

Munich, 25 April 2018

## Media information

### Munich Re to pay out €1.3bn to shareholders

Contact  
Media Relations  
Munich Re (Group)  
Jörg Allgäuer  
Tel.: +49 (89) 3891-8202  
Fax: +49 (89) 3891-78202  
jallgaeuer@munichre.com

**Münchener Rückversicherungs-  
Gesellschaft**  
Aktiengesellschaft in München  
Media Relations  
Königinstraße 107  
80802 München  
Germany  
Letters: 80791 München

[www.munichre.com](http://www.munichre.com)  
<http://twitter.com/munichre>

**The Annual General Meeting approved an unchanged dividend of €8.60 per share. Sustainably high dividends thus remain a hallmark of Munich Re – despite the exceptionally high hurricane losses of the past year.**

Chairman of the Board of Management, Joachim Wenning, confirmed the profit guidance of €2.1–2.5bn for 2018, which is higher than that of the previous year, as well as a medium-term profit guidance of €2.8bn for 2020. Joachim Wenning: “Munich Re is again poised for growth. For the first time in five years, we are once again able to increase our profit guidance compared to the previous year. We will continue to pursue this positive result trend in future. By 2020, we intend to raise our result to around €2.8bn.”

Wenning said that an increase in earnings power, digital transformation, and a reduction in complexity were key to the further development of Munich Re.

Regarding the increase in earnings power, Wenning added: “Our business ambitions are considerable. Traditional reinsurance business has sustained growth potential, and the ERGO Strategy Programme is also progressing well. With their growth initiatives, reinsurance and ERGO will contribute in equal measure to increased profits in the coming years. Our strong balance sheet allows us to grow organically, and through acquisitions.”

On digital transformation, Wenning said: “Munich Re is perceived by the market as an innovation leader, and rightly so. We use digital elements to strengthen our existing business and open up new business opportunities. We are developing new digital business models – such as for the Internet of Things. Munich Re is already a market leader in cyber insurance. Digital transformation will enable us to secure our earnings power for the future.”

On the topic of complexity reduction, Wenning stressed: “We will simplify our structures and processes in reinsurance and Group functions – and even do away with some of them entirely. As a result, we will be able to run a growing business with fewer resources. We expect to achieve savings of over €200 million per year before tax. And, with natural fluctuation, semi-retirement and attractive and fair redundancy packages, we will be cutting around 900 jobs worldwide, some 480 of which in Munich.”

### **New share buy-back programme**

Munich Re plans to once again buy back own shares worth up to €1bn by the 2019 Annual General Meeting. The new buy-back programme follows on from the programme expiring with the 2018 Annual General Meeting, under which shares with a value of €1bn were repurchased.

Taking into account dividend payouts and share buy-backs, Munich Re has returned just under €26bn to its shareholders since 2005, equivalent to 85% of its current market capitalisation.

### **Annual General Meeting resolutions**

The Annual General Meeting passed the following main resolutions:

- The new remuneration system for the members of the Board of Management, in force since 1 January 2018, was approved. The new remuneration system continues to comply with all legal requirements, and is also much more streamlined and understandable. It includes a greater focus on the overall responsibility of the Board of Management for business activities, the Company's results, and performance benchmarked against peers.
- The Annual General Meeting elected Kurt Bock (59) and Maximilian Zimmerer (59) as new members of the Supervisory Board. Bock is the successor to Ron Sommer (68), who is retiring from the Supervisory Board with effect from the end of the Annual General Meeting on 25 April 2018. Bock was elected for the remainder of Ron Sommer's term of office, which ends at the close of the 2019 Annual General Meeting. Zimmerer is the successor to Peter Gruss (68), who retired from the Supervisory Board with effect from 30 June 2017. Zimmerer has held a seat on Munich Re's Supervisory Board since the beginning of July 2017, when he was appointed a Supervisory Board member by the Local Court (Amtsgericht) in Munich. Zimmerer was elected for the remainder of Peter Gruss's term of office, which ends at the close of the 2019 Annual General Meeting.
- An unchanged dividend of €8.60 per share will be paid out for the 2017 financial year. The overall dividend payout amounts to €1.3bn.
- Authorisation was again given to buy back shares (also using derivatives) up to a total amount of 10% of the share capital. The authorisation granted on 26 April 2017 had been largely exhausted by the share buy-back programme launched in June 2017, and has now been replaced.
- Due to an increased level of responsibility, and the fact that the work of the Supervisory Board has become considerably more demanding and complex, the remuneration of the members of the Supervisory Board was adjusted by an amendment to the Articles of Association to take effect from 1 January 2019.

The results of all votes have been published on our website at [www.munichre.com/agm](http://www.munichre.com/agm).

Note for the editorial staff:  
For further questions please contact

Media Relations  
Munich Re (Group)  
Jörg Allgäuer  
Tel.: +49 (89) 3891-8202

Media Relations Asia Pacific  
Silke Kunstreich  
Tel.: +65 6318 0762

Media Relations North America  
Sharon Cooper  
Tel.: +1 (609) 243-8821

**Munich Re** stands for exceptional solution-based expertise, consistent risk management, financial stability and client proximity. This is how Munich Re creates value for clients, shareholders and staff. In the 2017 financial year, the Group – which combines primary insurance and reinsurance under one roof – achieved a profit of €0.4bn. It operates in all lines of insurance, with over 42,000 employees throughout the world. With premium income of around €32bn from reinsurance alone, it is one of the world's leading reinsurers. Especially when clients require solutions for complex risks, Munich Re is a much sought-after risk carrier. Its primary insurance operations are concentrated mainly in ERGO, one of the leading insurance groups in Germany and Europe. ERGO is represented in over 30 countries worldwide and offers a comprehensive range of insurances, provision products and services. In 2017, ERGO posted premium income of €17.5bn. Munich Re's global investments (excluding insurance-related investments) amounting to €218bn are managed by MEAG, which also makes its competence available to private and institutional investors outside the Group

**Disclaimer**

This press release 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.

Munich, 25 April 2018

**Münchener Rückversicherungs-Gesellschaft**  
Aktiengesellschaft in München  
Media Relations  
Königinstraße 107  
80802 München  
Germany