%	935	3.5%
Write-ups/write-downs	-59	-0.2%	-11	0.0%
Disposal gains/losses	361	1.2%	211	0.8%
Derivatives ²	-104	-0.3%	73	0.3%
Other income/expenses	-53	-0.2%	-51	-0.2%
Investment result	1,067	3.5%	1,157	4.4%
Average market value	121,249		105,776	

Investment result – ERGO Property-casualty Germany

€m

	Q1 2015	Return ¹	Q1 2014	Return ¹
Regular income	49	2.7%	46	2.6%
Write-ups/write-downs	-27	-1.5%	-3	-0.2%
Disposal gains/losses	75	4.0%	46	2.6%
Derivatives ²	-34	-1.8%	-6	-0.3%
Other income/expenses	-3	-0.2%	-4	-0.2%
Investment result	60	3.2%	79	4.5%
Average market value	7,442		6,980	

¹ Return on quarterly weighted investments (market values) in % p.a.² Result from derivatives without regular income and other income/expenses.

Investment result by segment

Investment result – ERGO International

€m

	Q1 2015	Return ¹	Q1 2014	Return ¹
Regular income	117	2.5%	128	3.1%
Write-ups/write-downs	-23	-0.5%	5	0.1%
Disposal gains/losses	31	0.7%	20	0.5%
Derivatives ²	-33	-0.7%	15	0.4%
Other income/expenses	-7	-0.2%	-7	-0.2%
Investment result	85	1.8%	161	3.9%
Average market value	18,449		16,443	

Investment result – Munich Health

€m

	Q1 2015	Return ¹	Q1 2014	Return ¹
Regular income	24	2.4%	14	1.5%
Write-ups/write-downs	0	0.0%	0	0.0%
Disposal gains/losses	15	1.5%	7	0.8%
Derivatives ²	1	0.1%	0	0.0%
Other income/expenses	-1	-0.1%	-1	-0.1%
Investment result	39	3.9%	20	2.2%
Average market value	4,037		3,684	

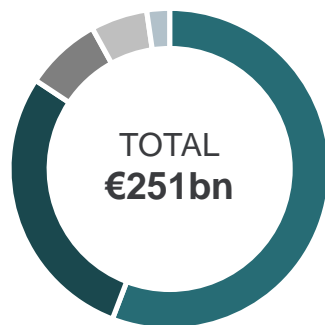
¹ Return on quarterly weighted investments (market values) in % p.a.² Result from derivatives without regular income and other income/expenses.

Investment portfolio

Fixed-interest securities and miscellaneous

Investment portfolio %

Miscellaneous	Fixed-interest securities
7.7 (7.7)	55.8 (55.5)



Loans
28.5 (29.2)

Miscellaneous %

Other	Deposits on reinsurance
14 (14)	46 (49)



Derivatives
7 (6)

Investment funds
13 (12)

Bank deposits
20 (19)

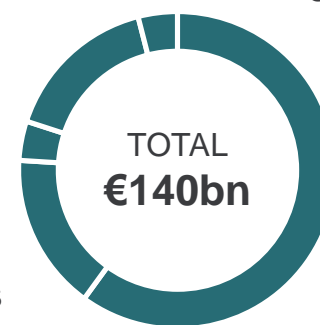
Fixed-interest securities¹ %

Structured products	Governments/semi-government
4 (5)	60 (59)

Corporates
16 (15)

Banks
4 (3)

Pfandbriefe/ covered bonds
16 (18)

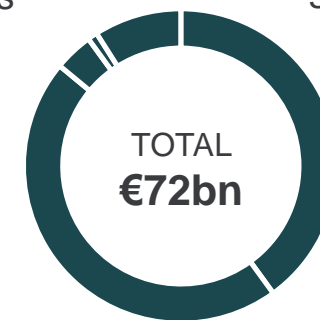


Loans¹ %

Loans to policyholders/ mortgage loans	Governments/semi-government
9 (9)	40 (39)

Corporates
1 (1)

Banks
4 (4)



Pfandbriefe/ covered bonds
46 (47)

¹ Approximation – not fully comparable with IFRS figures. Fair values as at 31.3.2015 (31.12.2014).

Fixed-income portfolio Total

Fixed-income portfolio

%

Loans to policyholders/
mortgage loans

3 (3)

Governments/
semi-government

51 (50)

Structured products

3 (3)

Bank bonds

3 (3)

Cash/other

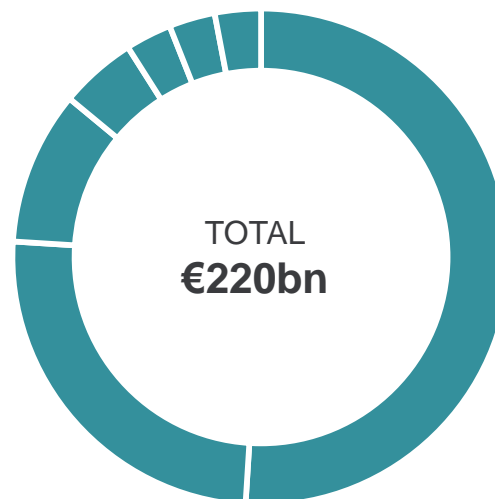
5 (4)

Corporate bonds

10 (10)

Pfandbriefe/
covered bonds

25 (27)





Fixed-income portfolio

Total

Rating structure

<BB and NR

6 (6)

BB

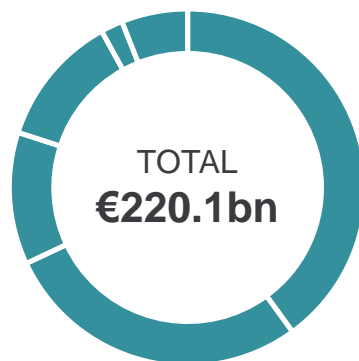
2 (2)

BBB

12 (12)

A

12 (12)



%

AAA

40 (42)

AA

28 (26)

Maturity structure

n.a.

2 (2)

>10 years

36 (35)

7–10 years

15 (15)



%

0–1 years

8 (8)

1–3 years

14 (14)

3–5 years

14 (14)

5–7 years

11 (12)

Regional breakdown

%

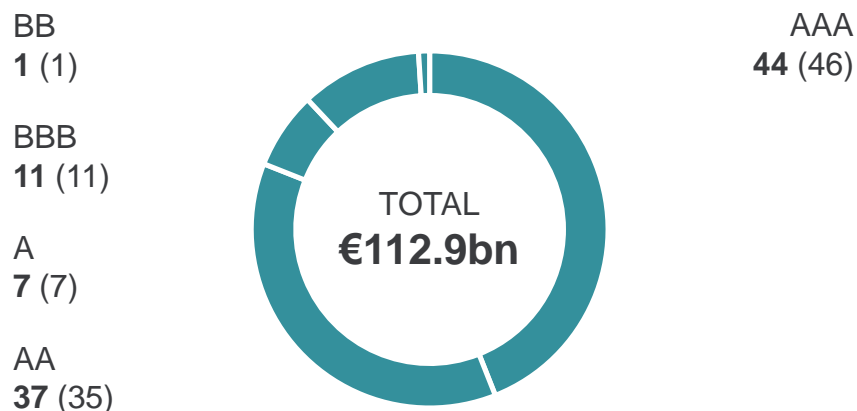
	Without policyholder participation	With	Total	
			31.3.	31.12.
			2015	2014
Germany	5.1	24.9	30.0	30.3
US	13.9	1.1	15.0	14.0
France	1.9	5.5	7.4	7.6
UK	3.3	2.7	6.0	6.1
Netherlands	1.6	2.6	4.2	4.4
Supra- nationals	0.8	2.9	3.7	3.7
Canada	3.5	0.2	3.7	3.6
Spain	1.5	2.0	3.5	3.5
Italy	1.1	1.9	3.0	3.3
Ireland	0.7	1.8	2.5	2.4
Austria	0.5	1.8	2.3	2.5
Australia	1.8	0.5	2.3	2.2
Sweden	0.3	1.4	1.7	1.8
Norway	0.4	1.2	1.6	1.7
Belgium	0.5	1.1	1.6	1.6
Other	7.6	3.9	11.5	11.3
Total	44.5	55.5	100.0	100.0



Fixed-income portfolio

Governments/semi-government

Rating structure



Maturity structure



Regional breakdown

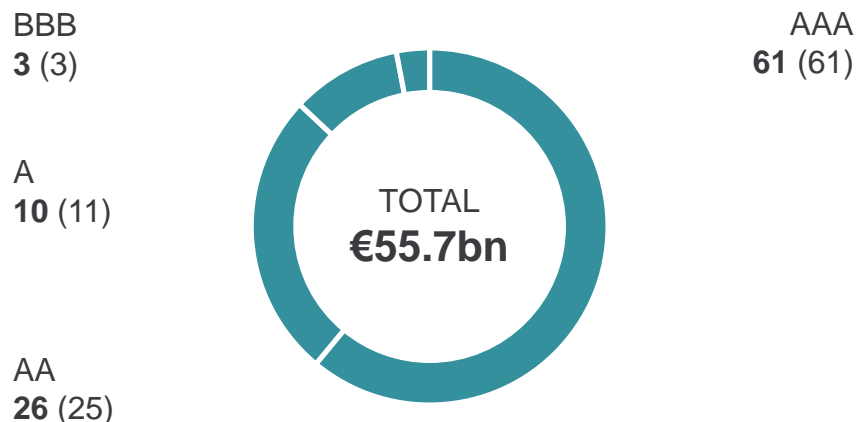
	%		Total	31.12.2014
	Without policyholder participation	With		
Germany	4.9	24.0	28.9	29.6
US	15.6	0.6	16.2	15.6
Supra-nationals	1.6	5.6	7.2	7.3
Canada	5.3	0.2	5.5	5.5
UK	4.4	0.2	4.6	4.7
Italy	1.3	2.6	3.9	4.3
Spain	1.5	2.0	3.5	3.2
France	1.2	2.2	3.4	3.2
Austria	0.7	2.4	3.1	3.3
Australia	3.0	0.0	3.0	3.0
Belgium	0.9	2.0	2.9	2.9
Netherlands	1.3	0.7	2.0	2.0
Finland	0.4	1.4	1.8	1.9
Ireland	0.2	1.6	1.8	1.7
Portugal	0.2	0.0	0.2	0.1
Other	9.1	2.9	12.0	11.7
Total	51.6	48.4	100.0	100.0



Fixed-income portfolio

Pfandbriefe/covered bonds

Rating structure



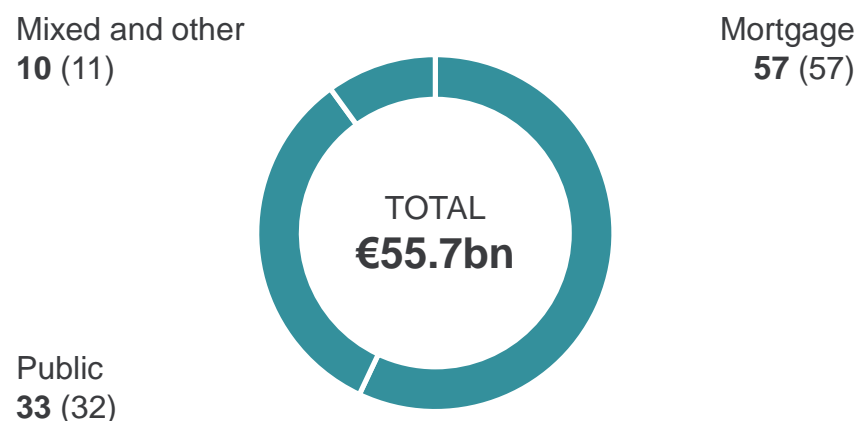
Regional breakdown

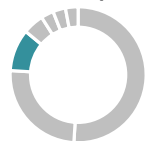
	31.3.2015	31.12.2014
Germany	35.0	34.7
France	18.5	18.6
UK	8.6	8.4
Netherlands	6.9	6.8
Spain	5.9	6.2
Sweden	5.9	5.9
Norway	5.4	5.5
Ireland	3.1	3.1
Italy	1.3	1.3
Other	9.3	9.4

Maturity structure



Cover pools





Fixed-income portfolio

Corporate bonds (excluding bank bonds)

Rating structure

<BB and NR

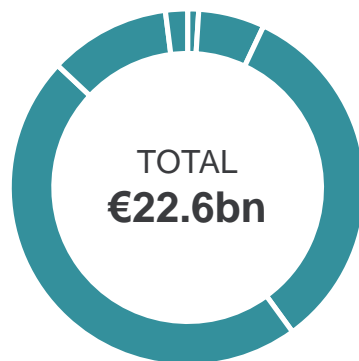
2 (2)

BB

11 (11)

BBB

47 (46)



%

AAA

1 (1)

AA

6 (6)

A
33 (34)

Maturity structure

>10 years

17 (16)

7–10 years

17 (18)

5–7 years

18 (19)



%

0–1 years

6 (6)

1–3 years

21 (19)

3–5 years

21 (22)

Sector breakdown

%

31.3.2015 31.12.2014

Utilities

22.6

22.3

Industrial goods and services

11.8

12.1

Oil and gas

11.6

12.2

Telecommunications

9.3

9.5

Healthcare

6.3

5.9

Financial services

5.8

5.4

Media

4.8

4.4

Food and beverages

4.4

4.7

Retail

4.0

3.7

Basic resources

3.8

3.6

Technology

3.6

3.6

Automobiles

2.5

2.7

Personal and household goods

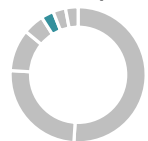
2.3

2.5

Other

7.2

7.4



Fixed-income portfolio

Bank bonds

Rating structure

<BB and NR

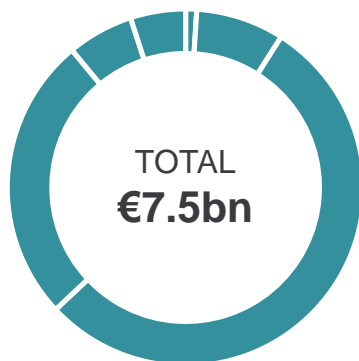
5 (5)

BB

6 (5)

BBB

26 (25)



%

AAA

1 (1)

AA

8 (8)

A

54 (56)

Maturity structure

>10 years

5 (5)

7–10 years

10 (11)

5–7 years

14 (14)



%

0–1 years

8 (8)

1–3 years

31 (23)

3–5 years

32 (39)

Regional breakdown

%

	Senior bonds	Sub-ordinated	Loss-bearing	Total 31.3. 2015	31.12. 2014
US	26.3	4.5	0.3	31.1	29.0
Germany	20.9	3.1	3.2	27.2	29.2
UK	8.9	2.3	0.0	11.2	12.0
Ireland	5.7	0.0	0.0	5.7	5.0
Canada	2.2	1.0	0.1	3.3	3.0
Australia	2.9	0.1	0.0	3.0	3.1
France	1.4	0.8	0.4	2.6	2.8
Netherlands	1.8	0.2	0.0	2.0	2.3
Jersey	1.7	0.1	0.1	1.9	2.0
Other	9.3	2.4	0.3	12.0	11.6

Investment category of bank bonds

%

Loss-bearing¹

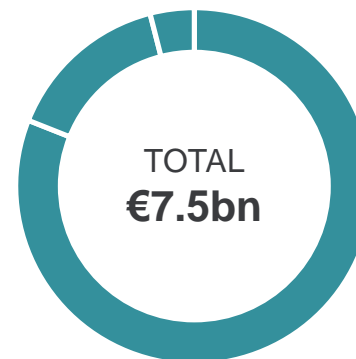
4 (5)

Subordinated²

15 (14)

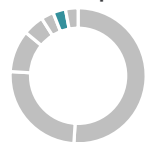
Senior

81 (81)



¹ Classified as Tier 1 and upper Tier 2 capital for solvency purposes. ² Classified as lower Tier 2 and Tier 3 capital for solvency purposes.

Approximation – not fully comparable with IFRS figures. Fair values as at 31.3.2015 (31.12.2014).



Fixed-income portfolio

Structured products

Structured products portfolio (at market values): Breakdown 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	354	277	132	5	–	–	336	432	768	102%
	Corporate-related ABS ²	2	115	235	26	3	–	–	381	381	100%
	Subprime HEL	–	–	1	–	–	–	1	–	1	97%
CDO/ CLN	Subprime-related	–	–	–	–	–	–	–	–	–	0%
	Non-subprime-related	644	579	156	10	–	49	418	1,020	1,438	98%
MBS	Agency	1,325	85	–	–	–	–	1,410	–	1,410	106%
	Non-agency prime	330	244	114	13	–	–	31	670	701	101%
	Non-agency other (not subprime)	114	77	28	23	1	–	18	225	243	100%
	Commercial MBS	476	41	154	80	6	3	453	307	760	101%
Total 31.3.2015		3,245	1,418	820	157	10	52	2,667	3,035	5,702	101%
In %		57%	25%	14%	3%	0%	1%	47%	53%	100%	
Total 31.12.2014		3,374	1,313	974	255	29	47	2,710	3,282	5,992	101%

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 31.3.2015.

Sensitivities to interest rates, spreads and equity markets

Sensitivity to risk-free interest rates – Basis points	-50	-25	+50	+100
Change in gross market value (€bn)	+9.5	+4.6	-8.6	-16.4
Change in on-balance-sheet reserves, net (€bn) ¹	+2.2	+1.1	-2.1	-4.0
Change in off-balance-sheet reserves, net (€bn) ¹	+0.5	+0.2	-0.4	-0.8
P&L impact (€bn) ¹	+0.1	+0.1	-0.1	-0.2
Sensitivity to spreads² (change in basis points)			+50	+100
Change in gross market value (€bn)			-6.2	-11.7
Change in on-balance-sheet reserves, net (€bn) ¹			-1.3	-2.5
Change in off-balance-sheet reserves, net (€bn) ¹			-0.3	-0.6
P&L impact (€bn) ¹			-0.1	-0.1
Sensitivity to equity and commodity markets³	-30%	-10%	+10%	+30%
EURO STOXX 50 (3,697 as at 31.3.2015)	2,588	3,327	4,067	4,806
Change in gross market value (€bn)	-4.1	-1.4	+1.3	+4.2
Change in on-balance-sheet reserves, net (€bn) ¹	-1.7	-0.7	+1.0	+3.0
Change in off-balance-sheet reserves, net (€bn) ¹	-0.5	-0.2	+0.2	+0.5
P&L impact (€bn) ¹	-1.1	-0.2	-0.0	-0.1

¹ Rough calculation with limited reliability assuming unchanged portfolio as at 31.3.2015. 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.

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

€m	31.12. 2012	31.12. 2013	31.12. 2014	31.3. 2015
Market value of investments	218,047	210,431	235,849	251,283
Total reserves	22,478	15,192	31,470	39,499
On-balance-sheet reserves				
Fixed-interest securities	9,980	4,661	11,967	15,322
Non-fixed-interest securities	1,503	1,975	2,270	3,612
Other on-balance-sheet reserves ¹	291	292	311	339
Subtotal	11,774	6,928	14,548	19,273
Off-balance-sheet reserves				
Real estate ²	1,519	1,763	2,006	2,055
Loans and investments (held to maturity)	8,831	6,071	14,400	17,716
Associates	354	430	516	455
Subtotal	10,704	8,264	16,922	20,226
Reserve ratio	10.3%	7.2%	13.3%	15.7%








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

² Excluding reserves from owner-occupied property.

On-balance-sheet reserves

On-balance-sheet reserves	31.3. 2015	Change Q1
Investments afs	18,934	4,697
Valuation at equity	122	9
Unconsolidated affiliated enterprises	183	15
Cash flow hedging	34	4
Total on-balance-sheet reserves (gross)	19,273	4,725
Provision for deferred premium refunds	-8,342	-1,924
Deferred tax	-2,602	-614
Minority interests	-26	-2
Consolidation and currency effects	-236	-142
Shareholders' stake	8,067	2,043

Off-balance-sheet reserves

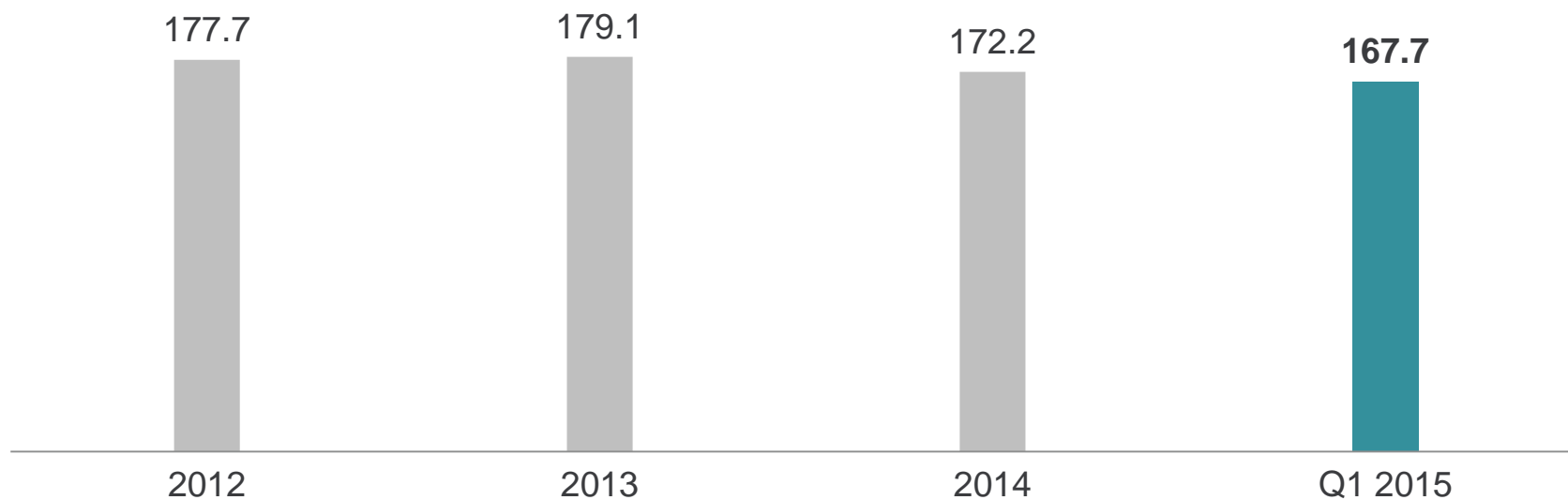
Off-balance-sheet reserves		€m
	31.3. 2015	Change Q1
Real estate ¹	2,055 	49
Loans and investments (held to maturity)	17,716 	3,316
Associates	455 	-61
Total off-balance-sheet reserves (gross)	20,226 	3,304
as if		
Provision for deferred premium refunds	-15,349 	-2,744
Deferred tax	-1,506 	-190
Minority interests	-1	0
Shareholders' stake	3,370 	370

¹ Excluding reserves for owner-occupied property.

Development of shares in circulation

Shares (millions)	31.12. 2014	Acquisition of own shares in Q1 2015	Retirement of own shares in Q1 2015	31.3. 2015
Shares in circulation	168.5	-1.5		167.0
Own shares held	4.4	1.5	-	5.9
Total	172.9	-	-	172.9

Weighted average number of shares in circulation (millions)



2015

- | | |
|------------|--|
| 30 June | Investor Day, London |
| 6 August | Interim report as at 30 June 2015 |
| 5 November | Interim report as at 30 September 2015 |

2016

- | | |
|------------|---|
| 4 February | Preliminary key figures 2015 and renewals |
| 16 March | Balance sheet press conference for 2015 financial statements
Analysts' conference in Munich with videocast |
| 27 April | Annual General Meeting 2016, ICM – International Congress Centre Munich |
| 10 May | Interim report as at 31 March 2016 |
| 9 August | Interim report as at 30 June 2016 |
| 9 November | Interim report as at 30 September 2016 |

INVESTOR RELATIONS TEAM

Christian Becker-Hussong

Head of Investor & Rating Agency Relations
Tel.: +49 (89) 3891-3910
E-mail: cbecker-hussong@munichre.com

Thorsten Dzuba

Tel.: +49 (89) 3891-8030
E-mail: tdzuba@munichre.com

Christine Franziszi

Tel.: +49 (89) 3891-3875
E-mail: cfranziszi@munichre.com

Britta Hamberger

Tel.: +49 (89) 3891-3504
E-mail: bhamberger@munichre.com

Ralf Kleinschroth

Tel.: +49 (89) 3891-4559
E-mail: rkleinschroth@munichre.com

Andreas Silberhorn

Tel.: +49 (89) 3891-3366
E-mail: asilberhorn@munichre.com

Angelika Rings

Tel.: +49 (211) 4937-7483
E-mail: angelika.rings@ergo.de

Andreas Hoffmann

Tel.: +49 (211) 4937-1573
E-mail: andreas.hoffmann@ergo.de

Ingrid Grunwald

Tel.: +49 (89) 3891-3517
E-mail: igrunwald@munichre.com

Münchener Rückversicherungs-Gesellschaft | Investor & Rating Agency Relations | Königinstraße 107 | 80802 München, Germany
Fax: +49 (89) 3891-9888 | E-mail: IR@munichre.com | Internet: www.munichre.com

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.

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

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

ERGO new segmentation: 2009–2010 before elimination of business with Munich Re, 2011–2014 consolidated, after elimination of all intra-Group business, 2013–2014 new segmentation, earnings include share of holding costs.