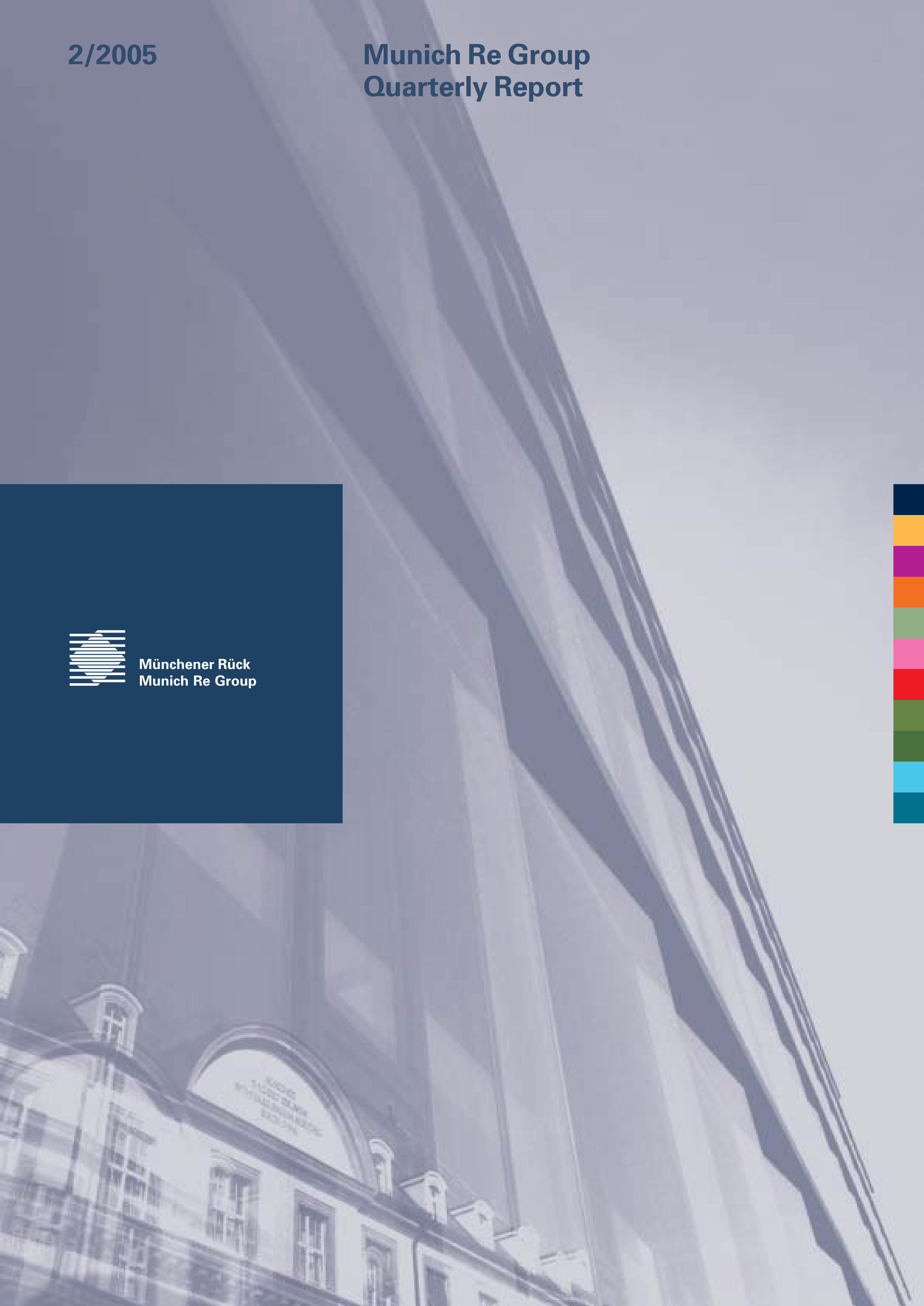
2/2005

Munich Re Group
Quarterly Report



Münchener Rück
Munich Re Group

Supervisory Board

Dr. Hans-Jürgen Schinzler (Chairman)

Board of Management

Dr. Nikolaus von Bomhard (Chairman)

Georg Daschner

Dr. Heiner Hasford

Stefan Heyd

Dr. Torsten Jeworrek

Christian Kluge

John Phelan

Dr. Detlef Schneidawind

Dr. Jörg Schneider

Karl Wittmann

125 years
Preferred partner in risk

Munich Re Group

Key figures (IFRS)

		Q1–2 2005	Q1–2 2004	Change in %	Q2 2005	Q2 2004	Change in %
Gross premiums written	€m	**19,380**	19,676	–1.5	**9,220**	9,318	–1.1
Investment result	€m	**4,974**	4,063	22.4	**2,517**	2,209	13.9
Result before amortisation of goodwill	€m	**2,230**	2,172*	2.7	**1,098**	1,210*	–9.3
Taxes on income	€m	**1,152**	640	80.0	**811**	388	109.0
Consolidated result	€m	**870**	1,192*	–27.0	**182**	649*	–72.0
Thereof attributable to minority interests	€m	**30**	30	–	**18**	21	–14.3
Earnings per share	€	**3.68**	5.08	–27.6	**0.72**	2.75	–73.8
Combined ratio							
– Reinsurance non-life	%	**99.8**	95.5		**103.0**	94.7	
– Primary insurance property-casualty	%	**94.6**	93.4		**90.5**	91.5	

*Adjusted owing to first-time application of IAS 1 (rev. 2003).

		30.6.2005	31.12.2004	Change in %
Investments	€m	**184,099**	178,132	3.3
Shareholders' equity	€m	**22,058**	20,737*	6.4
Net underwriting provisions	€m	**162,504**	154,327	5.3
Staff		**40,641**	40,962	–0.8
Share price	€	**88.12**	90.45	–2.6
Munich Re's market capitalisation	€bn	**20.2**	20.8	–2.6

*Adjusted owing to first-time application of IAS 1 (rev. 2003).

Contents

To our shareholders

Dr. Nikolaus von Bomhard
Chairman of Munich Re's Board of Management

Dear Shareholders,

In the year 2005 to date, the Munich Re Group has kept firmly on its course towards sustained profitability. We are showing pleasing results in our active insurance and reinsurance business. And with the line we have drawn under American Re's difficult years, we have freed ourselves of a burden that placed undue strain on management, detracted from our successes and, not least, curbed the development of our share price.

As reported in detail in the press, American Re has substantially increased its reserves, mainly for the accident years 1997 to mid-2002. In this context, Munich Reinsurance Company is reinforcing American Re's capital base and converting financing instruments into equity capital. In addition, American Re will be integrated even more closely into the Group through extended retrocession covers. An important point I want to stress here is that the whole transaction will have an impact on the Munich Re Group's result for 2005 of €388m before tax and €750m after tax, as we had already made provision at Group level for such uncertainties in estimating reserves.

At the AGM on 28 April 2005, I said to you that I would prefer to draw a line under the underwriting years in question sooner rather than later, but to do so would require a sufficiently stable statistical basis for the actuarial calculations. Why am I convinced that this position has now been reached and that we will achieve a lasting solution with the package of measures we have adopted? The accident years 1997 to 2002 have become more mature and thus more stable, enabling us to estimate their claims development better. Our teams from Princeton and Munich have therefore reviewed American Re's reserve situation particularly thoroughly, using even more refined methodology. Very prudent reserving standards were applied in evaluating the risk of further long-tail claims and in measuring the additional reserves required to cover them. Individual large exposures were analysed and evaluated separately, in addition to the overall actuarial assessment. The outcome of these reviews was then checked by our auditors. As a result, we can draw a line under the accident years from 1997 to mid-2002 on a reliable basis. And even in the case of liabilities for asbestos-related diseases and environmental pollution, which are very difficult to quantify, we consider that we now have a sufficient cushion after our substantial strengthening of the reserves in the business year 2004 and the second quarter of 2005.

Decisions taken up to mid-2002 in the underwriting of US business cannot be undone. But we can ensure that their consequences do not hinder us further – either American Re or the Group as a whole – on our path towards a profitable future. Over the past few years, we have already made a great deal of progress along this path. It is time that the successes achieved since the restructuring of American Re and John Phelan's assumption of the CEO position in 2002 are no longer overshadowed and diluted by long-tail losses from a past era. Without the ballast of the past, American Re can focus fully on its task of earning the added-value contributions we expect of it in the American reinsurance market, which is indispensable for the Munich Re Group. As regards business approach, the right course has been set since mid-2002. The measures taken include a far-reaching integration of American Re in Munich Re's structures and processes, which also means underwriting being managed according to the same principles as for Munich Re. The outstanding reputation American Re enjoys with its clients, only recently confirmed in a market-wide survey, is an important plus that will further advance its competitive position.

We have also made progress in other areas over the past months. Active risk diversification has been systematically pursued, not least by reducing concentration risks in our investments. Examples are the sale of our shares in MAN and BHW, and the further cutting back of our shareholdings in Commerzbank and Allianz. Since mid-July, our stake in Allianz has been below 5%; the derisking measures with regard to this concentration risk, which was originally very high, are thus concluded. The announced offer to exchange HVB shares into UniCredit stock opens up opportunities to improve the structure of our investment portfolio further.

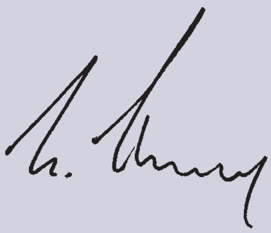
I am very satisfied with the result of our active insurance and reinsurance business in the first half-year 2005. This also applies to the figures for the second quarter.

Of course, the reserve strengthening at American Re clouds the otherwise pleasing picture for the second quarter in reinsurance. It accounts for 5.3 percentage points of the combined ratio of 99.8% in the first half-year (2nd quarter: 103.0%). However, in view of the scope and positive long-term effect of the package of measures, I consider this impact on the second-quarter result to be acceptable. From the figures of the current reinsurance business at least, I draw the conclusion that thanks to our risk and underwriting competence we remain on course. Risk-commensurate prices and conditions continue to be the yardstick for our underwriters.

The half-year figures we report for primary insurance can only be described as most pleasing, exceeding our expectations. In the case of the ERGO Insurance Group – accountable for a good 90% of our total premium in primary insurance – it is becoming ever clearer that the positive trend is of a sustained nature. All the key indicators point upwards, with last year's figures being markedly surpassed in some cases, though it is not to be taken for granted that the figures for the second half-year will reach the same level as the very good figures for the first half-year. The technical result, with a combined ratio of 91.3% for the first half-year (2nd quarter: 86.6%), is again extremely good. The growth in premium income is also very satisfactory, with growth impulses in the first half of 2005 deriving mainly from foreign markets. Consequently, ERGO's foreign business assumes particular importance in realising our strategy for profitable growth. In German life insurance, new business production was down on last year, as expected. However, positive indications became clearly apparent in the second quarter. In German property-casualty insurance, especially motor business, growing price competition has curbed growth. Here, too, we are remaining true to our principle of "profitability takes precedence over growth".

All in all, what I said at the outset continues to apply: we are on course. Our target of a 12% return on our average IFRS equity capital for 2005 after tax is within reach.

Yours sincerely,



Key parameters

- **Strong but slightly decelerating growth in the global economy**
- **Oil price at record high**
- **Gradual cooling of growth expected**
- **Still attractive pricing level on the insurance markets overall**

Growth in the global economy remains strong, even though the slight slowdown evident since the second half of 2004 has continued. An important reason for this trend is the persistently high oil price, which in the meantime has hit a new all-time high of around US$ 60 per barrel. The main growth impulses still come from the USA and China, whilst economic development in the eurozone and Japan is tending to stay subdued.

According to initial estimates, the US economy lost some momentum in the second quarter, with seasonally adjusted and annualised growth amounting to 3.4%. In the eurozone, growth is likely to have decreased, too, as indicated by less confident assessments from industry and consumers and lower orders for exports. In Germany, economic development is still being adversely affected by consumer reluctance in an environment of high unemployment. Following four successive falls, the ifo business climate index recorded a slight rise in June and July, but it would be too early to take this as a sign of a sustained economic upturn.

Japan improved its economic situation, thanks to strong consumer demand. In China, the political measures designed to prevent the economy overheating appear to have already influenced the strong growth somewhat. Growth in the other emerging markets of Asia and Latin America is gradually slowing down as well, in line with the global economy.

The euro continued its downward trend in the period under review, closing at US$ 1.21 on 30 June. The decline in the exchange rate, which has persisted since March, was exacerbated by the rejection of the EU constitution in the referendums in France and the Netherlands. After a total of nine increases in interest rates since June 2004, the US Federal Reserve's leading interest rate currently stands at 3.25%. By contrast, the European Central Bank retained its key interest rate at 2.00% in the period under review. Long-term interest rates fell in the second quarter, however, both in the USA and in Germany. Whereas the most important European share price indices rose in this period, both the US Dow Jones Index and the Nikkei 225 closed slightly down on their beginning-of-quarter level.

For the coming 12 months, we expect growth in the USA to slacken further. We also expect a decrease in the growth dynamics in China, the second engine of the world economy. Given this background, growth is likely to gradually slow down further in the eurozone and in the emerging markets as well, a trend that can already be observed. The main risks for the global economy are the continuing global imbalances, especially the substantial US current account deficit. In addition, there are geopolitical threats, as evidenced by the terrorist attacks in London on 7 July and the continuing unrest in Iraq.

Risks from natural hazards and human activity show a rising trend worldwide. The demand for risk protection is high. Pricing levels in the primary insurance and reinsurance markets remain attractive overall. In the most recent renewals in non-life, there were both price increases and, to a growing extent especially in primary insurance, price reductions, depending on the segment. The majority of market players, however, are still behaving rationally.

It will be important for the future development of the insurance industry to continue offering capacity only at prices and conditions that stay risk-adequate. These are necessary in the long term to ensure that the insurance industry can fulfil its economic function of providing financial protection against risks. What should help support such prices, in the light of markedly lower income from the capital markets, is greater transparency regarding the risks written, a healthy profit orientation, improvements in corporate steering systems, and changes in management.

The insurance industry in Germany is growing at a below-average rate compared with other countries, owing to the subdued development of its economy as a whole. In life insurance, any comparison of premium volume with the previous year is distorted by the new fiscal parameters. In the medium term, however, the need for greater private provision should favour the growth of life and health insurance in Germany in particular.

Business experience from 1 January to 30 June 2005

Reinsurance

- **Successful round of renewals at 1 April 2005**
- **Increase in loss reserves at American Re**
- **Very pleasing performance of active business**
- **Combined ratio of 94.5% without the effect of the reserve strengthening at American Re**

The results for the second quarter and for the whole first half of the year were marked on the one hand by the very substantial increase of US$1.4bn in the loss reserves of our US subsidiary American Re for accident years long past and on the other hand by the very pleasing performance of active business. The operating result from April to June was burdened with €388m for the reserve strengthening, including compensatory effects from the long-tail provisions at Group level, and fell by 4.5% to €895m. It rose by 6.4% to €1,837m in the first six months. The consolidated result in reinsurance decreased to €82m (595m)* in the second quarter and to €683m (1,098m) in the first half-year. Here, the impact of the reserve strengthening and resultant tax effects came to €750m overall.

Active business, by contrast, performed very well: following the successful renewal of reinsurance treaties at the beginning of the year, our negotiations in Japan and South Korea at 1 April also fulfilled our high expectations. Here, we slightly increased business volume and further optimised the profitability of our portfolio at generally stable conditions. As in the previous renewals, our underwriting policy in Japan and South Korea was strictly geared to achieving profitability in each client account, with risk-adequate premiums and appropriate conditions.

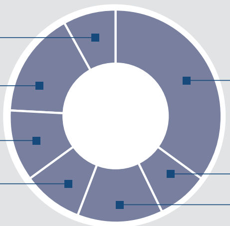
We obtained attractive conditions for both new business and renewals. Especially in loss-affected sectors such as property reinsurance, we were able to achieve across-the-board price increases. Claims-free treaties, however, were subject to price pressure. In Japanese business, which is frequently exposed to windstorm and earthquake, we successfully restructured our portfolio. Overall, the recent renewals showed that the reinsurance markets are in a stable condition, despite the worldwide rise in capacity.

Premium income in reinsurance declined by 6.4% to €5.4bn (5.8bn) in the second quarter. As at 30 June 2005, premiums stood at €11.2bn (11.9bn), a reduction of 5.9% compared with the first half of 2004.

Following several quarters characterised by considerable losses of premium income owing to currency-related effects, there was a lessening of the negative impact of changes in exchange rates on premium income.

Adjusted to eliminate the effects of exchange rates, premium was down 4.9% in the first half of the year.

Gross premiums by division Q1–2 2005



*The following principle applies to the reporting: figures relating to previous periods have been partially adjusted owing to the first-time application of IAS 1 (rev. 2003). For details, please see notes on recognition and measurement.

In the life and health segment, we recorded premium income of €1.98bn (1.97bn) in the second quarter, 0.6% more than in the same period last year. In the first six months of 2005, premium was at the same level as last year, at €3.9bn. In health reinsurance, premium decreased, mainly because of isolated cancellations and reductions in shares, whereas life reinsurance registered a rise.

Premium in property-casualty reinsurance fell by 10.0% to €3.4bn (3.8bn) in the quarter under review. In the first half of the year, it totalled €7.3bn (8.0bn), 8.7% lower than in the previous year. As in the first quarter, the decrease in premium from April to June was largely influenced by the non-renewal of the net quota share treaty with Royal & SunAlliance for 2005. The decline also reflected American Re's withdrawal from US business where our requirements with regard to prices and conditions could not be realised. These losses in premium were partially offset by newly acquired business, especially in the Asian region.

In new business, we consistently achieved prices and conditions commensurate with our selective underwriting policy and geared to meeting our return target if claims experience remains within normal bounds.

As in the previous year, expenditure for major losses in the second quarter was below average, amounting to €161m (112m). The largest loss was a fire in an electronics company in Germany, which impacted us with some €40m. No significant natural catastrophe losses affected us in the second quarter. The burden from major losses for the first half-year totalled €412m (274m), which is roughly consistent with the long-term average.

The combined ratio was 103.0% (94.7%) for the months of April to June 2005 and 99.8% (95.5%) for the first half-year. The reserve strengthening at American Re accounted for 10.7 percentage points in the second quarter and 5.3 percentage points in the first half-year, each figure including the effects from the adjustment of the provisions for long-tail claims at Group level; this represents an amount of €388m before tax (for details, see page 36 of the notes to the financial statements). This situation underscores the good performance of our active business, where the combined ratio was well below the 97% mark.

Our reinsurers' investment result came to €1,165m (934m) in the second quarter and €2,179m (1,705m) in the first half of the year. This positive development compared with the previous year is mainly attributable to lower write-downs and losses on disposals and to higher gains on the sale of investments as part of the reduction of concentrations in our portfolio of shareholdings.

As the burdens from the reserve strengthening at American Re do not result in any additional tax savings for the time being, no tax relief for this amount has been recognised at the level of either American Re or the Group for reasons of prudence. Conversely, the release of the IBNR reserves at Group level entails a deferred tax burden of €362m.

Key reinsurance figures

		Q1–2 2005	Q1–2 2004	Q2 2005	Q2 2004
Gross premiums written	€bn	**11.2**	11.9	**5.4**	5.8
Loss ratio non-life	%	**71.0**	67.6	**72.8**	66.3
Expense ratio non-life	%	**28.8**	27.9	**30.2**	28.4
Combined ratio non-life	%	**99.8**	95.5	**103.0**	94.7
Thereof natural catastrophes	Percentage points	**2.1**	–	**1.7**	–
Investment result	€m	**2,179**	1,705	**1,165**	934
Result before amortisation of goodwill	€m	**1,837**	1,773	**895**	964
Consolidated result	€m	**683**	1,098	**82**	595
Thereof attributable to minority interests	€m	**–**	5	**–**	–

		30.6.2005	31.12.2004
Investments	€bn	**84.5**	81.2
Net underwriting provisions	€bn	**61.8**	58.2

Primary insurance

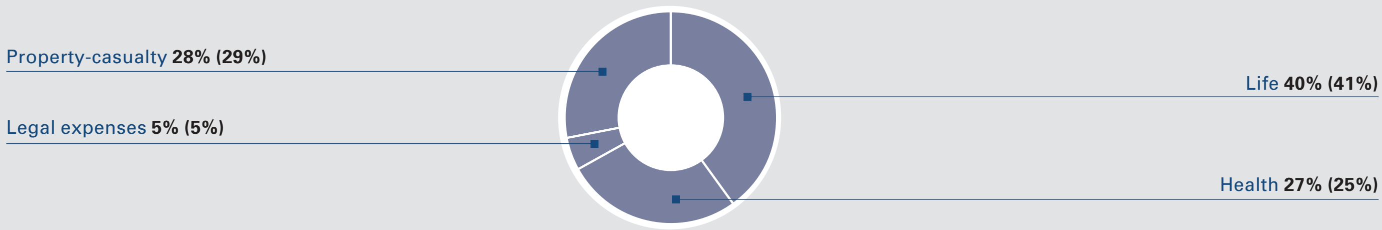
- **At €320m, consolidated result at end of first half-year significantly higher than in previous year**
- **Combined ratio of 94.6% still very pleasing**
- **Rising premium volume in life insurance; good growth in health insurance**

The primary insurers in the Munich Re Group – ERGO, Karlsruher, Europäische Reiseversicherung and the Watkins Syndicate – developed very favourably in the second quarter, their operating result climbing from €187m to €291m. The operating result for the first half-year also showed a marked improvement on the same period last year, totalling €489m (313m).

In terms of their consolidated result, the Group's primary insurers improved by 373.8% to €199m from April to June. Their half-year result of €320m more than doubled last year's figure.

Gross premiums written in the second quarter of 2005 rose by a strong 7.4% to €4.3bn. Growth from January to June amounted to 3.3%, with premium reaching €9.2bn. While the life and health segment improved by 5.0% in the first six months, premiums in property-casualty insurance (including legal expenses insurance) remained constant.

Gross premiums by class of insurance Q1–2 2005



In the second quarter of 2005, premium income in life insurance improved by 4.6% to €1.9bn. Premium volume in the first six months of the year was up 2.5% compared with the same period last year, reaching €3.7bn (3.6bn). As in the first three months of 2005, new business in Germany was again lower in the second quarter than in the same period last year. The reason was a change in fiscal parameters, anticipation of which triggered a boom in policy sales at the end of 2004. Agents and clients now need to get accustomed to the new German Retirement Income Act and the new product world arising from this. Compared with the first quarter, a distinct rise in sales was observed in the second quarter. Unit-linked products continued their growth trend of the first quarter.

In health insurance, premium income increased by 8.8% to €1.2bn in the second quarter of 2005, and by 9.1% to €2.5bn in the first six months of the year. One reason for the rise was the increase in premiums we carried out for German business to reflect the higher healthcare costs. The positive first-quarter sales trend in supplementary health insurance continued from April to June. Our ability to expand our portfolio of these policies by a sizeable 6.7% was due both to our successful partnerships with public health insurers and to the growing awareness among insureds of the need to bridge the gaps in state health insurance coverage.

The current uncertainty regarding the reform of the German health insurance system, however, had an adverse impact on our domestic business with comprehensive covers – hence the only moderate rise of 0.8% in the number of policyholders with this cover.

At €1.2bn (1.1bn), premium in property-casualty insurance was 10.3% higher in the second quarter of 2005 than in the same period last year. In the first six months of the year, gross premiums again reached €3.0bn. A lack of impulses from new vehicle registrations in Germany and stiffer price competition in motor insurance led to lower premium income here. By contrast, personal accident, homeowners and liability insurance maintained the positive trend of the first quarter.

Claims expenditure developed favourably between April and June 2005. At 90.5% (91.5%), the combined ratio (including legal expenses insurance) was distinctly lower than in the first quarter. It was also below that of the second quarter of 2004, which was characterised by exceptionally low claims expenditure.

The investment result in the first half of 2005 grew by 22.3% to €2.9bn. This increase was partly due to capital gains realised through cutbacks in investments in German financial stocks. Given the favourable development of the stock markets and falling long-term interest rates, net unrealised gains on investments also showed a rise since the beginning of the year.

Key primary insurance figures

		Q1–2 2005	Q1–2 2004	Q2 2005	Q2 2004
Gross premiums	€bn	**9.2**	8.9	**4.3**	4.0
Loss ratio property-casualty	%	**59.3**	58.7	**57.0**	57.9
Expense ratio property-casualty	%	**33.9**	33.0	**31.1**	30.9
Combined ratio property-casualty	%	**93.2**	91.7	**88.1**	88.8
Combined ratio legal expenses insurance	%	**99.6**	100.0	**99.5**	101.5
Combined ratio property-casualty including legal expenses insurance	%	**94.6**	93.4	**90.5**	91.5
Investment result	€m	**2,916**	2,385	**1,460**	1,277
Result before amortisation of goodwill	€m	**493**	388	**295**	226
Consolidated result	€m	**320**	97	**199**	42
Thereof attributable to minority interests	€m	**31**	26	**17**	14

		30.6.2005	31.12.2004
Investments	€bn	**118.6**	115.2
Net underwriting provisions	€bn	**100.8**	96.1

Key figures of the ERGO Insurance Group

		Q1–2 2005	Q1–2 2004	Q2 2005	Q2 2004
Gross premiums written	€m	**8,107**	7,775	**3,770**	3,572
Investment result	€m	**2,662**	2,281	**1,308**	1,235
Loss ratio property-casualty	%	**57.6**	58.1	**54.5**	56.6
Expense ratio property-casualty	%	**33.7**	33.0	**32.1**	32.9
Combined ratio property-casualty	%	**91.3**	91.1	**86.6**	89.5
Combined ratio legal expenses insurance	%	**99.2**	99.7	**98.8**	100.8
Combined ratio property-casualty including legal expenses insurance	%	**93.2**	93.1	**89.4**	92.1
Result before amortisation of goodwill	€m	**447**	377	**301**	227
Consolidated result	€m	**265**	124	**197**	69
Thereof attributable to minority interests	€m	**7**	17	**7**	8

		30.6.2005	31.12.2004
Investments	€m	**99,693**	97,001
Shareholders' equity	€m	**3,899**	3,506
Net underwriting provisions	€m	**89,631**	85,494

Asset management

- **Continued reduction of shareholdings in the banking and insurance sector**
- **European stock markets favourable**
- **Interest rates drop to all-time lows**

With the EURO STOXX 50 rising by 4.1%, European equity markets detached themselves further from the US market in the second quarter. The S&P 500, the lead index for US shares, climbed by only 0.9%. European equity investments benefited not only from their relatively favourable valuation but also from the strength of the US dollar, whose exchange rate in the second quarter moved from just under US$ 1.30 to US$ 1.21 against the euro. In the first half of the year, the EURO STOXX 50 recorded a rise of 7.8% while the S&P 500 fell by 1.7%.

The yield on ten-year German government bonds hit an all-time low in June, falling to 3.10%. One reason for the low yields is speculation that the European Central Bank will lower interest rates in view of the sluggish economy in the eurozone. At the end of the first half of 2005, the yields on the relevant ten-year German government bonds stood at 3.13%, 55 basis points below the level registered at the beginning of the year.

Reduced inflation expectations and the recent increases in short-term interest rates by the US Federal Reserve to 3.25% have boosted the prices of long-term US bonds. The yields on ten-year US government bonds temporarily dipped to 3.80%. In the first six months they showed an overall decline of 31 basis points to 3.92%.

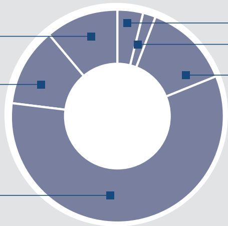
We rigorously pursued our strategy of reducing investments in the German financial services sector in the second quarter by cutting back our shareholding in Allianz by one percentage point to slightly below 8% and lowering our stake in Commerzbank to just under 5%. We had already sold our shares in BHW in the first quarter. Besides this, the Munich Re Group sold its interest in MAN at the beginning of the year.

Investment mix

	Reinsurance				Primary insurance				Asset management		Total	
	Life and health		Property-casualty		Life and health		Property-casualty					
All figures in €m*	**30.6. 2005**	31.12. 2004	**30.6. 2005**	31.12. 2004	**30.6. 2005**	31.12. 2004	**30.6. 2005**	31.12. 2004	**30.6. 2005**	31.12. 2004	**30.6. 2005**	31.12. 2004
Real estate	**694**	731	**780**	928	**5,077**	6,634	**189**	710	**28**	43	**6,768**	9,046
Investments in affiliated enterprises	**15**	14	**16**	16	**46**	45	**69**	69	**12**	14	**158**	158
Investments in associated enterprises	**570**	625	**681**	753	**1,810**	1,726	**522**	543	**71**	78	**3,654**	3,725
Loans	**34**	40	**25**	34	**22,945**	19,279	**1,053**	929	**27**	28	**24,084**	20,310
Other securities held to maturity	**–**	–	**–**	–	**496**	518	**43**	44	**–**	–	**539**	562
Other securities available for sale												
– Fixed-interest	**16,679**	15,230	**26,181**	24,707	**58,016**	57,791	**4,781**	4,533	**9**	9	**105,666**	102,270
– Non-fixed-interest	**4,514**	4,373	**5,653**	5,473	**11,187**	10,822	**2,017**	1,999	**20**	19	**23,391**	22,686
Other securities held for trading												
– Fixed-interest	**12**	–	**483**	–	**64**	61	**327**	290	**–**	–	**886**	351
– Non-fixed-interest	**–**	–	**–**	–	**–**	–	**4**	5	**–**	–	**4**	5
– Derivatives	**97**	54	**111**	61	**670**	186	**7**	–	**–**	–	**885**	301
Other investments	**6,745**	6,818	**7,973**	8,354	**2,743**	2,913	**601**	260	**2**	373	**18,064**	18,718
Total	**29,360**	**27,885**	**41,903**	**40,326**	**103,054**	**99,975**	**9,613**	**9,382**	**169**	**564**	**184,099**	**178,132**

* After elimination of intra-Group reinsurance across segments.

Investment mix as at 30.6.2005 (31.12.2004)



As at 30 June 2005, the Munich Re Group's investments amounted to €184.1bn (178.1bn).

This is equivalent to a rise of 3.3% since the beginning of the year, which was mainly due to capital gains on existing securities items and investments in fixed-interest securities and loans.

In the first half of the year, our investment result improved by 22.4% to €4,974m (4,063m). This development was attributable in particular to the substantial increase in the result of disposals of investments.

Since long-term yields fell considerably in Europe between April and June, the valuation reserves of our fixed-interest securities and of most of our European shares showed a corresponding rise.

In the first half of 2005, our asset management company MEAG MUNICH ERGO AssetManagement GmbH posted net inflows of about €90m from third-party business with retail funds. In institutional business, its net inflows came to around €380m.

In the same period, ERGO Trust GmbH recorded net outflows in the mid three-digit million euro range. These were mainly attributable to sales in connection with portfolio restructurings.

At the end of the first half-year, MEAG and ERGO Trust had assets under management of €4.7bn (4.6bn) in retail funds and €8.2bn (8.2bn) for institutional investors.

Prospects

- **Despite pressure, level of prices and conditions continues to be adequate**
- **Falling premiums in reinsurance**
- **Moderate growth in primary insurance**
- **RoE target of 12% remains unchanged**

There are various reasons why the quarterly results of insurance companies, including Munich Re, are not a suitable indicator for the results of the business year as a whole. Losses from natural catastrophes and other major losses have a disproportionate impact on the result of the reporting period in which they randomly and unforeseeably occur. Late-reported claims for major loss events can also lead to substantial fluctuations in individual quarterly results. Furthermore, gains and losses on the disposal of investments and writedowns on investments do not follow a regular pattern. Consequently, our quarterly figures do not provide more than significant pointers to the result for the year that may be expected.

Reinsurance

In the renewals at 1 July, which experience shows are an indicator for the year-end renewals, market discipline was still largely maintained, although competition rose in a number of segments, as expected.

Experience of recent years indicates that the further development of prices and conditions will vary strongly in the individual classes of business, regions and client segments. With our underwriting skills, long-standing close ties with clients and well-diversified portfolio, we are well equipped for these challenges.

Our technical income statement in 2005 will be impacted by €388m as a result of strengthening American Re's loss reserves. In addition, the hurricane season began earlier than usual, at the start of July. We estimate that Hurricane Dennis will cost the Group over €100m, which is nevertheless within our statistical expectations. We are therefore confident that we will achieve a combined ratio of under 100% in reinsurance, provided major-claims experience for the year 2005 remains within the range of our prognoses.

We expect our premium income for the current business year to fall marginally by 2.3% to €21.9bn if exchange rates remain steady. On the basis of current prices and conditions we anticipate stable premium volume for the future. Even so, we would be prepared to accept further losses in premium as a side effect of our strictly profit-oriented underwriting policy.

Primary insurance

We expect total premium income for primary insurance to rise by 2.7% to €18.0bn in 2005.

New business in life insurance should improve in the second half of the year. Given the sluggish first half-year, we are proceeding on the assumption that new business will decline by about 15% for the year as a whole. In health insurance, we foresee continued growth in the second half of the year. Overall, the life and health segment should grow by 2.6% in 2005.

In property-casualty business, including legal expenses insurance, premiums should rise by 3.0% in 2005. At the same time we expect to be able to keep the combined ratio below 95%, provided that random fluctuations in major losses remain within normal bounds.

Munich Re Group

We estimate that gross premium income will total about €38.0bn for the Munich Re Group as a whole in 2005, or 0.1% less than in the previous year.

The business year 2005 will be affected on the one hand by the burden of €750m from the reserve strengthening at American Re. On the other hand, however, we have also been able to achieve earnings of €563m by selling Allianz shares, thus reducing our stake to under 5%. Both measures have significantly contributed to a clear reduction in the Group's risks. At the same time, these are non-periodic income and expenses, which largely cancel each other out. Since our active business is potentially very profitable, we are confident that, in the absence of exceptional developments in the area of major claims and on the capital market, we will achieve our return on equity target of 12% after taxes on income in 2005.

Munich, August 2005

The Board of Management

Consolidated balance sheet as at 30 June 2005

Assets				31.12.2004	Change	
	€m	€m	€m	€m	€m	%
A. Intangible assets						
I. Goodwill		3,270		3,144	126	4.0
II. Other intangible assets		1,203		1,243	–40	–3.2
			4,473	4,387	86	2.0
B. Investments						
I. Real estate		6,768		9,046	–2,278	–25.2
II. Investments in affiliated enterprises and associated enterprises		3,812		3,883	–71	–1.8
III. Loans		24,084		20,310	3,774	18.6
IV. Other securities						
1. Held to maturity	539			562	–23	–4.1
2. Available for sale	129,057			124,956	4,101	3.3
3. Held for trading	1,775			657	1,118	170.2
		131,371		126,175	5,196	4.1
V. Other investments						
1. Deposits retained on assumed reinsurance	13,912			14,530	–618	–4.3
2. Miscellaneous	2,620			2,869	–249	–8.7
		16,532		17,399	–867	–5.0
			182,567	176,813	5,754	3.3
C. Investments for the benefit of life insurance policyholders who bear the investment risk			1,532	1,319	213	16.1
D. Ceded share of underwriting provisions			7,157	6,964	193	2.8
E. Receivables			8,899	8,683	216	2.5
F. Cash with banks, cheques and cash in hand			2,661	2,027	634	31.3
G. Deferred acquisition costs			8,621	8,396	225	2.7
H. Deferred tax			4,375	4,326	49	1.1
I. Other assets			4,093	1,876	2,217	118.2
Total assets			**224,378**	**214,791**	**9,587**	**4.5**

Equity and liabilities			31.12.2004		Change
	€m	€m	€m	€m	%
A. Shareholders' equity					
I. Issued capital and capital reserve	**7,388**		7,388	–	–
II. Revenue reserves	**8,229**		7,018	1,211	17.3
III. Other reserves	**5,066**		3,957	1,109	28.0
IV. Consolidated result attributable to Munich Re shareholders	**840**		1,833	–993	–54.2
V. Minority interests	**535**		541	–6	–1.1
		22,058	20,737*	1,321	6.4
B. Subordinated liabilities		**3,416**	3,393	23	0.7
C. Gross underwriting provisions					
I. Unearned premiums	**6,739**		5,874	865	14.7
II. Provision for future policy benefits	**103,103**		101,926	1,177	1.2
III. Provision for outstanding claims	**46,691**		42,839	3,852	9.0
IV. Other underwriting provisions	**11,580**		9,324	2,256	24.2
		168,113	159,963	8,150	5.1
D. Gross underwriting provisions for life insurance policies where the investment risk is borne by the policyholders		**1,548**	1,328	220	16.6
E Other accrued liabilities		**3,759**	3,450	309	9.0
F. Liabilities					
I. Notes and debentures	**1,075**		2,242	–1,167	–52.1
II. Other liabilities	**16,463**		16,612	–149	–0.9
		17,538	18,854	–1,316	–7.0
G. Deferred tax liabilities		**7,872**	7,041	831	11.8
H. Other deferred items		**74**	25	49	196.0
Total equity and liabilities		**224,378**	**214,791**	**9,587**	**4.5**

*Adjusted owing to first-time application of IAS 1 (rev. 2003). For details, please see notes on recognition and measurement.

Consolidated income statement for the period 1 January to 30 June 2005

Items	Q1–2 2005	Q1–2 2004 (adjusted)*		Change
	€m	€m	€m	%
1. Gross premiums written	**19,380**	19,676	–296	–1.5
2. Net earned premiums	**17,870**	18,161	–291	–1.6
3. Investment result	**4,974**	4,063	911	22.4
Thereof:				
– Income from associated enterprises	**160**	107	53	49.5
4. Other income	**794**	583	211	36.2
Total income (2–4)	**23,638**	22,807	831	3.6
5. Net expenses for claims and benefits	**15,964**	15,808	156	1.0
6. Net operating expenses	**4,536**	4,205	331	7.9
7. Other expenses	**908**	622	286	46.0
Total expenses (5–7)	**21,408**	20,635	773	3.7
8. Result before amortisation of goodwill	**2,230**	2,172	58	2.7
9. Amortisation of goodwill	**4**	121	–117	–96.7
10. Operating result	**2,226**	2,051	175	8.5
11. Finance costs	**204**	219	–15	–6.8
12. Taxes on income	**1,152**	640	512	80.0
13. Consolidated result	**870**	1,192	–322	–27.0
Thereof:				
– Attributable to Munich Re shareholders	**840**	1,162	–322	–27.7
– Attributable to minority interests	**30**	30	–	–
	€	€	€	%
Earnings per share	**3.68**	5.08	–1.40	–27.6

*Adjusted owing to first-time application of IAS 1 (rev. 2003).

Consolidated income statement for the period 1 April to 30 June 2005

Items	Q2 2005	Q2 2004 (adjusted)*		Change
	€m	€m	€m	%
1. Gross premiums written	9,220	9,318	–98	–1.1
2. Net earned premiums	9,053	9,111	–58	–0.6
3. Investment result	2,517	2,209	308	13.9
Thereof:				
– Income from associated enterprises	96	33	63	190.9
4. Other income	476	231	245	106.1
Total income (2–4)	12,046	11,551	495	4.3
5. Net expenses for claims and benefits	8,151	7,935	216	2.7
6. Net operating expenses	2,280	2,070	210	10.1
7. Other expenses	517	336	181	53.9
Total expenses (5–7)	10,948	10,341	607	5.9
8. Result before amortisation of goodwill	1,098	1,210	–112	–9.3
9. Amortisation of goodwill	4	66	–62	–93.9
10. Operating result	1,094	1,144	–50	–4.4
11. Finance costs	101	107	–6	–5.6
12. Taxes on income	811	388	423	109.0
13. Consolidated result	182	649	–467	–72.0
Thereof:				
– Attributable to Munich Re shareholders	164	628	–464	–73.9
– Attributable to minority interests	18	21	–3	–14.3
	€	€	€	%
Earnings per share	0.72	2.75	–2.03	–73.8

*Adjusted owing to first-time application of IAS 1 (rev. 2003).

Consolidated income statement (quarterly breakdown)

Items	Q2 2005	Q1 2005	Q4 2004 (adjusted)*	Q3 2004 (adjusted)*	Q2 2004 (adjusted)*	Q1 2004 (adjusted)*
	€m	€m	€m	€m	€m	€m
1. Gross premiums written	9,220	10,160	9,139	9,256	9,318	10,358
2. Net earned premiums	9,053	8,817	9,318	9,055	9,111	9,050
3. Investment result	2,517	2,457	2,311	1,667	2,209	1,854
Thereof:						
– Income from associated enterprises	96	64	–462	24	33	74
4. Other income	476	318	270	263	231	352
Total income (2–4)	12,046	11,592	11,899	10,985	11,551	11,256
5. Net expenses for claims and benefits	8,151	7,813	7,820	8,008	7,935	7,873
6. Net operating expenses	2,280	2,256	2,545	2,097	2,070	2,135
7. Other expenses	517	391	921	291	336	286
Total expenses (5–7)	10,948	10,460	11,286	10,396	10,341	10,294
8. Result before amortisation of goodwill	1,098	1,132	613	589	1,210	962
9. Amortisation of goodwill	4	–	172	51	66	55
10. Operating result	1,094	1,132	441	538	1,144	907
11. Finance costs	101	103	103	104	107	112
12. Taxes on income	811	341	24	48	388	252
13. Consolidated result	182	688	314	386	649	543
Thereof:						
– Attributable to Munich Re shareholders	164	676	306	365	628	534
– Attributable to minority interests	18	12	8	21	21	9
	€	€	€	€	€	€
Earnings per share	0.72	2.96	1.34	1.60	2.75	2.33

*Adjusted owing to first-time application of IAS 1 (rev. 2003).

Changes in Group shareholders' equity

	Shareholders' equity attributable to Munich Re shareholders								Minority interests	Total shareholders' equity*
	Issued capital	Capital reserve	Revenue reserves		Other reserves			Consolidated result		
All figures in €m			Revenue reserves before deduction of own shares	Own shares held	Unrealised gains and losses	Reserve from currency translation	Valuation result from cash flow hedges			
Status at 31.12.2004	**588**	**6,800**	**7,176**	**–158**	**4,621**	**–674**	**10**	**1,833**	**541**	**20,737**
Currency translation	–	–	–	–	–	451	–	–	1	452
Allocation to revenue reserves	–	–	1,376	–	–	–	–	–1,376	–	–
Change in consolidated group	–	–	–13	–	–	–	–	–	3	–10
Change resulting from valuation at equity	–	–	–24	–	77	–	–	–	1	54
Unrealised gains and losses on other securities	–	–	–	–	585	–	–	–	22	607
Consolidated result	–	–	–	–	–	–	–	840	30	870
Dividend	–	–	–	–	–	–	–	–457	–	–457
Share buy-backs	–	–	–	–45	–	–	–	–	–	–45
Changes from cash flow hedges	–	–	–	–	–	–	–4	–	–	–4
Other changes	–	–	–83	–	–	–	–	–	–63	–146
Status at 30.6.2005	**588**	**6,800**	**8,432**	**–203**	**5,283**	**–223**	**6**	**840**	**535**	**22,058**

*Adjusted owing to first-time application of IAS 1 (rev. 2003).

Changes in Group shareholders' equity

All figures in €m	Shareholders' equity attributable to Munich Re shareholders								Minority interests	Total shareholders' equity*
	Issued capital	Capital reserve	Revenue reserves		Other reserves			Consolidated result		
			Revenue reserves before deduction of own shares	Own shares held	Unrealised gains and losses	Reserve from currency translation	Valuation result from cash flow hedges			
Status at 31.12.2003	**588**	**6,800**	**7,930**	**–107**	**4,511**	**–399**	**10**	**–434**	**483**	**19,382**
Currency translation	–	–	–	–	–	139	–	–	3	142
Allocation to revenue reserves	–	–	–720	–	–	–	–	720	–	–
Change in consolidated group	–	–	1	–	–1	7	–	–	–	7
Change resulting from valuation at equity	–	–	–1	–	139	–	–	–	–	138
Unrealised gains and losses on other securities	–	–	–	–	–1,047	–	–	–	–4	–1,051
Consolidated result	–	–	–	–	–	–	–	1,162	30	1,192
Dividend	–	–	–	–	–	–	–	–286	–	–286
Share buy-backs	–	–	–	–43	–	–	–	–	–	–43
Changes from cash flow hedges	–	–	–	–	–	–	–1	–	–	–1
Other changes	–	–	141	–	–	–	–	–	19	160
Status at 30.6.2004	**588**	**6,800**	**7,351**	**–150**	**3,602**	**–253**	**9**	**1,162**	**531**	**19,640**

*Adjusted owing to first-time application of IAS 1 (rev. 2003).

Consolidated cash flow statement for the period 1 January to 30 June 2005

	Q1–2 2005 €m	Q1–2 2004 €m
Consolidated result	**870**	1,192
Net change in underwriting provisions	**5,775**	5,850
Change in deferred acquisition costs	**–200**	–457
Change in deposits retained and accounts receivable and payable	**–253**	–2,359
Change in other receivables and liabilities	**549**	–960
Gains and losses on the disposal of investments	**–1,507**	–802
Change in securities held for trading	**–1,125**	–84
Change in other balance sheet items	**289**	–50
Other income/expenses without impact on cash flow	**–82**	521
I. Cash flows from operating activities	**4,316**	2,851
Inflows from the sale of consolidated enterprises	**–**	206
Outflows from the acquisition of consolidated enterprises	**–28**	–57
Change from the acquisition, sale and maturities of other investments	**–673**	–876
Change from the acquisition and sale of investments for unit-linked life insurance	**–130**	–80
Other	**–755**	–63
II. Cash flows from investing activities	**–1,586**	–870
Inflows from increases in capital	**–**	–
Dividend payments	**–468**	–295
Change from other financing activities	**–1,639**	–387
III. Cash flows from financing activities	**–2,107**	–682
Cash flows for the reporting period (I+II+III)	**623**	1,299
Effects of exchange rate changes on cash	**11**	6
Cash at the beginning of the business year	**2,027**	1,884
Cash at the end of the reporting period	**2,661**	3,189
Additional information		
Taxes on income (net)	**170**	463
Interest paid	**328**	406

Segment reporting

Assets	Reinsurance			
	Life and health		Property-casualty	
	30.6.2005 €m	31.12.2004 €m	**30.6.2005 €m**	31.12.2004 €m
A. Intangible assets	**255**	239	**1,335**	1,206
B. Investments				
I. Real estate	**694**	731	**780**	928
II. Investments in affiliated enterprises and associated enterprises	**3,490**	3,449	**3,823**	3,842
III. Loans	**270**	244	**279**	258
IV. Other securities				
1. Held to maturity	**–**	–	**–**	–
2. Available for sale	**21,193**	19,603	**31,834**	30,180
3. Held for trading	**111**	54	**592**	61
	21,304	19,657	**32,426**	30,241
V. Other investments	**9,927**	9,949	**11,468**	11,890
	35,685	34,030	**48,776**	47,159
C. Investments for the benefit of life insurance policyholders who bear the investment risk	**–**	–	**–**	–
D. Ceded share of underwriting provisions	**1,389**	1,403	**3,668**	3,483
E. Other segment assets	**5,314**	4,720	**9,276**	9,173
Total segment assets	**42,643**	**40,392**	**63,055**	**61,021**

	Primary insurance				Asset management		Consolidation		Total	
	Life and health		Property-casualty							
	30.6.2005 €m	31.12.2004 €m	**30.6.2005 €m**	31.12.2004 €m	**30.6.2005 €m**	31.12.2004 €m	**30.6.2005 €m**	31.12.2004 €m	**30.6.2005 €m**	31.12.2004 €m
	1,927	1,961	**980**	1,014	**6**	5	**–30**	–38	**4,473**	4,387
	5,078	6,642	**189**	710	**28**	43	**–1**	–8	**6,768**	9,046
	3,009	3,009	**3,410**	3,361	**115**	119	**–10,035**	–9,897	**3,812**	3,883
	24,578	20,893	**1,170**	1,011	**157**	185	**–2,370**	–2,281	**24,084**	20,310
	496	518	**43**	44	**–**	–	**–**	–	**539**	562
	69,203	68,613	**6,829**	6,532	**29**	28	**–31**	–	**129,057**	124,956
	734	247	**338**	295	**–**	–	**–**	–	**1,775**	657
	70,433	69,378	**7,210**	6,871	**29**	28	**–31**	–	**131,371**	126,175
	1,212	1,597	**753**	390	**2**	373	**–6,830**	–6,800	**16,532**	17,399
	104,310	101,519	**12,732**	12,343	**331**	748	**–19,267**	–18,986	**182,567**	176,813
	1,532	1,319	**–**	–	**–**	–	**–**	–	**1,532**	1,319
	8,947	8,756	**1,664**	1,529	**–**	–	**–8,511**	–8,207	**7,157**	6,964
	11,629	10,001	**3,446**	2,801	**175**	183	**–1,191**	–1,570	**28,649**	25,308
	128,345	**123,556**	**18,822**	**17,687**	**512**	**936**	**–28,999**	**–28,801**	**224,378**	**214,791**

Segment reporting

Equity and liabilities	Reinsurance			
	Life and health		Property-casualty	
	30.6.2005 €m	31.12.2004 €m	**30.6.2005 €m**	31.12.2004 €m
A. Subordinated liabilities	**1,476**	1,453	**1,587**	1,587
B. Gross underwriting provisions				
I. Unearned premiums	**252**	230	**5,130**	4,571
II. Provision for future policy benefits	**18,642**	19,468	**691**	642
III. Provision for outstanding claims	**5,877**	5,238	**35,039**	31,988
IV. Other underwriting provisions	**915**	722	**264**	214
	25,686	25,658	**41,124**	37,415
C. Gross underwriting provisions for life insurance policies where the investment risk is borne by the policyholders	**–**	–	**–**	–
D. Other accrued liabilities	**480**	300	**911**	785
E. Other segment liabilities	**3,661**	3,154	**8,016**	9,337
Total segment liabilities	**31,303**	**30,565**	**51,638**	**49,124**

Primary insurance				Asset management		Consolidation		Total	
Life and health		Property-casualty							
30.6.2005 €m	31.12.2004 €m	**30.6.2005 €m**	31.12.2004 €m	**30.6.2005 €m**	31.12.2004 €m	**30.6.2005 €m**	31.12.2004 €m	**30.6.2005 €m**	31.12.2004 €m
–	–	**363**	353	**–**	–	**–10**	–	**3,416**	3,393
113	79	**1,581**	1,208	**–**	–	**–337**	–214	**6,739**	5,874
90,277	88,155	**319**	278	**–**	–	**–6,826**	–6,617	**103,103**	101,926
2,053	2,010	**4,766**	4,637	**–**	–	**–1,044**	–1,034	**46,691**	42,839
10,628	8,604	**100**	108	**–**	–	**–327**	–324	**11,580**	9,324
103,071	98,848	**6,766**	6,231	**–**	–	**–8,534**	–8,189	**168,113**	159,963
1,548	1,343	**–**	–	**–**	–	**–**	–15	**1,548**	1,328
983	1,024	**1,356**	1,287	**57**	84	**–28**	–30	**3,759**	3,450
17,921	17,642	**5,492**	5,224	**376**	773	**–9,982**	–10,210	**25,484**	25,920
123,523	118,857	**13,977**	13,095	**433**	857	**–18,554**	–18,444	**202,320**	194,054
						Shareholders' equity		**22,058**	20,737
						Total equity and liabilities		**224,378**	214,791

Segment reporting

Income statement
1.1–30.6.2005

	Reinsurance			
	Life and health		Property-casualty	
	Q1–2 2005 €m	Q1–2 2004 (adjusted)* €m	**Q1–2 2005 €m**	Q1–2 2004 (adjusted)* €m
1. Gross premiums written	**3,907**	3,907	**7,326**	8,024
Thereof:				
– From insurance transactions with other segments	**472**	506	**530**	606
– From insurance transactions with external third parties	**3,435**	3,401	**6,796**	7,418
2. Net earned premiums	**3,693**	3,644	**6,609**	7,381
3. Investment result	**925**	697	**1,254**	1,008
Thereof:				
– Income from associated enterprises	**8**	10	**55**	46
4. Other income	**146**	52	**274**	164
Total income (2–4)	**4,764**	4,393	**8,137**	8,553
5. Net expenses for claims and benefits	**2,995**	3,207	**4,724**	5,032
6. Net operating expenses	**1,044**	810	**1,879**	1,975
7. Other expenses	**142**	35	**280**	114
Total expenses (5–7)	**4,181**	4,052	**6,883**	7,121
8. Result before amortisation of goodwill	**583**	341	**1,254**	1,432
9. Amortisation of goodwill	**–**	–	**–**	46
10. Operating result	**583**	341	**1,254**	1,386
11. Finance costs	**46**	54	**116**	132
12. Taxes on income	**143**	94	**849**	349
13. Consolidated result	**394**	**193**	**289**	**905**
Thereof:				
– Attributable to Munich Re shareholders	**394**	**193**	**289**	**900**
– Attributable to minority interests	**–**	**–**	**–**	**5**

*Adjusted owing to first-time application of IAS 1 (rev. 2003).

Primary insurance				Asset management		Consolidation		Total	
Life and health		Property-casualty							
Q1–2 2005 €m	Q1–2 2004 (adjusted)* €m	**Q1–2 2005 €m**	Q1–2 2004 (adjusted)* €m	**Q1–2 2005 €m**	Q1–2 2004 (adjusted)* €m	**Q1–2 2005 €m**	Q1–2 2004 (adjusted)* €m	**Q1–2 2005 €m**	Q1–2 2004 (adjusted)* €m
6,160	5,865	**3,000**	3,005	**–**	–	**–1,013**	–1,125	**19,380**	19,676
1	2	**10**	11	**–**	–	**–1,013**	–1,125	**–**	–
6,159	5,863	**2,990**	2,994	**–**	–	**–**	–	**19,380**	19,676
5,571	5,203	**1,997**	1,933	**–**	–	**–**	–	**17,870**	18,161
2,584	2,177	**332**	208	**16**	27	**–137**	–54	**4,974**	4,063
90	42	**14**	3	**–7**	6	**–**	–	**160**	107
422	377	**372**	415	**128**	117	**–548**	–542	**794**	583
8,577	7,757	**2,701**	2,556	**144**	144	**–685**	–596	**23,638**	22,807
7,061	6,387	**1,211**	1,182	**–**	–	**–27**	–	**15,964**	15,808
910	761	**704**	661	**–**	–	**–1**	–2	**4,536**	4,205
442	410	**457**	524	**117**	108	**–530**	–569	**908**	622
8,413	7,558	**2,372**	2,367	**117**	108	**–558**	–571	**21,408**	20,635
164	199	**329**	189	**27**	36	**–127**	–25	**2,230**	2,172
–	43	**4**	32	**–**	–	**–**	–	**4**	121
164	156	**325**	157	**27**	36	**–127**	–25	**2,226**	2,051
1	2	**41**	33	**1**	–	**–1**	–2	**204**	219
58	98	**69**	83	**17**	14	**16**	2	**1,152**	640
105	**56**	**215**	**41**	**9**	**22**	**–142**	**–25**	**870**	**1,192**
91	**44**	**198**	**27**	**11**	**20**	**–143**	**–22**	**840**	**1,162**
14	**12**	**17**	**14**	**–2**	**2**	**1**	**–3**	**30**	**30**

Segment reporting

Income statement 1.4–30.6.2005	Reinsurance			
	Life and health		Property-casualty	
	Q2 2005 €m	Q2 2004 (adjusted)* €m	**Q2 2005 €m**	Q2 2004 (adjusted)* €m
1. Gross premiums written	**1,983**	1,971	**3,409**	3,789
Thereof:				
– From insurance transactions with other segments	**225**	235	**220**	186
– From insurance transactions with external third parties	**1,758**	1,736	**3,189**	3,603
2. Net earned premiums	**1,878**	1,834	**3,317**	3,721
3. Investment result	**495**	366	**670**	568
Thereof:				
– Income from associated enterprises	**6**	2	**26**	17
4. Other income	**93**	15	**175**	74
Total income (2–4)	**2,466**	2,215	**4,162**	4,363
5. Net expenses for claims and benefits	**1,462**	1,592	**2,486**	2,483
6. Net operating expenses	**566**	382	**972**	1,025
7. Other expenses	**81**	30	**166**	102
Total expenses (5–7)	**2,109**	2,004	**3,624**	3,610
8. Result before amortisation of goodwill	**357**	211	**538**	753
9. Amortisation of goodwill	**–**	–	**–**	27
10. Operating result	**357**	211	**538**	726
11. Finance costs	**19**	28	**61**	62
12. Taxes on income	**73**	64	**660**	188
13. Consolidated result	**265**	**119**	**–183**	**476**
Thereof:				
– Attributable to Munich Re shareholders	**265**	**119**	**–183**	**476**
– Attributable to minority interests	**–**	**–**	**–**	**–**

*Adjusted owing to first-time application of IAS 1 (rev. 2003).

Primary insurance				Asset management		Consolidation		Total	
Life and health		Property-casualty							
Q2 2005 €m	Q2 2004 (adjusted)* €m	**Q2 2005 €m**	Q2 2004 (adjusted)* €m	**Q2 2005 €m**	Q2 2004 (adjusted)* €m	**Q2 2005 €m**	Q2 2004 (adjusted)* €m	**Q2 2005 €m**	Q2 2004 (adjusted)* €m
3,058	2,878	**1,220**	1,106	**–**	–	**–450**	–426	**9,220**	9,318
–	–	**5**	5	**–**	–	**–450**	–426	**–**	–
3,058	2,878	**1,215**	1,101	**–**	–	**–**	–	**9,220**	9,318
2,810	2,591	**1,048**	965	**–**	–	**–**	–	**9,053**	9,111
1,269	1,166	**191**	111	**3**	15	**–111**	–17	**2,517**	2,209
60	10	**12**	–1	**–8**	5	**–**	–	**96**	33
221	142	**191**	190	**66**	60	**–270**	–250	**476**	231
4,300	3,899	**1,430**	1,266	**69**	75	**–381**	–267	**12,046**	11,551
3,613	3,282	**616**	578	**–**	–	**–26**	–	**8,151**	7,935
402	361	**344**	313	**–**	–	**–4**	–11	**2,280**	2,070
219	153	**241**	252	**59**	54	**–249**	–255	**517**	336
4,234	3,796	**1,201**	1,143	**59**	54	**–279**	–266	**10,948**	10,341
66	103	**229**	123	**10**	21	**–102**	–1	**1,098**	1,210
–	21	**4**	18	**–**	–	**–**	–	**4**	66
66	82	**225**	105	**10**	21	**–102**	–1	**1,094**	1,144
–	1	**21**	17	**–**	–	**–**	–1	**101**	107
18	64	**53**	63	**10**	7	**–3**	2	**811**	388
48	17	**151**	25	**–**	14	**–99**	–2	**182**	649
40	12	**142**	16	**1**	12	**–101**	–7	**164**	628
8	5	**9**	9	**–1**	2	**2**	5	**18**	21

Segment reporting

Investments*	Reinsurance		Primary insurance		Asset management		Total	
	30.6.2005 €m	31.12.2004 €m	30.6.2005 €m	31.12.2004 €m	30.6.2005 €m	31.12.2004 €m	30.6.2005 €m	31.12.2004 €m
Europe	42,107	43,074	109,823	106,802	115	515	152,045	150,391
North America	25,049	21,540	1,565	1,669	43	38	26,657	23,247
Asia and Australasia	2,782	2,517	881	625	3	3	3,666	3,145
Africa, Near and Middle East	615	595	115	119	–	–	730	714
Latin America	710	485	283	142	8	8	1,001	635
Total	71,263	68,211	112,667	109,357	169	564	184,099	178,132

*After elimination of intra-Group transactions across segments.

Gross premiums written*	Reinsurance		Primary insurance		Total	
	Q1–2 2005 €m	Q1–2 2004 €m	Q1–2 2005 €m	Q1–2 2004 €m	Q1–2 2005 €m	Q1–2 2004 €m
Europe	5,390	5,965	9,026	8,682	14,416	14,647
North America	3,312	3,533	53	63	3,365	3,596
Asia and Australasia	938	727	43	54	981	781
Africa, Near and Middle East	333	354	25	54	358	408
Latin America	258	240	2	4	260	244
Total	10,231	10,819	9,149	8,857	19,380	19,676

*After elimination of intra-Group transactions across segments.

Gross premiums written*	Reinsurance		Primary insurance		Total	
	Q2 2005 €m	Q2 2004 €m	Q2 2005 €m	Q2 2004 €m	Q2 2005 €m	Q2 2004 €m
Europe	2,529	2,773	4,200	3,935	6,729	6,708
North America	1,679	1,895	37	12	1,716	1,907
Asia and Australasia	437	351	29	4	466	355
Africa, Near and Middle East	166	186	7	28	173	214
Latin America	136	134	–	–	136	134
Total	4,947	5,339	4,273	3,979	9,220	9,318

*After elimination of intra-Group transactions across segments.

Notes

Recognition and measurement

This quarterly report as at 30 June 2005 has been prepared in accordance with International Financial Reporting Standards.

In the quarterly financial statements, we have complied with all new and amended IFRS standards whose application is compulsory for the first time for periods beginning on 1 January 2005. The following changes are of significance in this context:

IAS 1, Presentation of Financial Statements, stipulates that for periods beginning on or after 1 January 2005, minority interests have to be shown in the income statement not as expenses before the consolidated result but as appropriation of profit after the consolidated result. Correspondingly, minority interests in the balance sheet have to be shown as part of shareholders' equity.

In order to provide a better insight into our operating result, we show finance costs separately in the income statement for periods beginning on or after 1 January 2005. By finance costs we understand all interest and other expenses attributable to strategic debt. Debt has a strategic character for us if it does not have an original, direct link with our underwriting business. The previous year's figures have been adjusted accordingly.

Under IFRS 2, Share-based Payment, obligations arising out of our long-term incentive plans (stock appreciation rights) have to be measured at fair value for periods beginning on or after 1 January 2005. Up to now, these obligations have been measured at their intrinsic value (difference between current share price and initial share price for the stock appreciation rights). The fair value takes into account not only the intrinsic value but also the possibility of growth in value up to the date of forfeiture or expiry of the rights and is determined on the basis of recognised valuation models, taking into account the exercise conditions. During the two-year vesting period, the amount to be reserved is measured pro rata temporis.

The changeover to fair value requires a one-off adjustment of €11.5m in the provisions concerned, which has been recognised in income in the business year.

Under the new IFRS 3, Business Combinations, and the updated IAS 36, Impairment of Assets, amortisation of goodwill on a straight-line basis has to be discontinued. Instead, the goodwill must be tested for impairment, i.e. the carrying amount of goodwill is compared with the recoverable amount and written down for impairment if necessary.

The amended rules of IAS 16, Property, Plant and Equipment, regarding the calculation of depreciation (component approach) have been taken into account in valuing developed real estate.

The first-time application of other new or amended IFRS standards, particularly IFRS 4, Insurance Contracts, has had no material impact.

The financial statements include adjustments of –€31.4m to the revenue reserves, made in accordance with IAS 8 as a result of a change in valuation methods to improve presentation.

Otherwise, the same principles of recognition, measurement and consolidation have been applied as in our consolidated financial statements as at 31 December 2004.

Changes in the consolidated group

There were no significant changes in the group of consolidated companies in the first six months of 2005.

Foreign currency translation

Munich Re's reporting currency is the euro (€). The following table shows the exchange rates of the most important currencies for our business (exchange rate for €1 in each case):

	Balance sheet		Income statement		Income statement	
	30.6.2005	31.12.2004	**Q2 2005**	Q1 2005	Q2 2004	Q1 2004
Australian dollar	**1.58825**	1.73395	**1.63782**	1.68700	1.68814	1.63427
Canadian dollar	**1.48285**	1.62860	**1.56661**	1.60773	1.63748	1.64815
Pound sterling	**0.67540**	0.70795	**0.67843**	0.69373	0.66688	0.68042
Rand	**8.07945**	7.65770	**8.07194**	7.87516	7.93235	8.46186
Swiss franc	**1.55095**	1.54565	**1.54375**	1.54902	1.53775	1.56825
US dollar	**1.21065**	1.35925	**1.25887**	1.31156	1.20494	1.25018
Yen	**134.1520**	139.2820	**135.3510**	137.0570	132.1350	134.0120

Intangible assets

All figures in €m	30.6.2005	31.12.2004
I. Goodwill	3,270	3,144
II. Other intangible assets	1,203	1,243
– Software	445	461
– Purchased insurance portfolios	687	708
– Other	71	74
Total	4,473	4,387

Other securities – Available for sale

	Carrying amounts		Unrealised gains/losses		Amortised cost	
All figures in €m	30.6.2005	31.12.2004	30.6.2005	31.12.2004	30.6.2005	31.12.2004
Fixed-interest securities	105,666	102,270	5,648	3,764	100,018	98,506
Non-fixed-interest securities						
– Shares	20,588	19,950	4,979	4,342	15,609	15,608
– Investment funds	1,902	1,743	274	168	1,628	1,575
– Other	901	993	109	166	792	827
	23,391	22,686	5,362	4,676	18,029	18,010
Total	129,057	124,956	11,010	8,440	118,047	116,516

Minority interests

These are mainly minority interests in the ERGO Insurance Group.

All figures in €m	30.6.2005	31.12.2004
Unrealised gains and losses	110	87
Consolidated result	30	59
Other equity components	395	395
Total	535	541

Subordinated liabilities

All figures in €m	30.6.2005	31.12.2004
Munich Re Finance B.V., Amsterdam 6.75%, €3,000m, Bonds 2003/2023 Rating S&P: A–	2,975	2,973
Munich Re Finance B.V., Amsterdam 7.625%, £300m, Bonds 2003/2028 Rating S&P: A–	441	420
Total	3,416	3,393

Notes and debentures

All figures in €m	**30.6.2005**	31.12.2004
American Re Corporation, Princeton 7.45%, US$ 500m, Senior Notes 1996/2026 Rating S&P: BBB	**412**	367
ERGO International AG, Düsseldorf 2.25%, €345m, Bonds Exchangeable into E.ON AG Shares 2001/2006 0.75%, €345m, Bonds Exchangeable into Sanofi-Aventis S.A. Shares 2001/2006 Rating S&P: A–	**663**	652
Munich Reinsurance Company, München 1.0%, €1,150m, Bonds Exchangeable into Allianz AG Shares 2000/2005 Rating S&P: A+	**–**	1,223
Total	**1,075**	**2,242**

Munich Reinsurance Company's exchangeable bonds were redeemed in June 2005.

Net earned premiums

	Reinsurance				Primary insurance				Total	
All figures in €m*	Life and health		Property-casualty		Life and health		Property-casualty			
	Q1–2 2005	Q1–2 2004	**Q1–2 2005**	Q1–2 2004	**Q1–2 2005**	Q1–2 2004	**Q1–2 2005**	Q1–2 2004	**Q1–2 2005**	Q1–2 2004
Gross premiums written	**3,435**	3,401	**6,796**	7,418	**6,159**	5,863	**2,990**	2,994	**19,380**	19,676
Ceded premiums	**204**	191	**515**	428	**84**	119	**177**	177	**980**	915
Change in unearned premiums	**6**	66	**87**	57	**31**	30	**406**	447	**530**	600
Net earned premiums	**3,225**	3,144	**6,194**	6,933	**6,044**	5,714	**2,407**	2,370	**17,870**	18,161

*After elimination of intra-Group transactions across segments.

	Reinsurance				Primary insurance				Total	
All figures in €m*	Life and health		Primary insurance		Life and health		Primary insurance			
	Q2 2005	Q2 2004	**Q2 2005**	Q2 2004	**Q2 2005**	Q2 2004	**Q2 2005**	Q2 2004	**Q2 2005**	Q2 2004
Gross premiums written	**1,758**	1,736	**3,189**	3,603	**3,058**	2,878	**1,215**	1,101	**9,220**	9,318
Ceded premiums	**109**	141	**238**	168	**35**	60	**84**	59	**466**	428
Change in unearned premiums	**–4**	–12	**–179**	–56	**–14**	–13	**–102**	–140	**–299**	–221
Net earned premiums	**1,653**	1,607	**3,130**	3,491	**3,037**	2,831	**1,233**	1,182	**9,053**	9,111

*After elimination of intra-Group transactions across segments.

Investment result

	Reinsurance				Primary insurance				Asset management		Total	
	Life and health		Property-casualty		Life and health		Property-casualty					
All figures in €m*	**Q1–2 2005**	Q1–2 2004	**Q1–2 2005**	Q1–2 2004	**Q1–2 2005**	Q1–2 2004	**Q1–2 2005**	Q1–2 2004	**Q1–2 2005**	Q1–2 2004	**Q1–2 2005**	Q1–2 2004
Real estate	**10**	15	**26**	55	**81**	207	**–**	20	**–**	–	**117**	297
Investments in affiliated enterprises	**–**	–	**1**	–1	**4**	–30	**–1**	3	**–**	–	**4**	–28
Investments in associated enterprises	**8**	10	**55**	46	**90**	42	**14**	3	**–7**	6	**160**	107
Loans	**1**	1	**2**	4	**611**	443	**21**	14	**–**	–	**635**	462
Other securities held to maturity	**1**	–	**–**	–	**14**	18	**1**	1	**–**	–	**16**	19
Other securities available for sale												
– Fixed-interest	**471**	402	**528**	449	**1,442**	1,361	**122**	109	**–**	1	**2,563**	2,322
– Non-fixed-interest	**134**	96	**426**	351	**644**	534	**137**	63	**–**	1	**1,341**	1,045
Other securities held for trading												
– Fixed-interest	**–**	–	**2**	2	**3**	–1	**2**	–9	**–**	–	**7**	–8
– Non-fixed-interest	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–
– Derivatives	**14**	–5	**48**	–19	**–92**	–55	**–1**	–2	**–**	–	**–31**	–81
Other investments	**295**	144	**33**	38	**34**	–28	**6**	1	**20**	17	**388**	172
Expenses for the management of investments, other expenses	**19**	16	**67**	65	**131**	147	**9**	12	**–**	4	**226**	244
Total	**915**	**647**	**1,054**	**860**	**2,700**	**2,344**	**292**	**191**	**13**	**21**	**4,974**	**4,063**

*After elimination of intra-Group transactions across segments.

	Reinsurance				Primary insurance				Asset management		Total	
	Life and health		Property-casualty		Life and health		Property-casualty					
All figures in €m*	**Q2 2005**	Q2 2004	**Q2 2005**	Q2 2004	**Q2 2005**	Q2 2004	**Q2 2005**	Q2 2004	**Q2 2005**	Q2 2004	**Q2 2005**	Q2 2004
Real estate	**6**	5	**9**	21	**8**	94	**1**	10	**–**	–	**24**	130
Investments in affiliated enterprises	**–**	–	**–**	–	**–**	–1	**–1**	2	**–**	–	**–1**	1
Investments in associated enterprises	**6**	2	**26**	17	**60**	10	**12**	–1	**–8**	5	**96**	33
Loans	**–**	1	**1**	2	**267**	226	**12**	7	**–**	–	**280**	236
Other securities held to maturity	**1**	–	**–**	–	**6**	8	**1**	1	**–**	–	**8**	9
Other securities available for sale												
– Fixed-interest	**238**	230	**263**	169	**717**	660	**59**	56	**–**	1	**1,277**	1,116
– Non-fixed-interest	**79**	96	**241**	352	**345**	400	**87**	52	**–**	1	**752**	901
Other securities held for trading												
– Fixed-interest	**–**	–	**2**	2	**2**	–	**1**	–13	**–**	–	**5**	–11
– Non-fixed-interest	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–
– Derivatives	**9**	–4	**31**	–17	**–65**	–56	**–2**	–	**–**	–	**–27**	–77
Other investments	**154**	–9	**13**	19	**37**	–25	**3**	1	**9**	8	**216**	–6
Expenses for the management of investments, other expenses	**5**	7	**49**	31	**56**	77	**3**	6	**–**	2	**113**	123
Total	**488**	**314**	**537**	**534**	**1,321**	**1,239**	**170**	**109**	**1**	**13**	**2,517**	**2,209**

*After elimination of intra-Group transactions across segments.

All figures in €m*	Reinsurance Life and health Q1–2 2005	Reinsurance Life and health Q1–2 2004	Reinsurance Property-casualty Q1–2 2005	Reinsurance Property-casualty Q1–2 2004	Primary insurance Life and health Q1–2 2005	Primary insurance Life and health Q1–2 2004	Primary insurance Property-casualty Q1–2 2005	Primary insurance Property-casualty Q1–2 2004	Asset management Q1–2 2005	Asset management Q1–2 2004	Total Q1–2 2005	Total Q1–2 2004
Investment income												
Regular income	801	638	738	751	2,268	2,263	192	195	25	22	4,024	3,869
Income from write-ups	32	8	108	30	88	64	2	5	–	–	230	107
Gains on the disposal of investments	164	108	532	438	946	741	143	81	–	6	1,785	1,374
Other income	–	–	–	–	89	34	–	–	–	–	89	34
	997	754	1,378	1,219	3,391	3,102	337	281	25	28	6,128	5,384
Investment expenses												
Writedowns on investments	28	20	114	121	352	162	17	34	–	–	511	337
Losses on the disposal of investments	25	43	89	133	138	353	17	43	9	–	278	572
Management expenses, interest expenses and other expenses	29	44	121	105	201	243	11	13	3	7	365	412
	82	107	324	359	691	758	45	90	12	7	1,154	1,321
Total	915	647	1,054	860	2,700	2,344	292	191	13	21	4,974	4,063

*After elimination of intra-Group transactions across segments.

All figures in €m*	Reinsurance Life and health Q2 2005	Reinsurance Life and health Q2 2004	Reinsurance Property-casualty Q2 2005	Reinsurance Property-casualty Q2 2004	Primary insurance Life and health Q2 2005	Primary insurance Life and health Q2 2004	Primary insurance Property-casualty Q2 2005	Primary insurance Property-casualty Q2 2004	Asset management Q2 2005	Asset management Q2 2004	Total Q2 2005	Total Q2 2004
Investment income												
Regular income	436	293	429	389	1,242	1,182	117	114	11	10	2,235	1,988
Income from write-ups	24	4	77	15	76	11	1	4	–	–	178	34
Gains on the disposal of investments	80	74	245	295	358	341	74	39	–	6	757	755
Other income	–	–	–	–	57	8	–	–	–	–	57	8
	540	371	751	699	1,733	1,542	192	157	11	16	3,227	2,785
Investment expenses												
Writedowns on investments	18	12	74	57	262	71	7	16	–	–	361	156
Losses on the disposal of investments	15	14	57	49	67	115	11	23	9	–	159	201
Management expenses, interest expenses and other expenses	19	31	83	59	83	117	4	9	1	3	190	219
	52	57	214	165	412	303	22	48	10	3	710	576
Total	488	314	537	534	1,321	1,239	170	109	1	13	2,517	2,209

*After elimination of intra-Group transactions across segments.

Net expenses for claims and benefits

All figures in €m*	Reinsurance Life and health Q1–2 2005	Q1–2 2004	Property-casualty Q1–2 2005	Q1–2 2004	Primary insurance Life and health Q1–2 2005	Q1–2 2004	Property-casualty Q1–2 2005	Q1–2 2004	Total Q1–2 2005	Q1–2 2004
Gross	2,667	2,693	4,824	5,005	7,602	7,135	1,540	1,514	16,633	16,347
Ceded share	143	105	358	239	90	125	78	70	669	539
Net	2,524	2,588	4,466	4,766	7,512	7,010	1,462	1,444	15,964	15,808

*After elimination of intra-Group transactions across segments.

All figures in €m*	Reinsurance Life and health Q2 2005	Q2 2004	Property-casualty Q2 2005	Q2 2004	Primary insurance Life and health Q2 2005	Q2 2004	Property-casualty Q2 2005	Q2 2004	Total Q2 2005	Q2 2004
Gross	1,265	1,376	2,565	2,394	3,849	3,628	772	757	8,451	8,155
Ceded share	21	107	229	84	42	19	8	10	300	220
Net	1,244	1,269	2,336	2,310	3,807	3,609	764	747	8,151	7,935

*After elimination of intra-Group transactions across segments.

Effect of the reserve strengthening at American Re

Expenses for strengthening reserves for American Re for own account as per US GAAP before and after tax	US$ m	1,426
+ Munich Reinsurance Company's share of retrocessions	US$ m	203
= Subtotal for American Re and Munich Reinsurance Company	US$ m	1,629
Or in balance sheet currency (exchange rate: €1 = US$ 1.25887)	€m	1,294
– Already covered by IBNR reserves at Group level	€m	906
= Net Group expenses **before** tax	€m	388

Net operating expenses

All figures in €m*	Reinsurance Life and health Q1–2 2005	Q1–2 2004	Property-casualty Q1–2 2005	Q1–2 2004	Primary insurance Life and health Q1–2 2005	Q1–2 2004	Property-casualty Q1–2 2005	Q1–2 2004	Total Q1–2 2005	Q1–2 2004
Gross	971	839	1,875	1,918	1,029	874	862	820	4,737	4,451
Ceded share	49	127	139	93	–5	8	18	18	201	246
Net	922	712	1,736	1,825	1,034	866	844	802	4,536	4,205

*After elimination of intra-Group transactions across segments.

All figures in €m*	Reinsurance Life and health Q2 2005	Q2 2004	Property-casualty Q2 2005	Q2 2004	Primary insurance Life and health Q2 2005	Q2 2004	Property-casualty Q2 2005	Q2 2004	Total Q2 2005	Q2 2004
Gross	542	393	953	996	465	429	423	388	2,383	2,206
Ceded share	51	81	50	32	–11	4	13	19	103	136
Net	491	312	903	964	476	425	410	369	2,280	2,070

*After elimination of intra-Group transactions across segments.

Number of staff

The number of staff employed by the Group as at 30 June 2005 totalled 29,571 (29,851) in Germany and 11,070 (11,111) in other countries.

	30.6.2005	31.12.2004
Reinsurance companies	6,738	6,612
Primary insurance companies	33,221	33,703
Asset management	682	647
Total	**40,641**	**40,962**

Contingent liabilities, other financial commitments

In comparison with the situation at 31 December 2004 there have been no material changes in financial commitments of significance for the assessment of the Group's financial position. No contingent liabilities have been entered into for the benefit of Board members.

Events after the balance sheet date

In July, we actively continued our systematic implementation of risk diversification and reduced our stake in Allianz to below 5%, realising a gain on disposal of €563m in the process.

In connection with the reserve strengthening at American Re, Munich Reinsurance Company is reinforcing American Re's capital base by US$ 1.1bn and converting two financing instruments totalling €1.6bn into equity capital.

Earnings per share

The earnings per share figure is calculated by dividing the consolidated net income for the reporting period by the weighted average number of shares.

		Q1–2 2005	Q1–2 2004	Q2 2005	Q2 2004
Consolidated result attributable to Munich Re shareholders	€m	840	1,162	164	628
Weighted average number of shares		228,436,795	228,996,936	228,355,091	228,911,258
Earnings per share	€	**3.68**	**5.08**	**0.72**	**2.75**

Important dates

7 November 2005	Interim report at 30 September 2005
13 March 2006	Balance sheet meeting of the Supervisory Board
14 March 2006	Annual report for the business year 2005
14 March 2006	Press conference and analysts' conference
19 April 2006	Annual General Meeting
9 May 2006	Interim report at 31 March 2006
3 August 2006	Interim report at 30 June 2006
7 November 2006	Interim report at 30 September 2006

The official German original of this quarterly report is also available from the Company. In addition, you will find copies of our annual reports and interim reports, along with further current information about Munich Re and its shares, on our internet website (http://www.munichre.com).

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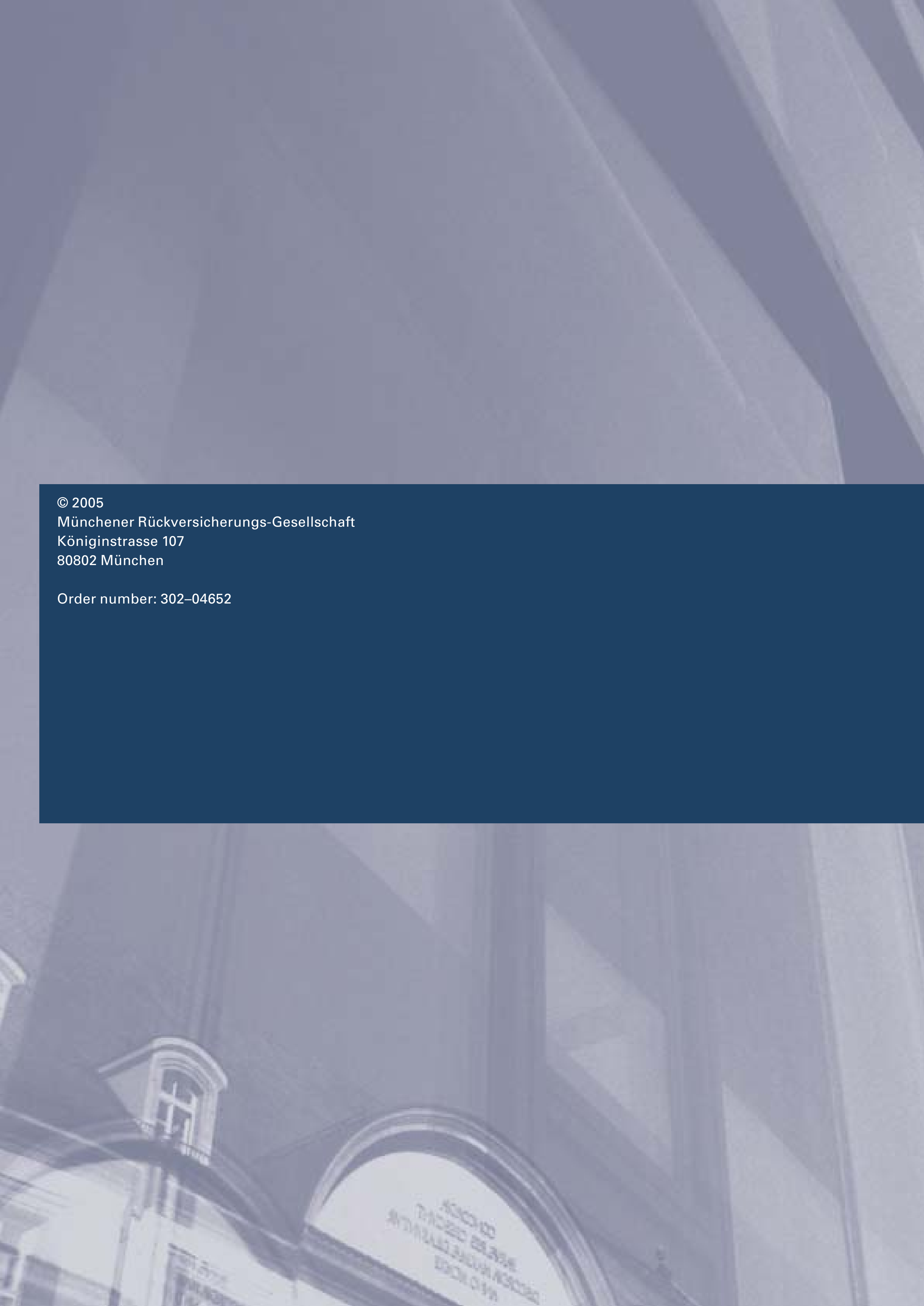
Printed by
Druckerei Fritz Kriechbaumer
Wettersteinstrasse 12
82024 Taufkirchen, Germany



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