On track to meet 2013 financial targets

Quarterly financial statements as at 30 June 2013

6 August 2013

Munich RE

Agenda

Munich RE

Munich Re (Group) – Financial highlights

On track to meet 2013 financial targets

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Munich Re (Group) – Q1–2 2013

Net result	Shareholders' equity	Investment result
€1,522m (€543m in Q2)	**€25.7bn** (–10.4% vs. 31.3.)	**RoI of 3.2%** (2.8% in Q2)
Good operating performance across all segments – Q2 results impacted on balance by negative non-recurring effects	Rising interest rates diminishing IFRS equity but also economic capital requirements	In Q2 regular income remains solid while write-downs affect investment result

Reinsurance

Net result
€1,205m (€378m in Q2)

975 | 230

P-C	Life
Combined ratio 92.4% (99.3% in Q2) Major losses 8.8% (15.2% in Q2)	Strong technical result of €305m (€96m in Q2)

Primary insurance

Net result
€275m (€148m in Q2)

139 | 73 | 63

P-C

Combined ratio 96.0% (96.1% in Q2) close to target despite flood

Life	Health
Result in line with expectations	Solid, stable performance

Munich Health

Net result
€59m (€22m in Q2)

59

Reinsurance

Combined ratio 99.0% (99.2% in Q2)

Primary insurance

Combined ratio 98.4% (95.8% in Q2) – Focus on Windsor Health

Munich Re (Group) – Key figures

Pleasing financial development just below strong prior-year result

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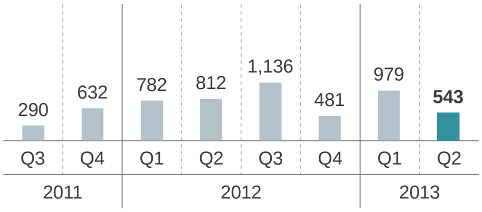
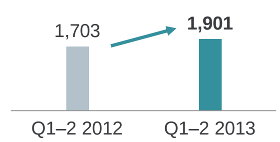
Net result €m



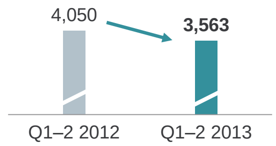
	Q1–2 2013	Q1–2 2012
Total[1]	**1,522**	1,594
Reinsurance	1,205	1,293
Primary insurance	275	295
Munich Health	59	6

Technical result €m



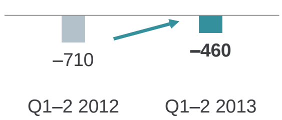
Significant large claims in Q2 following benign losses in Q1

Investment result €m



Robust result given low interest-rate environment

Other[2] €m



Lower tax rate (15.8%) and positive FX result (€61m)

[1] Segments do not add up to total amount; difference relates to the segment "asset management".
[2] Other non-operating result, goodwill impairments, net finance costs, taxes.

Munich Re (Group) – Capitalisation

Capital position remaining strong despite decline in valuation reserves – debt leverage now below 16%

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Equity €m

		Change Q2
Equity 31.12.2012	27,423	
Consolidated result	1,522	543
Changes		
Dividend	–1,255	–1,255
Unrealised gains/losses	–2,176	–2,001
Exchange rates	–58	–269
Share buy-backs	107	–
Other	87	12
Equity 30.6.2013	**25,650**	**–2,970**

UNREALISED GAINS/LOSSES

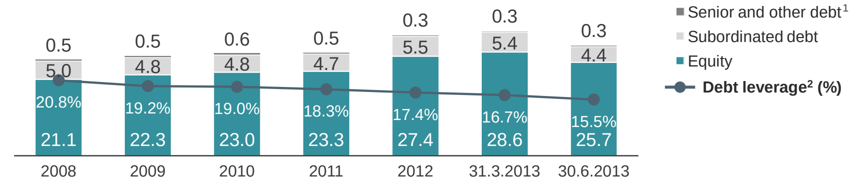
Afs fixed-interest securities
Q1–2: –€2,234m
Q2: –€1,774m

Afs non-fixed-interest securities
Q1–2: +€64m, Q2: –€219m

EXCHANGE RATES

Negative FX contribution mainly driven by US dollar

Capitalisation €bn



[1] Other debt includes bank borrowings of Munich Re and other strategic debt.
[2] Strategic debt (senior, subordinated and other debt) divided by total capital (strategic debt + equity).

Munich Re (Group) – Investment portfolio

Investment portfolio – Focus on diversification and duration management

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Investment portfolio[1] %

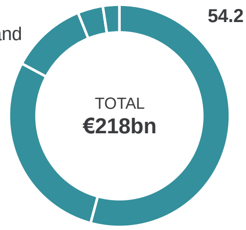
Land and buildings
2.4 (2.4)

Shares, equity funds and participating interests[2]
3.7 (3.7)

Miscellaneous[3]
11.1 (10.0)

Loans
28.6 (28.2)

Fixed-interest securities
54.2 (55.7)



Portfolio management

- Reduction of US, UK and Australian government bonds
- Slight reduction and ongoing geographic diversification of covered bonds
- Further cautious expansion of corporate bonds across all industries
- Decrease of asset duration in reinsurance – increase of short-term investments and cash
- AL mismatch at Group level remains tight

Portfolio duration[4]

	Assets	Liabilities	Net DV01 (€m)
Reinsurance	5.3 (6.7)	5.6 (6.1)	–9.8
Primary insurance	7.9 (8.1)	8.2 (9.2)	7.3
Munich Re (Group)	**6.9** (7.6)	**7.5** (8.3)	**–2.5**

1 Fair values as at 30.6.2013 (31.12.2012). 2 Net of hedges: 3.5% (3.4%). 3 Deposits retained on assumed reinsurance, unit-linked investments, deposits with banks, investment funds (excl. equities), derivatives and investments in renewable energies and gold. 4 As at 30.6.2013 (31.12.2012). Net DV01: Sensitivity to parallel upward shift of yield curve by one basis point reflecting portfolio size.

Munich Re (Group) – Investment result

Solid regular income given low yields – write-downs affecting investment result in Q2

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Investment result €m

	Q1–2 2013	**Return[1]**	Q1–2 2012	Return[1]	Q2 2013	Return[1]
Regular income	**3,826**	**3.4%**	3,874	3.6%	2,020	3.6%
Write-ups/write-downs	**–445**	**–0.4%**	–155	–0.2%	–342	–0.6%
Disposal gains/losses	**463**	**0.4%**	380	0.4%	139	0.3%
Other income/expenses[2]	**–281**	**–0.2%**	–49	0.0%	–261	–0.5%
Investment result	**3,563**	**3.2%**	**4,050**	**3.8%**	**1,556**	**2.8%**

Regular income

In Q2 2013 dividend effect positively impacting regular income while attrition due to lower reinvestment yield persists – Average reinvestment yield in Q1–2 2013 ~2.3% vs. ~2.8% in Q1–2 2012

Write-ups/write-downs €m

Major effects	**Q1–2 2013**	**Q2 2013**
Equities	–68	–45
Derivatives	–182	–166
t/o swaptions	–88	–71
Other	–195	–131

Disposal gains/losses €m

Major effects	**Q1–2 2013**	**Q2 2013**
Fixed-income	596	204
Equities	222	168
Derivatives	–368	–246
Other	13	13

1 Return on quarterly weighted investments (market values) in % p.a.
2 Including impact from unit-linked business. Q1–2 2013: €23m (Q1–2 2012: €209m). Q2 2013: –€114m (–0.2%-points).

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Primary insurance – Premium development

Premium development

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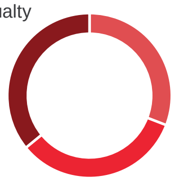
Gross premiums written	€m
Q1–2 2012	8,788
Foreign-exchange effects	–
Divestment/Investment	–71
Organic change	–97
Q1–2 2013	**8,620**

Segmental breakdown €m



Gross premiums written	€m
Q1–2 2012	8,788
Life	–170
Health	–1
Property-casualty	3
Q1–2 2013	**8,620**

Life: Lower premium income in both German and international business

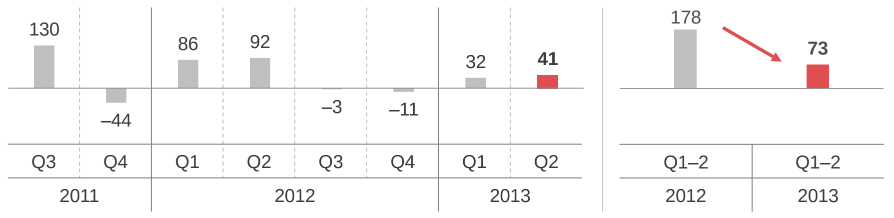
Health: Growth in supplementary partially com-pensating for decline in comprehensive business

P-C: Organic growth in Germany and international business; disposal of Korean entity

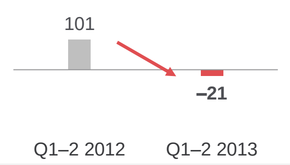
Primary insurance – Key figures

Primary life – Key figures

Net result €m

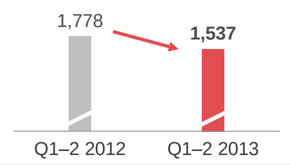


Technical result €m



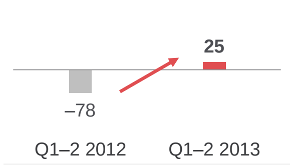
Lower shareholder share than in Q1–2 2012 and DAC impairment

Investment result €m



Lower unit-linked result, higher write-downs and disposal gains

Other[1] €m



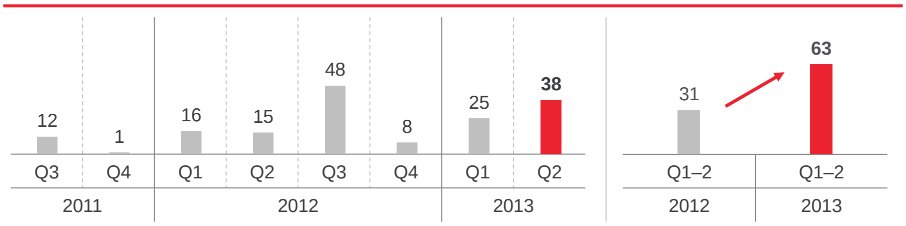
Lower tax expenditure and better non-operating result

[1] Other non-operating result, goodwill impairments, net finance costs, taxes.

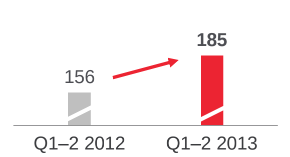
Primary insurance – Health – Key figures

Primary health – Key figures

Net result €m

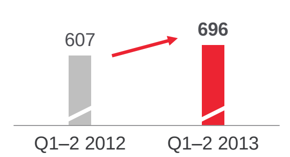


Technical result €m



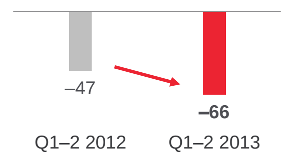
Better-than-expected claims experience

Investment result €m



Higher regular income mainly from dividends

Other[1] €m



Higher taxes in line with result increase

[1] Other non-operating result, goodwill impairments, net finance costs, taxes.

Primary insurance – Property-casualty – Key figures

Primary property-casualty – Key figures

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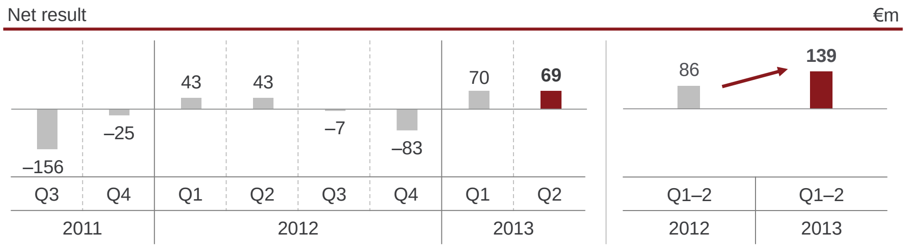
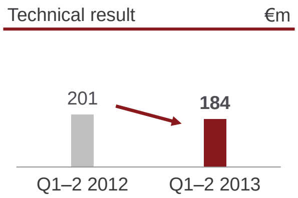
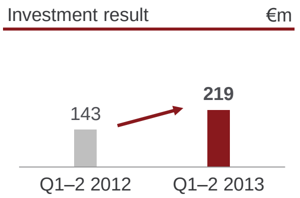
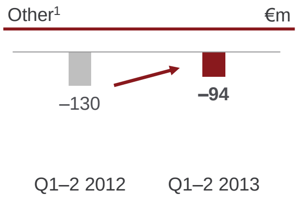




International business improved; flood losses in German business



Higher disposal gains



Improved FX and financing results

[1] Other non-operating result, goodwill impairments, net finance costs, taxes.

Primary insurance – Property-casualty – Combined ratio

Improvement of combined ratio in international business continues

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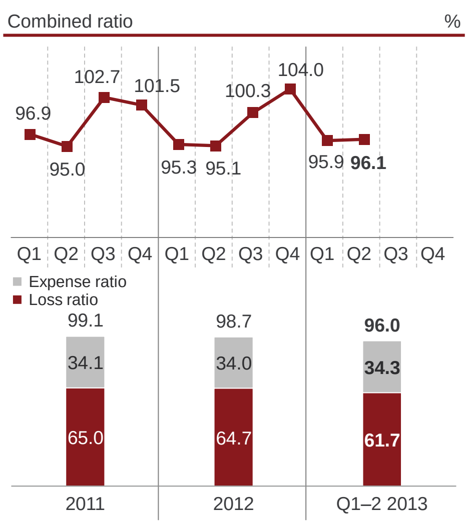
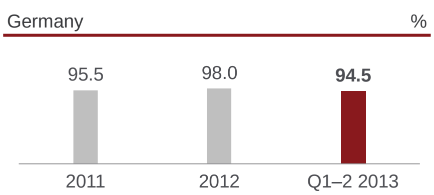
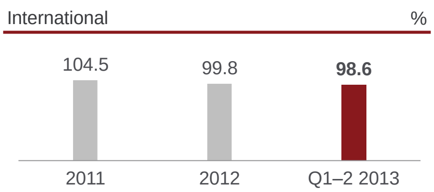




Given high flood claims, good combined ratio of 95.0% in Q2 2013



Further progress in Turkey; disposal of Korean company with above-average combined ratio

Agenda

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Financial reporting Q1–2 2013

- Munich Re (Group)
- Primary insurance
- **Munich Health**
- Reinsurance

Outlook

Backup

Munich Health – Premium development

Premium development

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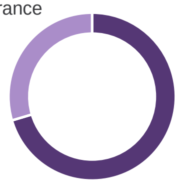
Gross premiums written	€m
Q1–2 2012	3,348
Foreign-exchange effects	–48
Divestment/Investment	–
Organic change	77
Q1–2 2013	**3,377**

Segmental breakdown €m



Primary insurance
999 (30%)
(▲ –0.2%)

Reinsurance
2,378 (70%)
(▲ 1.3%)

Gross premiums written	€m
Q1–2 2012	3,348
Reinsurance	31
Primary insurance	–2
Q1–2 2013	**3,377**

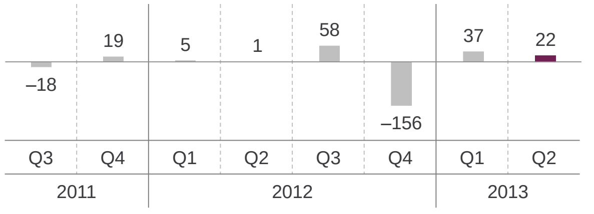
Reinsurance
New business in Middle East, negative FX effects (–€43m)

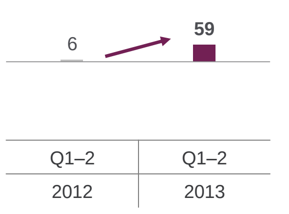
Primary insurance
Organic growth in Spain, decline in USA due to exit from PFFS business

Munich Health – Key figures

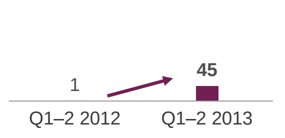
Munich RE

Net result €m



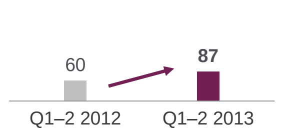


Technical result €m



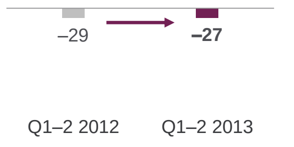
Improved US Medicare business at Windsor Health

Investment result €m



Higher disposal gains

Other[1] €m



Higher FX result (+€9m)

[1] Other non-operating result, goodwill impairments, net finance costs, taxes.

Agenda

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Financial reporting Q1–2 2013

- Munich Re (Group)
- Primary insurance
- Munich Health
- **Reinsurance**

Outlook

Backup

Reinsurance – Premium development

Premium development

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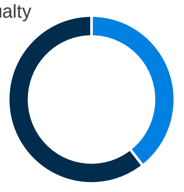
Gross premiums written	€m
Q1–2 2012	13,691
Foreign-exchange effects	–249
Divestment/Investment	–
Organic change	654
Q1–2 2013	**14,096**

Segmental breakdown €m

Property-casualty
8,533 (61%)
(▲ 1.6%)

Life
5,563 (39%)
(▲ 5.1%)



Gross premiums written	€m
Q1–2 2012	13,691
Life	269
Property-casualty	136
Q1–2 2013	**14,096**

Life
Organic growth (€390m) based on capital relief deals – negative FX effects (€121m) mainly Can$

Property-casualty
Organic growth (€264m) mainly due to new business in agriculture – negative FX effects (€128m)

Reinsurance life – Key figures

Reinsurance life – Key figures

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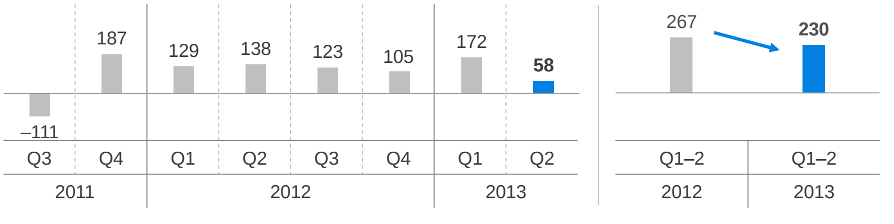
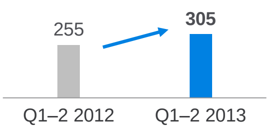
Net result €m

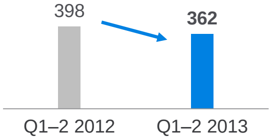


Technical result €m



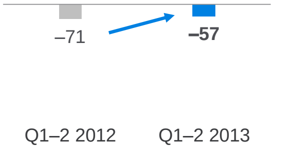
Well on track to exceed €400m full-year target

Investment result €m



Lower disposal gains

Other[1] €m



Higher tax ratio: 20.1% (7.3%) offset by higher FX result +€39m

[1] Other non-operating result, goodwill impairments, net finance costs, taxes.

Reinsurance property-casualty – Key figures

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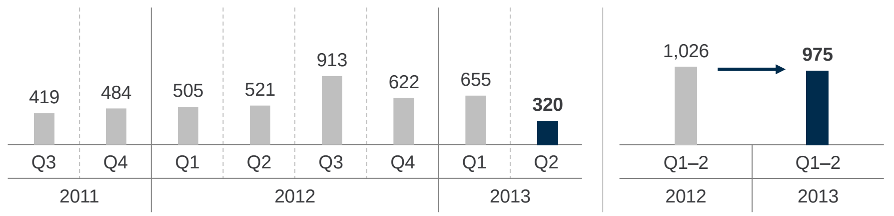
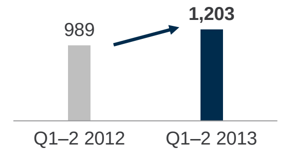
Net result €m

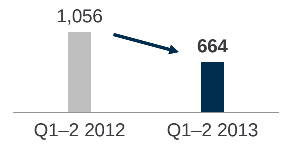


Technical result €m



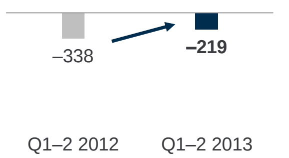
Lower basic losses supported by reserve releases

Investment result €m



Lower regular income and almost no disposal gains

Other[1] €m



Lower tax ratio (13.8%) and improved FX result to +€32m

[1] Other non-operating result, goodwill impairments, net finance costs, taxes.

Combined ratio

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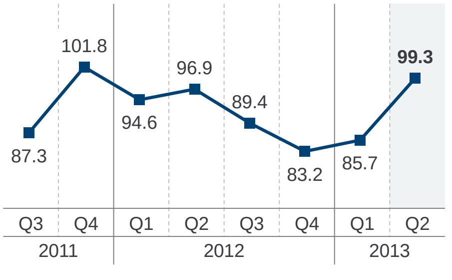
Combined ratio %

		Basic losses	Nat cat losses	Man-made losses	Expense ratio
2011	113.8	50.7	29.4	3.3	30.4
2012	91.0	50.2	7.7	3.1	30.0
Q1–2 2013	**92.4**	**54.0**	**4.2**	**4.6**	**29.6**
Q2 2013	**99.3**	**53.9**	**7.9**	**7.3**	**30.2**

Combined ratio %



Large losses Q1–2 2013 %

Actual Q1–2 2013	8.8	4.2	4.6
Avg. annual expectation	~12.0	~8.5	~3.5

Reserve releases[1]	€m	%-points
2011	~600	~4.0
2012	~900	~5.5
Q1–2 2013	**~250**	**~3.0**
Q2 2013	**~150**	**~4.0**

[1] Basic losses.

Reinsurance property-casualty – July renewals 2013 – Overview

Business up for renewal in July about €2.2bn – Regional focus on USA, Latin America and Australia

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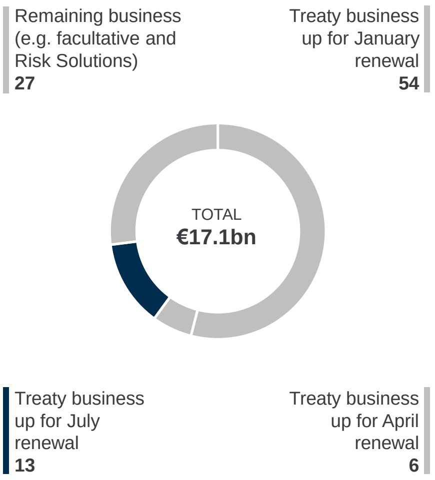
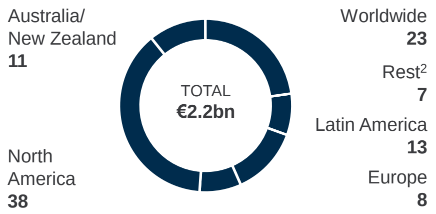
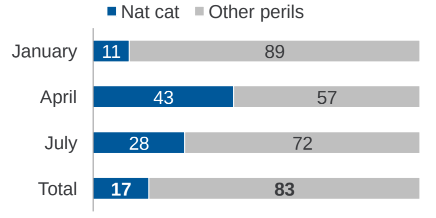
Total property-casualty book[1] %



Regional allocation of July renewal %



Nat cat shares of renewable portfolio %



[1] Gross premiums written. Economic view – not fully comparable with IFRS figures.
[2] Rest of Asia/Pacific/Africa.

Reinsurance property-casualty – July renewals 2013

Excess supply and stagnating demand leading to downward pressure

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Market environment

- Overall, with abundant reinsurance capacity available and alternative capital sources becoming increasingly important, reinsurance prices are slightly down on average
- Effect of new available capacity most notable in US property nat cat business
- Losses caused by US tornadoes and European floods during second quarter only with modest impact on reinsurance market
- Primary insurance markets (esp. US casualty) showing increasing rates with positive impact on proportional reinsurance

Competitors — Supply

- Increased competitive behaviour, but market remains overall disciplined
- Low interest rates continue to be a positive catalyst for underwriting returns

Clients — Demand

- Overall, reinsurance demand is stagnating
- Retentions tending to increase as capital base of primary insurers remains solid
- Some pressure on commission levels

Reinsurance property-casualty – July renewals 2013

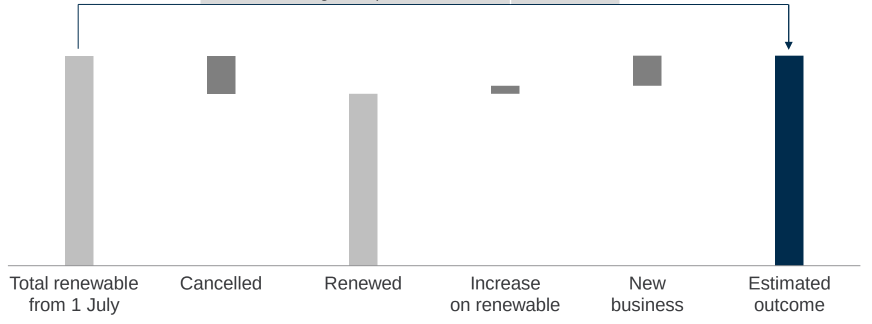
Top line remains stable – Prices slightly down reflecting softening catastrophe rates

Munich RE

July renewals 2013

	Total renewable from 1 July	Cancelled	Renewed	Increase on renewable	New business	Estimated outcome
%	100.0	–18.0	82.0	3.7	14.3	**100.0**
€m	2,210	–399	1,811	83	316	**2,210**

Change in premium:	**unchanged**
▪ Thereof price change[1]	–0.9%
▪ Thereof change in exposure our share	+0.9%



1 Price change 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).

Reinsurance property-casualty – July renewals 2013

Well-diversified portfolio as an important compensating factor for top and bottom line

Munich RE

Munich Re portfolio – Premium change in major business lines

	Total			Property		Casualty	Specialty[2]
Business line Premium split[1]	**€2.2bn**	Prop. 64%	XL 36%	Prop. 35%	XL 28%	Prop./XL 31%	Prop./XL 6%
Price change	**–0.9%**	–0.1%	–3.2%	0.1%	–4.6%	0.3%	–2.2%
Volume change	**0.0%**	8.9%	–15.5%	1.1%	–17.2%	14.5%	–0.8%

PRICE

- Overall, prices slightly down but still at high level
- Proportional: Still benefiting from positive pricing trend in primary insurance (especially US casualty)
- XL: Nat cat business down in USA (–10% on average), Mexico (fall of up to –10%), Caribbean (fall of up to –5%) and Australia (–1.5%) while South America is up (3% to 6%)
- Specialty: Aviation and marine flat, only credit coming further down

VOLUME

- Top line remains stable as reductions in property XL were compensated for by profitable growth of casualty proportional business
- Proportional: Growth mainly driven by US casualty business – taking advantage of improving primary rates
- XL: Decrease most notably in US cat business – rate reductions and continued disciplined underwriting (share reductions and cancellations)

1 Relative premium share in relation to total renewable business in July.
2 Marine, credit and aviation.

Reinsurance property-casualty – July renewals 2013

Nat cat business – Different amplitude of rate reductions in single regions hardly jeopardising overall profitability

Munich RE

Development of nat cat prices – July renewals 2013

Nat cat regions	Average price change	Highlights
USA	XL: –10% Proportional: Slightly up	Alternative capital putting pressure on nat cat rates
Latin America/ Caribbean	XL: Flat Proportional: Slightly down	Fall of up to –5% in the Caribbean and price increases of 3% to 6% in South America
Australia	XL: –1.5% Proportional: Flat	Nat cat programmes under pressure due to substantial amount of capacity
Total **(absolute: €0.5bn)**	XL: ~–5% Proportional: Flat	Despite softening rates nat cat remains a highly profitable line of business

Agenda

Munich RE

Financial reporting Q1–2 2013

- Munich Re (Group)
- Primary insurance
- Munich Health
- Reinsurance

Outlook

Backup

Outlook 2013

Munich RE

Munich Re (Group)

Gross premiums written		Return on investment		Net result	
Target 2013[1]	€50–52bn	Target 2013	~3.3%	Target 2013	Close to €3bn
Focus on bottom-line growth prevails – Volume not an end in itself		Solid return given ongoing low interest-rate environment		RoRaC target of 15% after tax over the cycle to stand	

Reinsurance		Primary insurance		Munich Health	
Combined ratio		Combined ratio		Combined ratio	
Target 2013	~94%	Target 2013	~95%	Target 2013	~100%
Net result		Net result		Net result	
Target 2013	€2.3–2.5bn	Target 2013	€400–500m	Further loss cannot be excluded	

[1] By segment: Reinsurance ~€27.5bn (prev. ~€27bn), primary insurance slightly below €17bn, Munich Health slightly above €6.5bn

Agenda

Munich RE

Financial reporting Q1–2 2013
- Munich Re (Group)
- Primary insurance
- Munich Health
- Reinsurance

Outlook

Backup

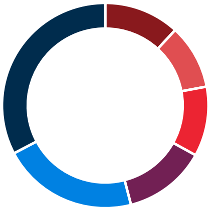
Backup: Munich Re (Group)

Premium development

Munich RE

Gross premiums written	€m
Q1–2 2012	25,827
Foreign-exchange effects	–297
Divestment/Investment	–71
Organic change	634
Q1–2 2013	**26,093**

Segmental breakdown €m



Backup: Munich Re (Group) – Overview

Reconciliation of operating to net result

Munich RE

Reconciliation of operating to net result €m

	Q1–2	Q2
Operating result	1,982	594
Other non-operating result	–31	–141
Goodwill impairments	–	–
Net finance costs	–143	–75
Taxes	–286	165
Net result	**1,522**	**543**

Other non-operating result €m

	Q1–2	Q2
Foreign exchange	61	–92
Restructuring charges	–19	–12
Other	–73	–37

Taxes tax rate in %

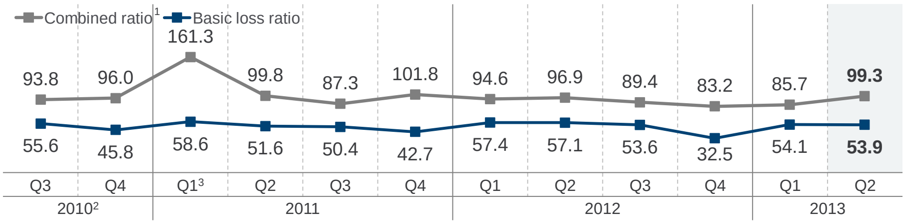
	Q1–2	Q2
Group	**15.8**	–43.7
Reinsurance	15.1	–97.9
Primary insurance	9.5	–1.4
Munich Health	28.9	37.1

Backup: Reinsurance property-casualty – Combined ratio

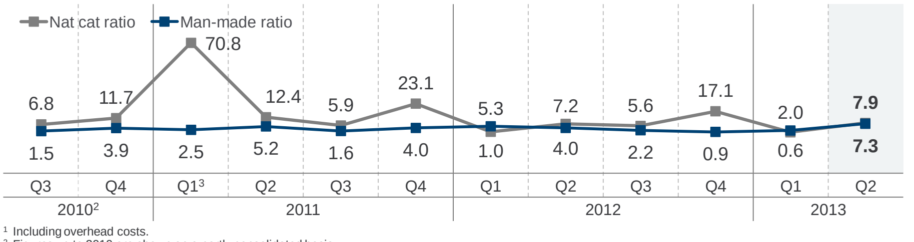
Development of combined ratio

Munich RE

Combined ratio vs. basic losses %



Nat cat vs. man-made %



[1] Including overhead costs.
[2] Figures up to 2010 are shown on a partly consolidated basis.
[3] After insurance risk transfer to the capital markets.

Backup: Primary insurance – Life – New business

Primary life – New business (statutory premiums)

Munich RE

Total €m

	Total	Regular premiums	Single premiums	APE[1]
Q1–2 2012	1,118	228	890	317
Q1–2 2013	**925**	**210**	**715**	**282**
▲	**–17.3%**	–7.9%	–19.7%	–11.0%

Comments

- Germany: Lower single premiums from short-term investment product "MaxiZins" and from German corporate pensions insolvency scheme – difficult environment for regular premium business; new product launched 1 July 2013
- International business: Lower single-premium business in Austria, Belgium and Poland – higher regular premiums mainly in Austria

Germany €m

	Total	Regular premiums	Single premiums	APE[1]
Q1–2 2012	724	148	576	206
Q1–2 2013	**574**	**129**	**445**	**174**
▲	**–20.7%**	–12.8%	–22.7%	–15.5

International €m

	Total	Regular premiums	Single premiums	APE[1]
Q1–2 2012	394	80	314	111
Q1–2 2013	**351**	**81**	**270**	**108**
▲	**–10.9%**	1.3%	–14.0%	–2.7%

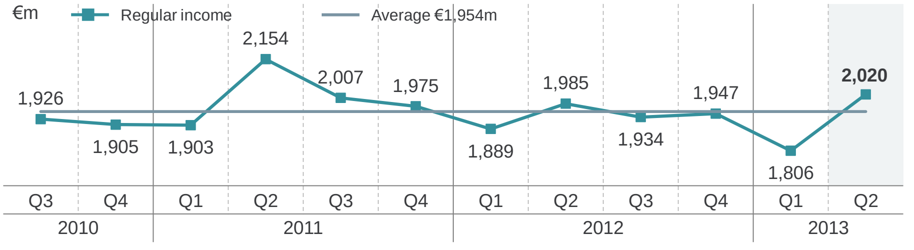
[1] Annual premium equivalent (APE = regular premiums +10% single premiums).

Backup: Investments

Breakdown of regular income

Munich RE

Investment result – Regular income (€m)	Q2 2013	Q1–2 2013	Q1–2 2012	Change
Afs fixed-interest	947	**1,891**	2,071	–180
Afs non-fixed-interest	222	**271**	177	94
Derivatives	54	**115**	111	4
Loans	567	**1,120**	1,122	–2
Real estate	84	**170**	168	2
Deposits retained on assumed reinsurance and other investments	146	**259**	225	34
Total regular income	2,020	**3,826**	3,874	–48

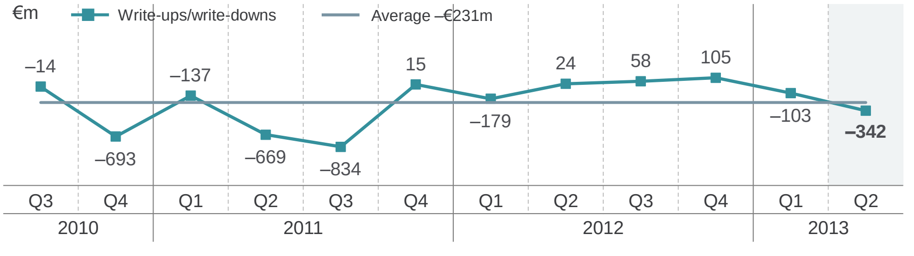


Backup: Investments

Breakdown of write-ups/write-downs

Munich RE

Investment result – Write-ups/write-downs (€m)	Q2 2013	Q1–2 2013	Q1–2 2012	Change
Afs fixed-interest	**4**	**3**	3	0
Afs non-fixed-interest	**–45**	**–68**	–117	49
Derivatives	**–166**	**–182**	79	–261
Loans	**0**	**0**	–1	1
Real estate	**–19**	**–43**	–47	4
Deposits retained on assumed reinsurance and other investments	**–116**	**–155**	–72	–83
Total net write-ups/write-downs	**–342**	**–445**	–155	–290

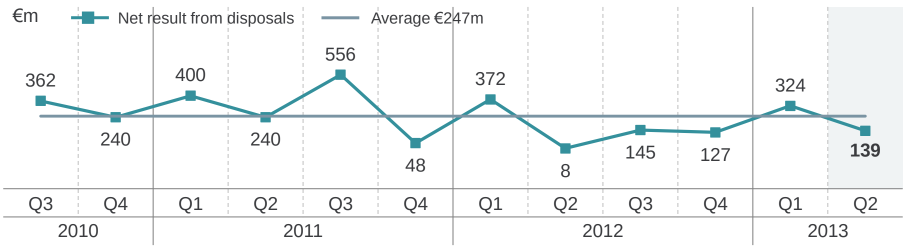


Backup: Investments

Breakdown of net result from disposals

Munich RE

Investment result – Net result from disposal of investments (€m)	**Q2 2013**	**Q1–2 2013**	Q1–2 2012	Change
Afs fixed-interest	**201**	**484**	142	342
Afs non-fixed-interest	**168**	**222**	187	35
Derivatives	**–246**	**–368**	–47	–321
Loans	**3**	**112**	56	56
Real estate	**14**	**14**	38	–24
Deposits retained on assumed reinsurance and other investments	**–1**	**–1**	4	–5
Total net result from disposals	**139**	**463**	380	83

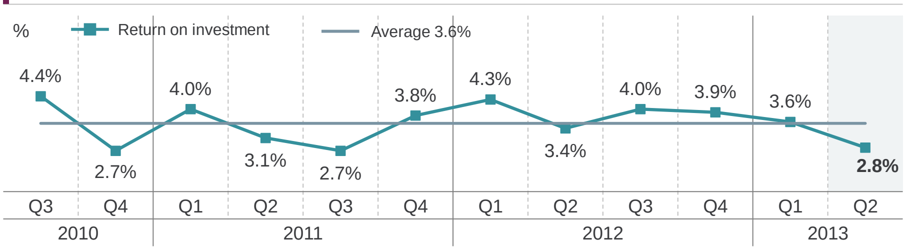


Backup: Investments

Return on investment by asset class and segment

Munich RE

%[1]	Regular income	Write-ups/downs	Disposal result	Other inc./exp.	**RoI**	ø Market value[3]
Afs fixed-interest	3.1	–	0.8	–	**3.9**	121,132
Afs non-fixed-interest	5.4	–1.4	4.5	–	**8.5**	10,050
Derivatives	10.9	–17.3	–35.0	–3.5	**–44.9**	2,101
Loans	3.5	–	0.4	–	**3.9**	63,324
Real estate	6.3	–1.6	0.6	–	**5.3**	5,355
Other[2]	2.4	–1.5	0.1	–2.3	**–1.3**	21,272
Total	**3.4**	**–0.4**	**0.4**	**–0.2**	**3.2**	**223,234**
Reinsurance	3.3	–0.6	0.2	–0.4	**2.5**	83,527
Primary insurance	3.5	–0.3	0.5	–0.1	**3.6**	134,375
Munich Health	2.2	0.5	1.8	–0.1	**4.4**	3,930



1 Annualised. 2 Including management expenses and impact from unit-linked business.
3 In €m. Segments do not add up to total amount; difference relates to the segment "asset management".

Backup: Investments

Investment result by segment

Munich RE

Investment result – Reinsurance – Life

€m

	Q1–2 2013	Return[1]	Q1–2 2012	Return[1]	Q2 2013	Return[1]
Regular income	454	3.8%	448	3.8%	232	3.9%
Write-ups/write-downs	–32	–0.2%	–87	–0.7%	–37	–0.6%
Disposal gains/losses	14	0.1%	73	0.6%	12	0.2%
Other income/expenses	–74	–0.6%	–36	–0.3%	–29	–0.5%
Investment result	**362**	**3.1%**	**398**	**3.4%**	**178**	**3.0%**
Average market value	23,688		23,441		23,582	

Investment result – Reinsurance – Property-casualty

€m

	Q1–2 2013	Return[1]	Q1–2 2012	Return[1]	Q2 2013	Return[1]
Regular income	937	3.1%	983	3.4%	501	3.4%
Write-ups/write-downs	–226	–0.8%	–162	–0.6%	–173	–1.2%
Disposal gains/losses	55	0.2%	335	1.1%	49	0.3%
Other income/expenses	–102	–0.3%	–100	–0.3%	–50	–0.3%
Investment result	**664**	**2.2%**	**1,056**	**3.6%**	**327**	**2.2%**
Average market value	59,839		58,216		59,343	

[1] Return on quarterly weighted investments (market values) in % p.a.

Backup: Investments

Investment result by segment

Munich RE

Investment result – Primary insurance – Life

€m

	Q1–2 2013	Return[1]	Q1–2 2012	Return[1]	Q2 2013	Return[1]
Regular income	1,472	3.3%	1,508	3.7%	759	3.5%
Write-ups/write-downs	–144	–0.3%	140	0.3%	–115	–0.5%
Disposal gains/losses	265	0.6%	0	0.0%	49	0.2%
Other income/expenses	–56	–0.1%	130	0.3%	–156	–0.7%
Investment result	**1,537**	**3.5%**	**1,778**	**4.3%**	**537**	**2.5%**
Average market value	87,289		81,864		87,057	

Investment result – Primary insurance – Property-casualty

€m

	Q1–2 2013	Return[1]	Q1–2 2012	Return[1]	Q2 2013	Return[1]
Regular income	153	3.1%	176	3.8%	81	3.3%
Write-ups/write-downs	–20	–0.4%	–43	–0.9%	–16	–0.7%
Disposal gains/losses	101	2.1%	22	0.5%	53	2.2%
Other income/expenses	–15	–0.3%	–12	–0.3%	–9	–0.4%
Investment result	**219**	**4.5%**	**143**	**3.1%**	**109**	**4.4%**
Average market value	9,828		9,188		9,834	

[1] Return on quarterly weighted investments (market values) in % p.a.

Backup: Investments

Investment result by segment

Munich RE

Investment result – Primary insurance – Health

€m

	Q1–2 2013	Return[1]	Q1–2 2012	Return[1]	Q2 2013	Return[1]
Regular income	**759**	**4.1%**	687	4.1%	421	4.5%
Write-ups/write-downs	**–22**	**–0.1%**	1	0.0%	–11	–0.1%
Disposal gains/losses	**–9**	**–0.1%**	–53	–0.3%	–27	–0.3%
Other income/expenses	**–32**	**–0.2%**	–28	–0.2%	–16	–0.2%
Investment result	**696**	**3.7%**	**607**	**3.6%**	**367**	**3.9%**
Average market value	**37,258**		33,640		**37,353**	

Investment result – Munich Health

€m

	Q1–2 2013	Return[1]	Q1–2 2012	Return[1]	Q2 2013	Return[1]
Regular income	**44**	**2.2%**	63	2.9%	22	2.3%
Write-ups/write-downs	**9**	**0.5%**	–3	–0.1%	10	1.1%
Disposal gains/losses	**36**	**1.8%**	3	0.1%	2	0.2%
Other income/expenses	**–2**	**–0.1%**	–3	–0.1%	–1	–0.1%
Investment result	**87**	**4.4%**	**60**	**2.8%**	**33**	**3.5%**
Average market value	**3,930**		4,257		**3,726**	

[1] Return on quarterly weighted investments (market values) in % p.a.

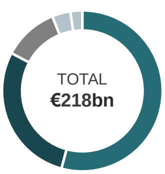
Backup: Investments

Investment portfolio
Fixed-interest securities and miscellaneous

Munich RE

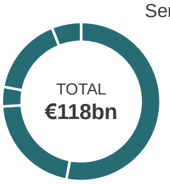
Investment portfolio

%



Fixed-interest securities[1]

%

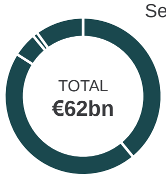


Miscellaneous

%

Loans[1]

%



[1] Approximation – not fully comparable with IFRS figures. Fair values as at 30.6.2013 (31.12.2012).

Backup: Investments

Fixed-income portfolio Total

Munich RE

Fixed-income portfolio %

Loans to policyholders/ Mortgage loans
3 (3)

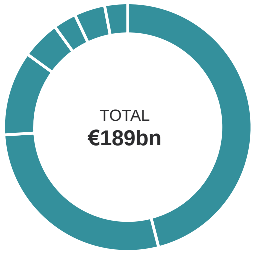
Structured products
4 (4)

Bank bonds
3 (3)

Cash/Other
5 (4)

Corporates
11 (10)

Pfandbriefe/ Covered bonds
28 (28)



Governments/ Semi-government
46 (48)
Thereof 8% inflation-linked bonds

Approximation – not fully comparable with IFRS figures. Fair values as at 30.6.2013 (31.12.2012).

Backup: Investments

Fixed-income portfolio Total

Munich RE

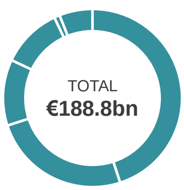
Rating structure %

<BB and NR
6 (6)

BB
1 (1)

BBB
11 (9)

A
12 (12)



AAA
45 (48)

AA
25 (24)

Maturity structure %

n.a.
2 (2)

>10 years
33 (34)

7–10 years
14 (14)

0–1 years
10 (9)

1–3 years
15 (15)

3–5 years
14 (15)

5–7 years
12 (11)

Regional breakdown %

	Without policyholder participation	With policyholder participation	Total 30.6. 2013	Total 31.12. 2012
Germany	6.1	27.7	**33.8**	33.4
US	13.4	1.1	**14.5**	15.2
France	2.4	5.2	**7.6**	7.6
UK	3.7	2.9	**6.6**	6.9
Netherlands	1.9	2.7	**4.6**	4.6
Canada	3.5	0.1	**3.6**	4.0
Supra-nationals	0.9	2.1	**3.0**	2.8
Spain	0.6	1.9	**2.5**	2.4
Austria	0.4	2.1	**2.5**	2.5
Ireland	0.7	1.8	**2.5**	2.2
Italy	0.7	1.5	**2.2**	2.1
Other	8.6	8.0	**16.6**	16.3
Total	**42.9**	**57.1**	**100.0**	100.0

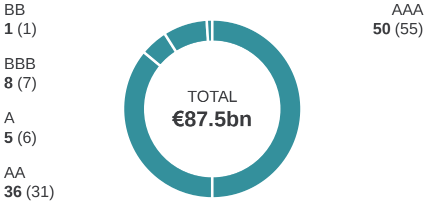
Approximation – not fully comparable with IFRS figures. Fair values as at 30.6.2013 (31.12.2012).

Backup: Investments

Fixed-income portfolio Government/Semi-government

Munich RE

Rating structure %



Maturity structure %

Regional breakdown %

	Without	With	Total	
	policyholder participation		**30.6. 2013**	31.12. 2012
Germany	7.6	27.5	**35.1**	34.0
US	14.9	0.5	**15.4**	16.4
Canada	6.1	0.1	**6.2**	6.6
Supra-nationals	1.7	4.3	**6.0**	5.8
UK	4.4	0.2	**4.6**	5.2
Austria	0.7	3.0	**3.7**	3.6
France	1.9	1.6	**3.5**	3.4
Italy	0.4	2.6	**3.0**	2.8
Belgium	0.6	2.1	**2.7**	2.3
Spain	0.6	1.1	**1.7**	1.3
Ireland	0.1	1.2	**1.3**	1.2
Other	12.4	4.4	**16.8**	17.4
Total	**51.4**	**48.6**	**100.0**	100.0

Approximation – not fully comparable with IFRS figures. Fair values as at 30.6.2013 (31.12.2012).

Backup: Investments

Fixed-income portfolio Pfandbriefe/Covered bonds

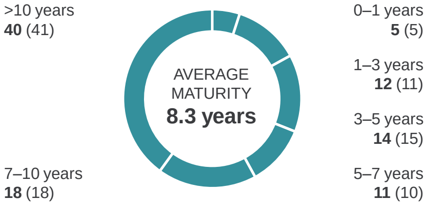
Munich RE

Rating structure %

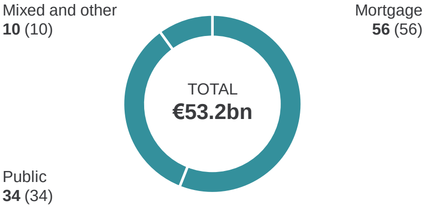
Regional breakdown %

	30.6.2013	31.12.2012
Germany	**37.6**	38.2
France	**17.3**	17.2
UK	**9.7**	9.8
Netherlands	**6.6**	6.9
Sweden	**6.2**	6.3
Norway	**5.4**	5.3
Spain	**5.0**	5.0
Ireland	**3.3**	2.7
Italy	**0.3**	0.3
Other	**8.6**	8.3

Maturity structure %



Covered pools %



Approximation – not fully comparable with IFRS figures. Fair values as at 30.6.2013 (31.12.2012).

Backup: Investments

Fixed-income portfolio
Bank bonds

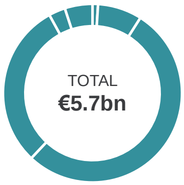
Munich RE

Rating structure %

<BB and NR **5** (5)

BB **3** (3)

BBB **30** (29)



AAA **1** (1)

AA **8** (9)

A **53** (53)

Regional breakdown %

	30.6.2013	31.12.2012
Germany	**38.9**	39.4
US	**27.3**	27.9
UK	**10.1**	10.4
Ireland	**5.2**	3.9
Australia	**3.5**	3.4
Austria	**3.0**	3.1
Canada	**2.5**	3.7
Netherlands	**2.3**	1.7
France	**1.8**	1.7
Other	**5.4**	4.8

Maturity structure %

>10 years **3** (8)

7–10 years **15** (13)

5–7 years **26** (38)

0–1 years **6** (6)

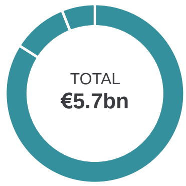
1–3 years **14** (14)

3–5 years **36** (21)

Investment category of bank bonds %

Loss-bearing[1] **6** (6)

Subordinated[2] **10** (12)



Senior **84** (82)

[1] Classified as Tier 1 and upper Tier 2 capital for solvency purposes. [2] Classified as lower Tier 2 and Tier 3 capital for solvency purposes. Approximation – not fully comparable with IFRS figures. Fair values as at 30.6.2013 (31.12.2012).

Backup: Investments

Fixed-income portfolio
Bank bonds

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Senior, subordinated and loss-bearing bonds exposure by country €m

Country	Senior bonds	Subordinated bonds	Loss-bearing bonds	**Total**
Germany	1,668	309	246	**2,223**
US	1,355	184	22	**1,561**
UK	552	16	7	**575**
Ireland	296	0	0	**296**
Australia	201	0	1	**202**
Canada	117	31	24	**172**
Austria	123	9	12	**144**
Jersey	129	0	0	**129**
France	94	11	0	**105**
Italy	38	3	0	**41**
Spain	20	0	1	**21**
Other	219	18	10	**247**
Total	**4,812**	**581**	**323**	**5,716**

Approximation – not fully comparable with IFRS figures. Fair values as at 30.6.2013 (31.12.2012).

Backup: Investments

Fixed-income portfolio: Corporate bonds (excluding bank bonds)

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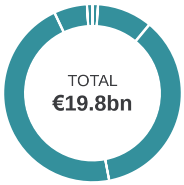
Rating structure %

<BB and NR **1** (1)

BB **6** (5)

BBB **46** (44)



AAA **1** (1)

AA **10** (8)

A **36** (41)

Maturity structure %

>10 years **13** (12)

7–10 years **21** (21)

5–7 years **14** (18)

0–1 years **9** (6)

1–3 years **18** (19)

3–5 years **25** (24)

Sector breakdown %

	30.6. 2013	31.12. 2012
Utilities	**18.6**	18.8
Industrial goods and services	**12.9**	12.9
Oil and gas	**12.6**	12.8
Telecommunications	**8.6**	9.7
Healthcare	**6.5**	6.6
Food and beverages	**5.8**	6.3
Technology	**4.9**	4.7
Media	**4.8**	5.6
Financial services	**4.2**	3.6
Retail	**3.0**	3.7
Automobiles	**3.0**	3.0
Personal and household goods	**3.0**	2.9
Chemicals	**2.6**	2.8
Other	**9.5**	6.6

Approximation – not fully comparable with IFRS figures. Fair values as at 30.6.2013 (31.12.2012).

Backup: Investments

Fixed-income portfolio Structured products

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Structured products portfolio (at market values): Split by rating and region €m

		Rating						Region			
		AAA	**AA**	**A**	**BBB**	**<BBB**	**NR**	**USA + RoW**	**Europe**	**Total**	Market-to-par
ABS	Consumer-related ABS[1]	254	323	250	69	0	0	193	703	**896**	101%
	Corporate-related ABS[2]	44	59	240	81	7	0	0	431	**431**	99%
	Subprime HEL	0	5	1	5	0	0	11	0	**11**	100%
CDO/ CLN	Subprime-related	0	0	0	0	0	0	0	0	**0**	0%
	Non-subprime-related	301	197	146	99	0	115	329	529	**858**	95%
MBS	Agency	2,085	95	0	0	0	0	2,180	0	**2,180**	104%
	Non-agency prime	527	117	340	26	1	0	88	923	**1,011**	99%
	Non-agency other (not subprime)	95	74	57	3	0	0	23	206	**229**	98%
	Commercial MBS	827	182	481	268	55	6	794	1,025	**1,819**	100%
	Total 30.6.2013	**4,133**	**1,052**	**1,515**	**551**	**63**	**121**	**3,618**	**3,817**	**7,435**	99%
	In %	**56%**	**14%**	**20%**	**7%**	**1%**	**2%**	**49%**	**51%**	**100%**	
	Total 31.12.2012	4,617	916	1,508	380	30	32	3,897	3,586	7,483	101%

1 Consumer loans, auto, credit cards, student loans.
2 Asset-backed CPs, business and corporate loans, commercial equipment.
Approximation – not fully comparable with IFRS figures. Fair values as at 30.6.2013.

Backup: Investments

Sensitivities to interest rates, spreads and equity markets

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Sensitivity to risk-free interest rates – Basis points	**–50**	**–25**	**+50**	**+100**
Change in gross market value (€bn)	+6.8	+3.4	–6.3	–11.9
Change in on-balance-sheet reserves, net (€bn)[1]	+1.7	+0.8	–1.6	–3.0
Change in off-balance-sheet reserves, net (€bn)[1]	+0.4	+0.2	–0.4	–0.7
P&L impact (€bn)[1]	–0.1	–0.0	+0.1	+0.1

Sensitivity to spreads[2] (change in basis points)	**+50**	**+100**
Change in gross market value (€bn)	–4.4	–8.4
Change in on-balance-sheet reserves, net (€bn)[1]	–0.9	–1.8
Change in off-balance-sheet reserves, net (€bn)[1]	–0.3	–0.5
P&L impact (€bn)[1]	+0.0	+0.1

Sensitivity to equity markets[3]	**–30%**	**–10%**	**+10%**	**+30%**
EURO STOXX 50 (2,603 as at 30.6.2013)	**1,822**	**2,343**	**2,863**	**3,384**
Change in gross market value (€bn)	–3.1	–1.0	+1.0	+3.3
Change in on-balance-sheet reserves, net (€bn)[1]	–0.8	–0.3	+0.6	+1.7
Change in off-balance-sheet reserves, net (€bn)[1]	–0.6	–0.2	+0.2	+0.6
P&L impact (€bn)[1]	–1.1	–0.3	+0.1	+0.3

1 Rough calculation with limited reliability assuming unchanged portfolio as at 30.6.2013. After rough estimation of policyholder participation and deferred tax; linearity of relations cannot be assumed. Approximation – not fully comparable with IFRS figures.
2 Sensitivities to changes of spreads are calculated for every category of fixed-interest securities, except government securities with AAA ratings.
3 Worst-case scenario assumed including commodities: impairment as soon as market value is below acquisition cost. Approximation – not fully comparable with IFRS figures.

Backup: Investments

On- and off-balance-sheet reserves (gross)

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€m	31.12. 2009	31.12. 2010	31.12. 2011	31.12. 2012	31.3. 2013	**30.6. 2013**
Market value of investments	185,097	196,398	207,108	224,537	226,831	**218,334**
Total reserves	**7,905**	**7,374**	**11,236**	**22,488**	**21,820**	**16,653**
On-balance-sheet reserves						
Fixed-interest securities	3,342	2,201	4,892	9,980	9,161	**5,895**
Non-fixed-interest securities	1,408	1,634	693	1,503	1,774	**1,499**
Other on-balance-sheet reserves[1]	233	249	250	291	289	**278**
Subtotal	**4,983**	**4,084**	**5,835**	**11,774**	**11,224**	**7,672**
Off-balance-sheet reserves						
Real estate[2]	1,447	1,425	1,435	1,519	1,560	**1,559**
Loans and investments (held to maturity)	1,289	1,554	3,633	8,831	8,613	**6,998**
Associates and tangible assets	186	311	333	364	423	**424**
Subtotal	**2,922**	**3,290**	**5,401**	**10,714**	**10,596**	**8,981**
Reserve ratio (%)	4.3%	3.8%	5.4%	10.0%	9.6%	**7.6%**

1 Unrealised gains/losses from unconsolidated affiliated companies, valuation at equity and cash-flow hedging.
2 Excluding reserves from owner-occupied property.

Backup: Investments

On-balance-sheet reserves

On-balance-sheet reserves		€m
		Change Q2
Investments afs	7,394	–3,541
Valuation at equity	79	–
Unconsolidated affiliated enterprises	168	–9
Cash flow hedging	31	–2
Total on-balance-sheet reserves (gross)	**7,672**	–3,552
Provision for deferred premium refunds	–2,792	741
Deferred tax	–1,091	722
Minority interests	–7	14
Consolidation and currency effects	–5	91
Shareholders' stake	**3,777**	–1,984

Backup: Investments

Off-balance-sheet reserves

Off-balance-sheet reserves		€m
		Change Q2
Real estate[1]	1,559	–1
Loans and investments (held to maturity)	6,998	–1,615
Associates and tangible assets	424	1
Total off-balance-sheet reserves (gross)	**8,981**	–1,615
as if		
Provision for deferred premium refunds	–6,387	1,312
Deferred tax	–757	97
Minority interests	–	1
Shareholders' stake	**1,837**	–205

[1] Excluding reserves for owner-occupied property.

Backup: Shareholder information

Development of shares in circulation

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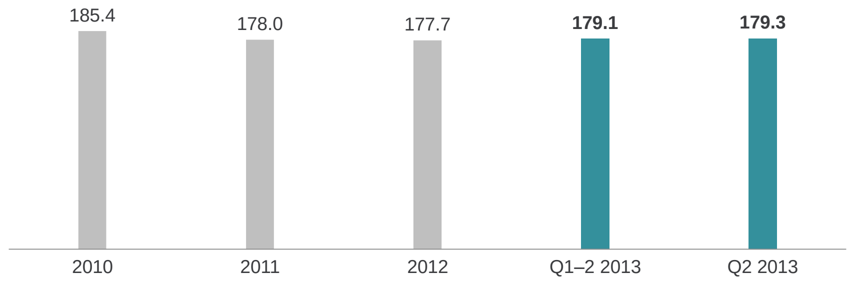
Shares millions	31.12. 2012	Acquisition of own shares in Q1–2 2013	Retirement of own shares in Q1–2 2013	**30.6. 2013**
Shares in circulation	178.5	0.8	–	**179.3**
Own shares held	0.8	–0.8	–	**–**
Total	**179.3**	**–**	**–**	**179.3**

Weighted average number of shares in circulation (millions)



Backup: Shareholder information

Financial calendar

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FINANCIAL CALENDAR	
8 – 10 September 2013	Les Rendez-Vous de Septembre, Monte Carlo
18 September 2013	KBW "Financials Conference", London (no presentation)
23 September 2013	Berenberg Bank/Goldman Sachs "2nd Annual German Corporate Conference 2013", Munich/Unterschleißheim (no presentation)
25 September 2013	Bank of America Merrill Lynch "18th Annual Banking & Insurance CEO Conference", London
26 September 2013	Baader Bank "Investment Conference 2013", Munich (no presentation)
15 October 2013	SRI Day on "Corporate responsibility in (re)insurance business", Hohenkammer
7 November 2013	Interim report as at 30 September 2013
5 December 2013	Société Générale "Premium Review Conference", Paris (no presentation)

Backup: Shareholder information

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Munich RE

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Figures up to 2010 are shown on a partly consolidated basis.
"Partly consolidated" means before elimination of intra-Group transactions across segments.