

## Munich Re surpasses profit guidance for a fifth consecutive year, achieving every target of its Ambition 2025 strategy programme

- Net result for 2025 financial year of €6.1bn outperforms guidance by €0.1bn
- Successful completion of Ambition 2025: All financial and non-financial targets were met or surpassed
- Dividend: Subject to approval by the Annual General Meeting, the dividend will increase to €24 per share
- New share buy-back with a higher volume of €2.25bn to be completed by 2027 Annual General Meeting
- Outlook: Net result for 2026 expected to rise to €6.3bn



“2025 was a pivotal year for Munich Re. With a net result of €6.1bn, we not only set a new record, but also delivered on all the promises we had made as part of our five-year Ambition 2025 strategy programme. In times of crisis, our business model has proven to be resilient, growth-driven and profitable. Munich Re has consistently seized market opportunities as well as increased earnings while also stabilising them. This has allowed us to fully live up to the expectations of all stakeholders: our shareholders, customers, employees and society at large. Our new Ambition 2030 strategy programme will see us further diversify our business portfolio, expand the range of products and services we offer, and advance Munich Re as it evolves into a group that offers reinsurance, specialty insurance, and primary insurance at scale.”

Christoph Jurecka, Chair of the Board of Management

## Summary of figures for the 2025 financial year and for Ambition 2025

In the 2025 financial year, Munich Re posted a net result of €6,121m (5,690m) – surpassing the original target of €6bn. And 2025 was the fifth consecutive year in which our annual profit outperformed the respective guidance. Insurance revenue from insurance contracts issued remained stable at €60,412m (60,830m). Growth in the life and health reinsurance segment and at ERGO largely offset both the deliberate discontinuation of business in property-casualty reinsurance and negative currency effects. The net result in Q4 2025 amounted to €945m (1,068m).

In the 2025 financial year, Munich Re's return on equity (RoE) came to 18.3% (18.2%). Earnings per share totalled €47.15 (42.93). The Board of Management proposes to pay shareholders a dividend of €24 per share for the 2025 financial year, a year-on-year increase of 20%. The solvency ratio<sup>1</sup> increased slightly to 298% (31 December 2024: 287%).

The total technical result for the 2025 financial year rose considerably to €9,800m (8,701m), with the investment result climbing to €7,514m (7,191m). The currency result fell to –€1,425m (421m), chiefly due to foreign exchange losses in connection with the weak US dollar. The operating result increased to €8,876m (7,998m), and the effective tax rate was 29.1% (27.0%). Equity was slightly higher at the reporting date (€33,421m) than at the start of the year (€32,901m).

The end of 2025 also marked the conclusion of the five-year Ambition 2025 strategy programme, with Munich Re meeting or surpassing all of the financial and non-financial targets it had set itself.

The return on equity rose from 11.9%<sup>2</sup> to 18.3% (target: 14% to 16%). Earnings per share grew by an average of 18.8% and dividend per share by 19.6% a year (target: ≥5% per year on average). The solvency ratio at the end of 2025 was well above the target corridor of 175% to 220%.<sup>3</sup>

The percentage of women in management positions across the Group increased from 35% to the target level of 40%. We outperformed our decarbonisation targets in the (re)insurance business, our investment portfolio and our own operations – in some cases by a wide margin. A detailed overview can be found in the 2025 annual report, which will be published on March 18, 2026.

## Reinsurance: Result of €5,204m<sup>4</sup>

Munich Re has reported Global Specialty Insurance (GSI) as a separate segment within the reinsurance field of business since the first quarter of 2025. GSI bundles the global, specialty primary-insurance activities managed by the reinsurance organisation that used

<sup>1</sup> Does not include transitional measures.

<sup>2</sup> 2020, normalised value (adjusted for COVID-19 claims).

<sup>3</sup> From 2026 onwards the optimal range will be replaced by a new Solvency II target of >200%.

<sup>4</sup> Prior-year figures adjusted due to a reclassification of currency translation differences on insurance-related financial instruments to the currency result.

to be part of the property-casualty reinsurance segment. Comparative information has been restated accordingly.

The reinsurance field of business contributed €5,204m (4,880m) to the net result in the 2025 financial year, and €824m (887m) in Q4. The original full-year target of €5.1bn was thus surpassed. Insurance revenue from insurance contracts issued fell to €38,731m (40,034m). The decline was mainly due to negative currency effects (primarily associated with the US dollar) and the deliberate discontinuation of business that no longer met our return requirements, as well as changes in accounting practices that did not affect the net result. The total technical result increased to €7,518m (6,688m), with the operating result climbing to €7,471m (6,955m).

Life and health reinsurance generated a total technical result of €1,715m (1,857m) in 2025, thus meeting the target of €1.7bn. The net result in the segment dropped to €1,334m (1,545m). Insurance revenue from insurance contracts issued came to €12,179m (11,767m).

The result in the property-casualty reinsurance segment went up to €3,308m (3,153m), while insurance revenue from insurance contracts issued fell to €17,926m (19,487m). The combined ratio was 73.5% (77.3%) of net insurance revenue; the normalised combined ratio was 80.1%.

Major-loss expenditure in the property-casualty reinsurance segment fell significantly to €1,627m (2,807m), while increasing to €588m (377m) in Q4, in both cases after retrocession and before taxes. The amount for the full year – including run-off profits and losses for major claims from previous years – is equivalent to 9.4% (15.0%) of net insurance revenue, significantly below the expected figure of 17%. In Q4, the figure came to 14.1% (8.0%). Man-made major losses amounted to €740m (893m). Major-loss expenditure from natural catastrophes fell sharply to €887m (1,915m). At approximately €0.8bn, the wildfires in Los Angeles were the most expensive single claims event of the year; expenditure of approximately €0.3bn made Hurricane Melissa the costliest Q4 claims event. The previous year had been dominated by several major loss events in the US, Canada and Europe. The major-loss figures above take account of the effects from discounting and risk adjustment.

The Global Specialty Insurance segment posted a net result of €562m (182m) in 2025. Insurance revenue from insurance contracts issued amounted to €8,625m (8,781m), while the combined ratio improved to 85.9% (93.6%) of net insurance revenue thanks to the drop in major-loss expenditure.

## Renewals as at 1 January 2026

In the reinsurance renewals as at 1 January 2026, the volume of business written dropped to €13.7bn (-7.8%). Munich Re deliberately opted to not renew or write business that did not meet expectations with respect to return requirements or terms and conditions. The

majority of business in January was written in Europe, the US and globally. With very few exceptions, Munich Re maintained the portfolio's high quality thanks to stable contractual terms and conditions.

The price level of Munich Re's portfolio likewise remained good, though prices fell by 2.5% overall. Our prices largely compensated for higher loss estimates in some areas, which were primarily attributable to inflation or other loss trends. These figures are, as always, risk-adjusted. In other words, price increases are offset if they are associated with increased risk and, consequently, elevated loss expectations.

Looking ahead to the upcoming round of renewals in April, Munich Re expects a market environment in which attractive price levels and improved terms and conditions can be largely upheld despite the current market pressure.

## ERGO: Result of €917m<sup>5</sup>

Munich Re's ERGO field of business posted a 2025 net result of €917m (810m), including €121m (181m) in Q4. As such, ERGO clearly met its profit target of approximately €0.9bn, once again surpassing the previous year's result by a significant margin. Insurance revenue from insurance contracts issued rose to €21,681m (20,796m), also in line with the target.

The ERGO International segment generated a significantly higher net result of €541m (301m). In addition, the total technical result improved considerably compared with the previous year. Business in the major European property-casualty markets developed very well operationally, with a marked increase in the insurance service result. In life and health business, a high release of the contractual service margin and an encouraging result from short-term business for health and travel insurance contributed to sustained encouraging technical profitability. The segment's investment result benefited from a one-off effect in connection with the complete takeover of US-based insurer Next Insurance<sup>6</sup> in 2025.

ERGO Germany generated a net result of €376m (509m), largely due to a negative one-off effect in connection with the reduction in corporation tax from 2028. Without this effect, the segment result would have been higher than in the previous year. The segment's total technical result improved year on year. ERGO Life and Health benefited in particular from a favourable claims trend in short-term health and travel business. In property-casualty insurance, positive major loss development and an improved cost trend were taken as an opportunity to strengthen the claims reserves.

The total technical result for the ERGO field of business in the 2025 financial year rose to €2,282m (2,013m) and the operating result rose to €1,405m (1,042m). The combined ratio in the ERGO Germany segment was 89.1% (86.8%) in Q4 and 88.9% (88.6%) for the year as a whole. In the ERGO International segment, the ratio for Q4 came to 92.4% (90.3%);

<sup>5</sup> Previous year's figures adjusted due to an accounting policy change for recognition of acquisition costs in the segment ERGO Germany.

<sup>6</sup> The company has been operating in the market as "ERGO Next" since January 2026.

the figure for the year as a whole improved to 90.0% (91.9%). Accordingly, both segments met their targets.

### Investments: Investment result of €7,514m

Munich Re's investment result increased to €7,514m (7,191m) in 2025. Regular income from investments amounted to €8,560m (8,137m). The net impact from write-ups and write-downs was –€259m (–355m), with the net impact from gains and losses on the disposal of investments coming to –€375m (–986m). The change in fair value amounted to €381m (1,052m).

The year-on-year improvement in the investment result is primarily attributable to much higher fair values in the equity portfolio, alongside a renewed increase in the running yield. Our equity portfolio reaped the benefits of rising stock market prices. A better net result was also achieved on the disposal of investments. At the same time, we deliberately accepted losses on the disposal of fixed-interest investments so as to benefit from higher interest rates upon reinvestment. In 2025, the fair values of fixed-interest investments rose due to higher interest rates.

Overall, the 2025 investment result represents a return of 3.2% on the average market value of the portfolio. The running yield was 3.7% and the yield on reinvestment 4.1%. As at 31 December 2025, the equity-backing ratio including equity-linked derivatives amounted to 3.1% (2.9% as at 31 December 2024). The carrying amount of the investment portfolio as at 31 December 2025 was €222,747m (230,716m).

### Outlook for 2026: Higher net result of €6.3bn expected

Munich Re is aiming to achieve an IFRS net result of €6.3bn in the 2026 financial year on the back of consistently good operational performance in all business segments. Group insurance revenue is expected to reach €64bn in 2026, and return on investment to improve to more than 3.5%.

Munich Re is forecasting a segment result of €5.4bn in the reinsurance field of business in 2026. In a market environment that looks set to remain attractive, Munich Re will leverage its strong market position. The combined ratio is expected to remain at a high profitability level of 80% in property-casualty reinsurance and 90% in Global Specialty Insurance (GSI). In life and health reinsurance, Munich Re projects a total technical result of €1.9bn in 2026.

The ERGO field of business will continue the strong development seen in recent years, with a result of €0.9bn. The target combined ratio for both ERGO Germany and ERGO International is 89%.

Please note that all figures are rounded values. As usual, all forecasts and targets are subject to increased uncertainties stemming from geopolitical and macroeconomic developments, to major losses remaining within normal bounds, and to the income statement not being impacted by severe fluctuations in the currency or capital markets, significant changes in the tax environment, or other one-off effects.

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## Munich Re

Munich Re is one of the world's leading providers of reinsurance, primary insurance and insurance-related risk solutions. The Group consists of the reinsurance and ERGO business segments, as well as the asset manager MEAG. Munich Re is globally active and operates in all lines of the insurance business. Since it was founded in 1880, Munich Re has been known for its unrivalled risk-related expertise and its sound financial position. Munich Re leverages its strengths to promote its clients' business interests and technological progress. Moreover, Munich Re develops covers for new risks such as rocket launches, renewable energies, cyber risks and artificial intelligence. In the 2025 financial year, Munich Re generated insurance revenue of €60.4bn and a net result of €6.1bn. The Munich Re Group employed about 44,000 people worldwide as at 31 December 2025.

## Disclaimer

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