

Preliminary key figures 2017 and January renewals

6 February 2018



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

Rol: 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%

Investment result



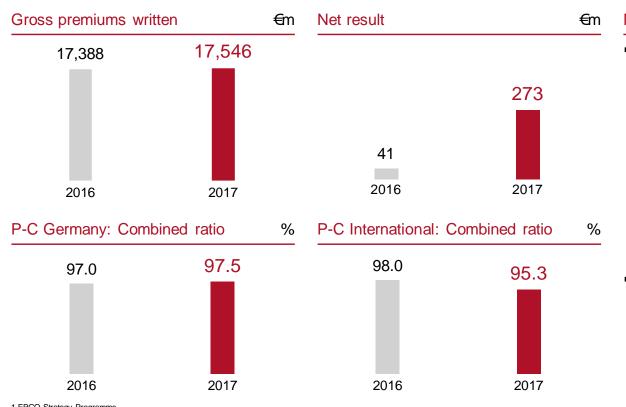
| €m | Q4 2017 | 2017 | 2016 |
|-----------------------|---------|-------------|-------|
| Regular income | 1,557 | 6,438 | 6,663 |
| Write-ups/write-downs | -82 | -241 | -400 |
| Disposal gains/losses | 755 | 2,494 | 2,603 |
| Derivatives | -59 | –470 | -713 |
| Other income/expenses | -188 | -609 | -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% |
| | 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





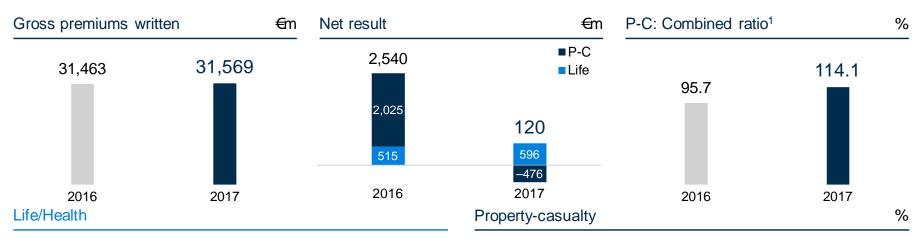
Major result drivers

- 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
- 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

1 ERGO Strategy Programme

Reinsurance – Key financials



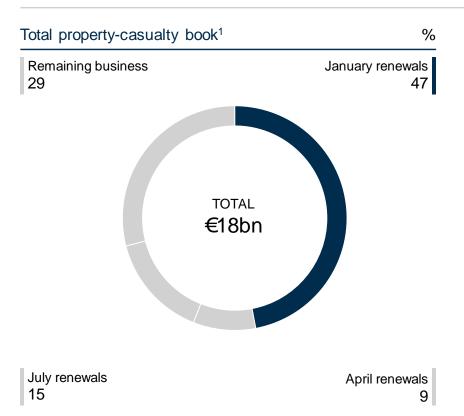


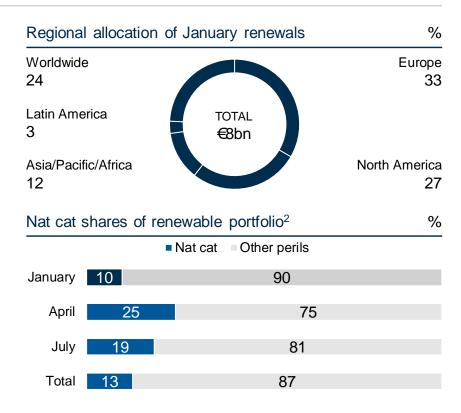
- Technical result incl. fee income of €428m almost meets original guidance, despite negative impact from recaptures in Q2 and Q3; positive one-off from US tax reform
- Better-than-expected claims experience overall
- Strong Q4 contribution of €157m mainly from North America and the UK as well as some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

| | Major losses | Nat cat | Man- made | Reserve releases ¹ | | Normalised combined ratio ² |
|---------|-----------------|---------|--------------|-------------------------------|------|--|
| FY 2017 | 25.8 | 22.0 | 3.8 | ~€870m | -5.2 | 100.9 |
| Q4 2017 | 12.0 | 12.0 | 0.0 | ~€130m | -3.1 | 102.7 |

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



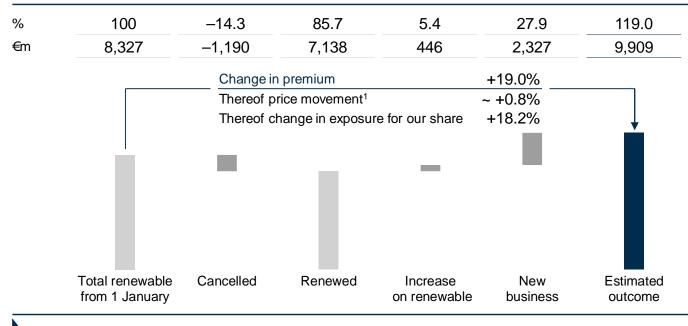






Substantial rate increases in loss-affected business – attractive business opportunities lead to top-line growth





- 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

Disclaimer



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