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Preliminary key figures 2017 and January renewals

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Dividend stable at €8.60 per share¹, despite nat cat losses – Price and volume increase in January renewals

Munich Re (Group) – 2017 (Q4 2017)

Net result

€392m (€538m)

Reinsurance result of €120m affected by heavy nat cat claims, pleasing ERGO result of €273m – Tax income offsets FX losses

Operating result

€1,241m (€864m)

Technical result including fee income in Reinsurance Life and Health of €428m close to original guidance – Good technical profitability at ERGO

Investment result

RoI: 3.2% (3.4%)

Solid investment return, attrition of running yield decelerating – Reinvestment yield at 1.9% in Q4

Shareholders' equity

€28.2bn

(+1.5% vs. 30.9., –11.3% vs. 31.12.16)
Strong capitalisation is basis for high pay-outs – SII ratio almost stable² at ~240%³

HGB result (German GAAP)

€2.2bn

Release of equalisation reserve in fire and aviation – Distributable earnings largely unchanged

January Renewals

- Premium increase: 19.0%
- Price increase: ~0.8%

¹ Subject to approval of Supervisory Board and AGM. ² Based on comparable calculation method vs. 31.12.2016 (242%).
³ Indication, after deduction of potential capital measures of €2.7bn in line with previous years' capital management practices.

Investment result

€m	Q4 2017	2017	2016
Regular income	1,557	6,438	6,663
Write-ups/write-downs	-82	-241	-400
Disposal gains/losses	755	2,494	2,603
Derivatives	-59	-470	-713
Other income/expenses	-188	-609	-586
Investment result	1,982	7,611	7,567
Return on investment	3.4%	3.2%	3.2%
Reinsurance	3.1%	3.1%	2.5%
ERGO	3.6%	3.3%	3.6%

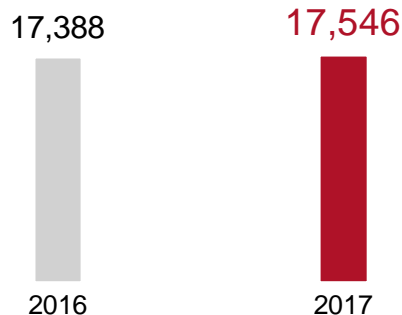
Highlights

- Only slight attrition of running yield in 2017
- 3-month reinvestment yield stable at ~1.9% in Q4
- Disposal gains at prior-year level – higher at ERGO, lower in reinsurance
- Improved derivatives result largely driven by reduction of equity hedging, partly offset by negative contribution from interest-rate hedging at ERGO

ERGO – Key financials

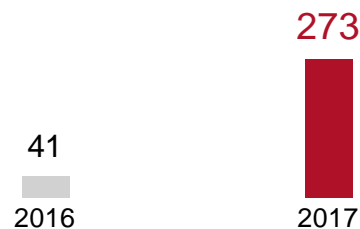
Gross premiums written

€m



Net result

€m

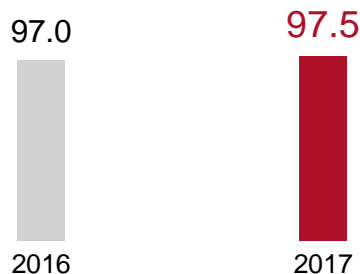


Major result drivers

- 2017: Combined ratios and net result better than guidance; enhanced profitability; lower ESP¹ investments
 - Life Germany: Reduced burden in technical result from interest-rate environment
 - P-C Germany: Further reserve strengthening
 - P-C International: Strong technical improvement, mainly in Poland

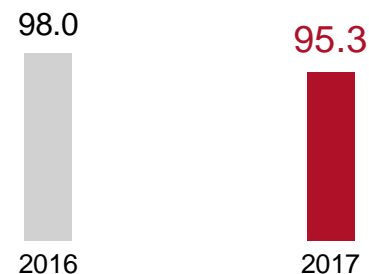
P-C Germany: Combined ratio

%



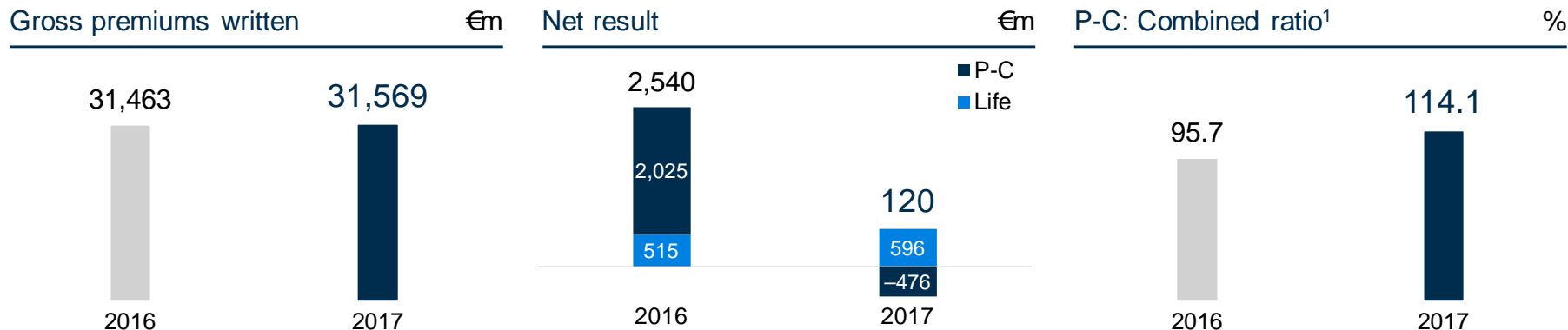
P-C International: Combined ratio

%



- Q4: Result of €48m driven by Life and Health Germany – increased shareholder profit participation in life; small loss in International (mainly Belgium) and P-C Germany due to non-recurring effects

Reinsurance – Key financials



Life/Health

- Technical result incl. fee income of €428m almost meets original guidance, despite negative impact from recaptures in Q2 and Q3; positive one-off from US tax reform
- Better-than-expected claims experience overall
- Strong Q4 contribution of €157m mainly from North America and the UK as well as some one-offs, partly offset by negative result in Australia

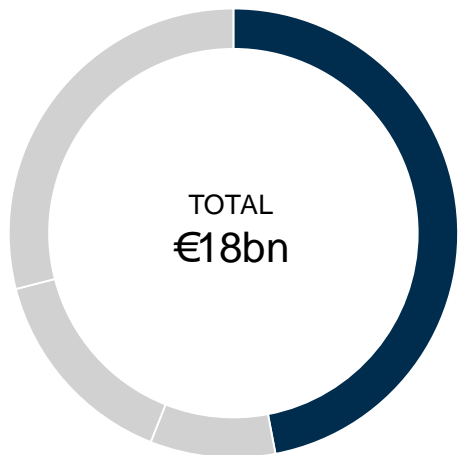
Property-casualty

	Major losses	Nat cat	Man-made	Reserve releases ¹	Normalised combined ratio ²
FY 2017	25.8	22.0	3.8	~€870m	100.9
Q4 2017	12.0	12.0	0.0	~€130m	102.7

January renewals – Roughly half of total P-C book up for renewal, regional focus on Europe

Total property-casualty book¹ %

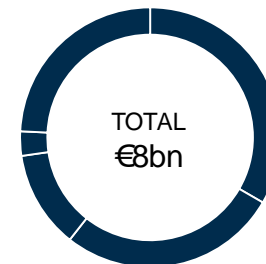
Remaining business	29	January renewals	47
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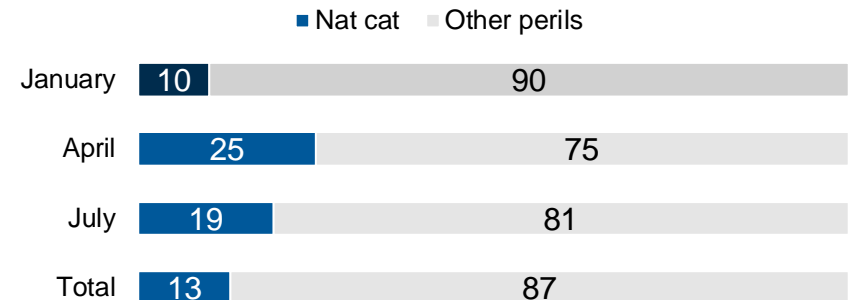
July renewals	15	April renewals	9
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Regional allocation of January renewals %

Worldwide	24	Europe	33
Latin America	3	North America	27
Asia/Pacific/Africa	12		



Nat cat shares of renewable portfolio² %

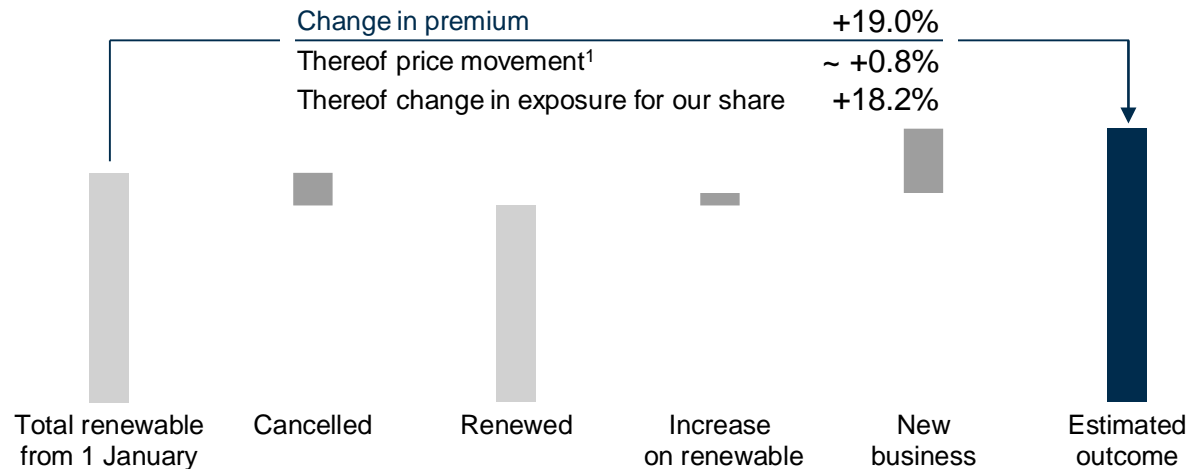


¹ Gross premiums written. Economic view – not fully comparable with IFRS figures. ² Total refers to total p-c book, incl. remaining business.

Substantial rate increases in loss-affected business – attractive business opportunities lead to top-line growth

January renewals 2018

%	100	-14.3	85.7	5.4	27.9	119.0
€m	8,327	-1,190	7,138	446	2,327	9,909



- Positive price change for the first time in four years
- Nat cat losses in 2017 stop downward trend – substantial rate increases in loss-affected business, stabilisation elsewhere
- Significant top-line growth, seizing various opportunities in proportional casualty and property business, ...
- ... including a few very large transactions

Overall portfolio profitability clearly improved

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

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