

*somewhat
different*

**Beyond risk sharing –
we team up
to create opportunities**

Analysts' Conference Call on Annual Results 2019

Hannover, 11 March 2020

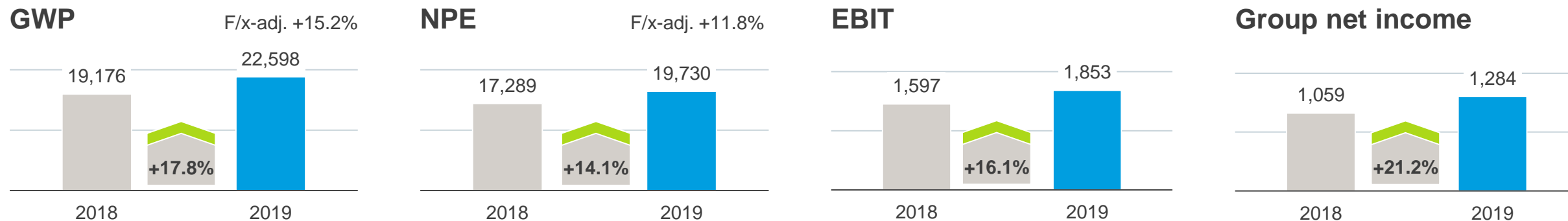
hannover **re**[®]

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Double-digit growth in earnings and premium

Improved RoE well above target, despite 20% increase in shareholders' equity



13.3%

Return on Equity

Well above minimum target of 9.3%

87.30 EUR

Book value per share

+20.0% driven by strong earnings as well as interest rates and spread increases

252%

Solvency II ratio

31.12.2019



P&C Reinsurance

EBIT: 1,286 m.

- Satisfying EBIT margin (10.0%)
- C/R of 98.2% above target due to large losses exceeding budget and Typhoon Jebi
- Strong premium growth (f/x-adj. +20.4%) driven by diversified growth in traditional business and Structured R/I



L&H Reinsurance

EBIT: 570 m.

- Strong earnings contribution based on overall favourable underlying profitability as well as positive one-off effect in Q2/2019 and absence of recapture charges for US mortality business in H2/2019 lead to an EBIT increase of 107%
- Premium growth (f/x-adj. +6.7%) mainly from APAC



Investments

NI: 1,757 m.

- Ordinary investment income increased by 4.5%
- RoI from AuM: 3.5%, exceeds increased guidance of ≥3.2%
- AuM increased by +12.9% to more than 47 bn.

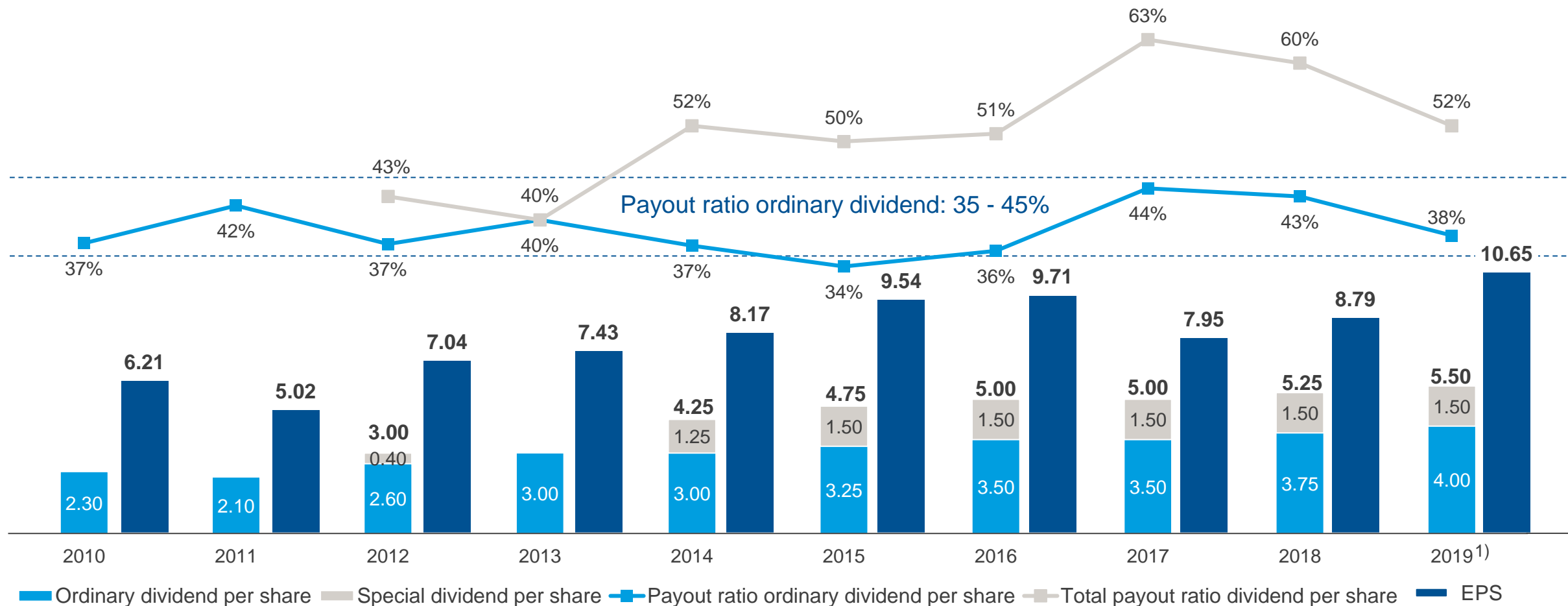
Figures in EUR millions, unless otherwise stated

Increased dividend reflects strong earnings power

Higher retention of profits enables us to fund future growth

Dividend per share

in EUR



1) Dividend proposal; subject to consent of AGM

Strong operating cash flow fuels growth of AuM (+12.9%)

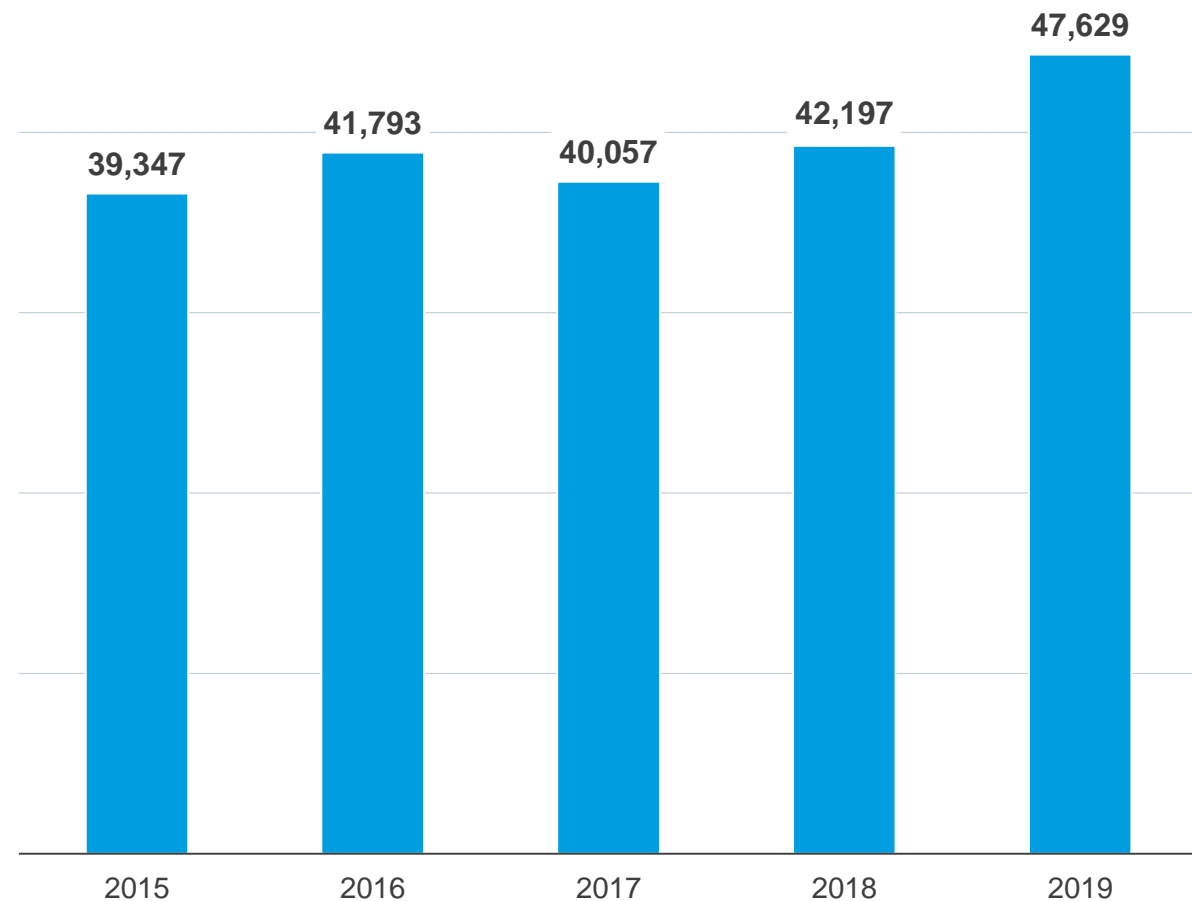
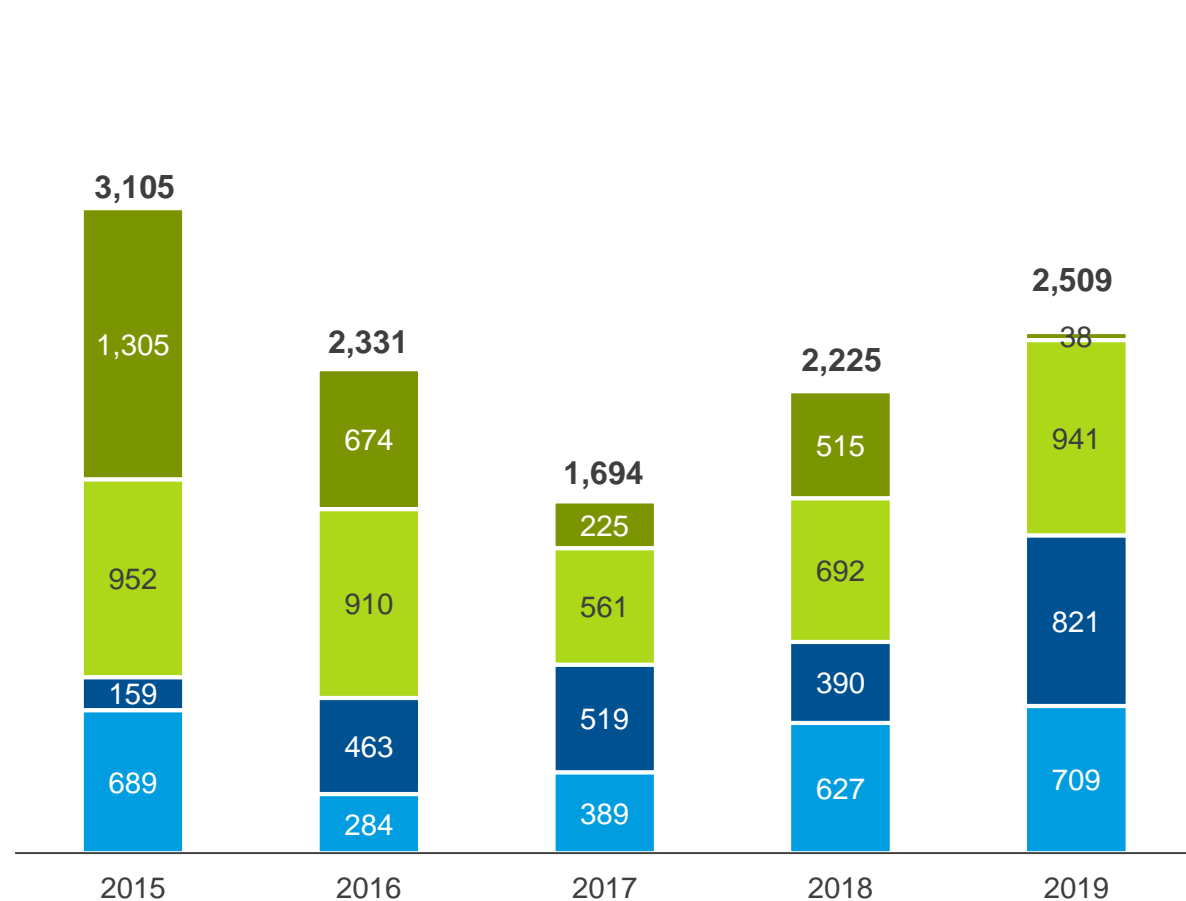
AuM growth supported by increase in valuation reserves and currency translation

Operating cash flow

in m. EUR

Assets under own management (AuM)

in m. EUR



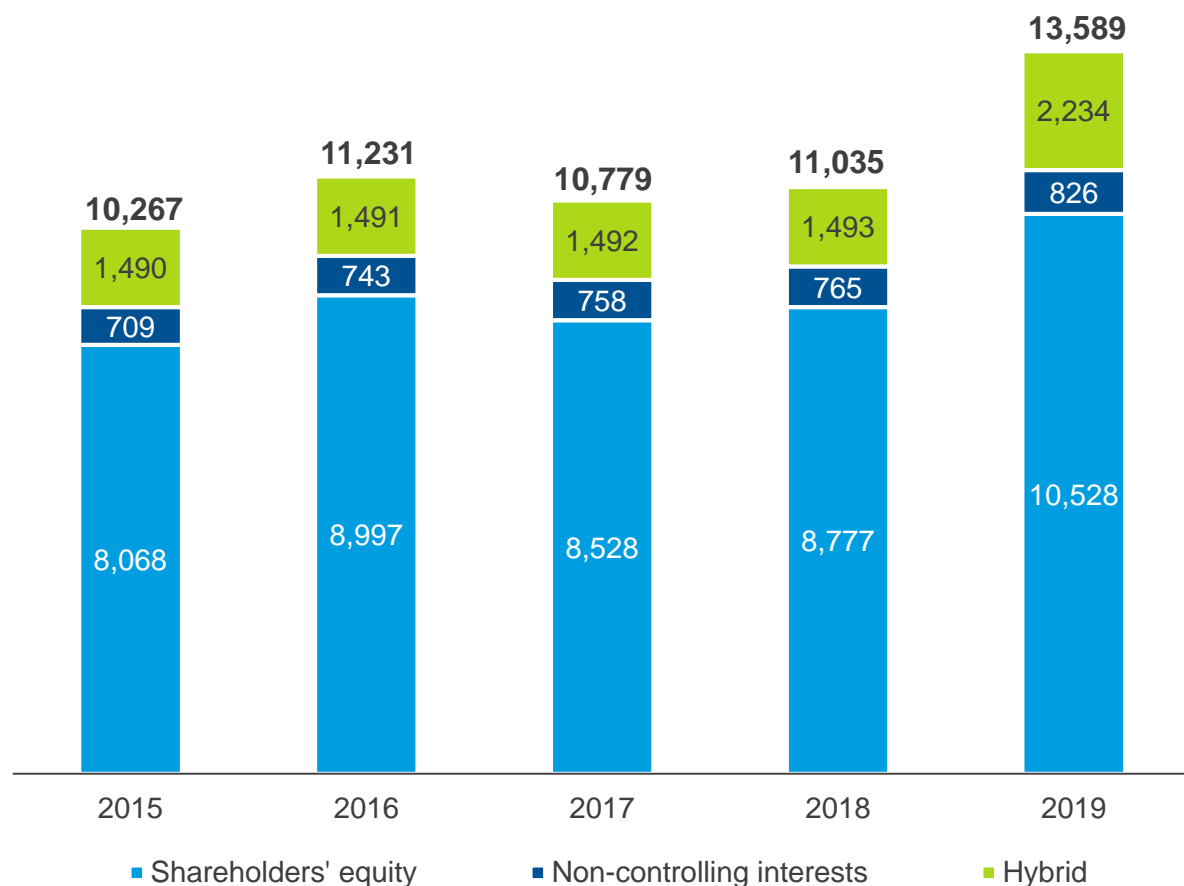
■ Q1 ■ Q2 ■ Q3 ■ Q4

Shareholders' equity up by 20.0%

Driven by net income and asset valuation

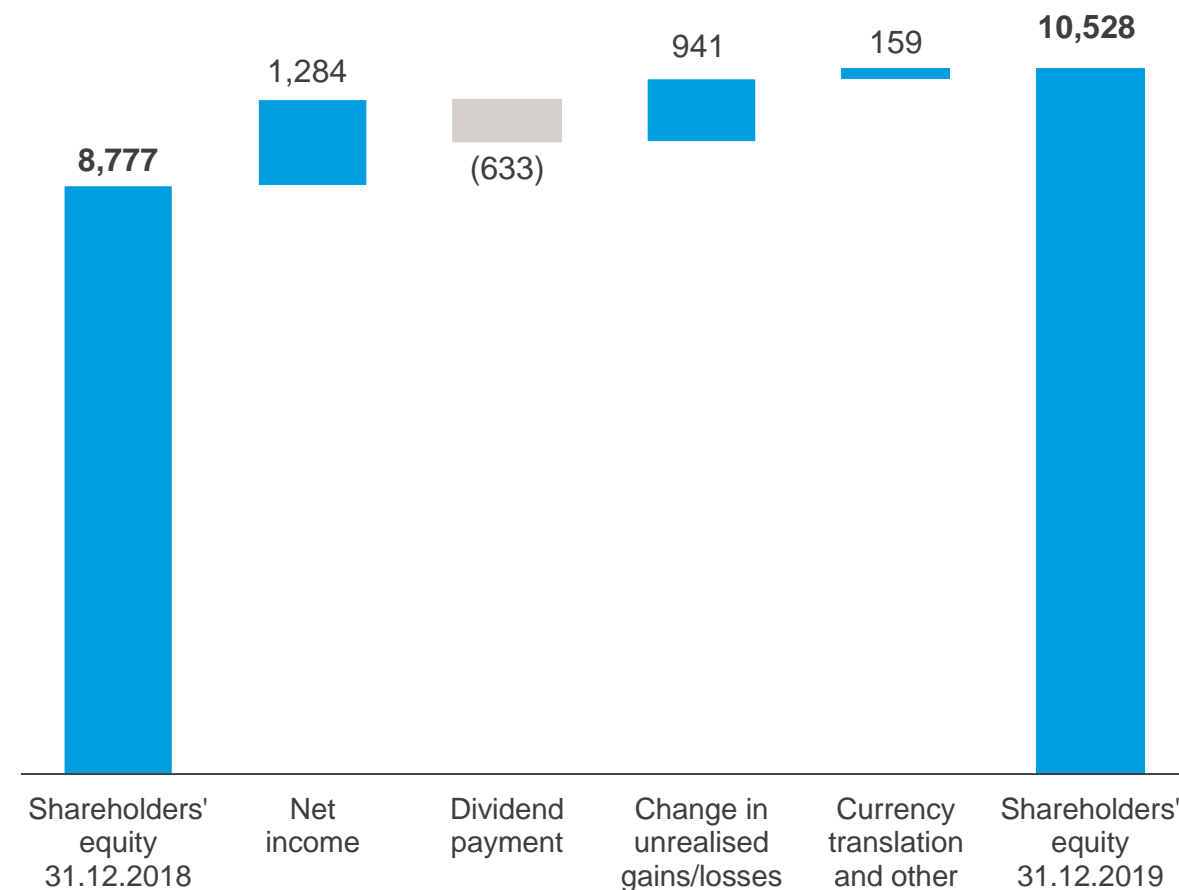
Policyholders' surplus

in m. EUR



Change in shareholders' equity

in m. EUR



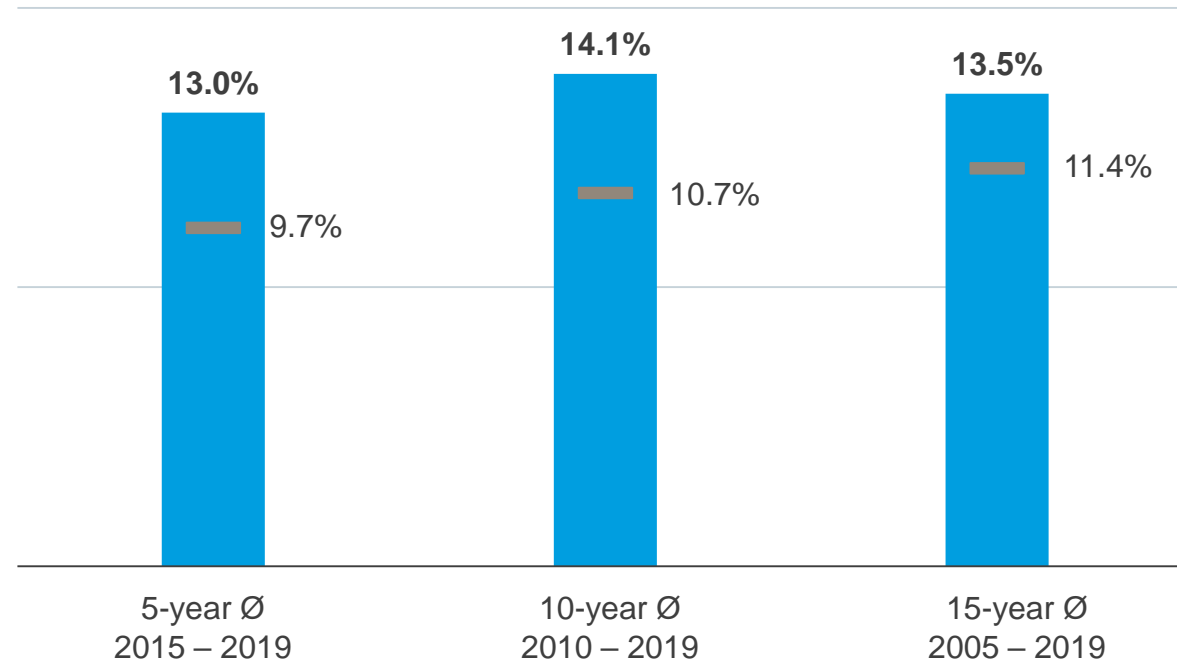
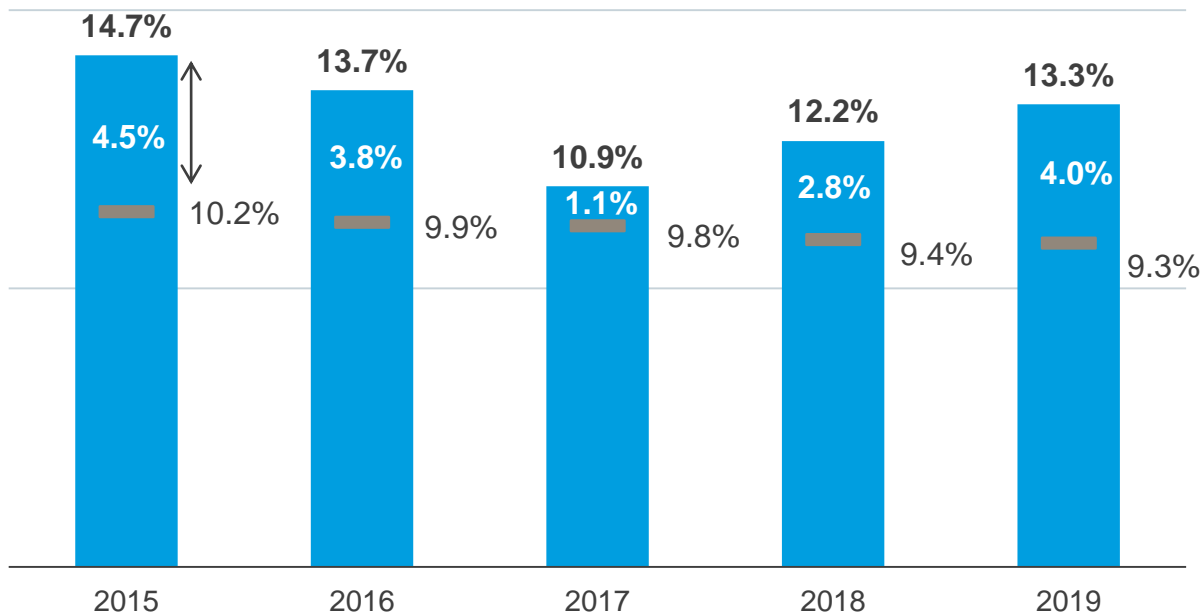
Return on Equity significantly exceeds target

2019 is the 11th consecutive year with double-digit RoE

Return on Equity: yearly



Return on Equity: average



■ Actual
 — Minimum target¹⁾
■ Average shareholders' equity
↕ Spread over minimum target

1) After tax; target: 900 bps above 5-year rolling average of 10-year German government bond rate ("risk free")

Hannover Re is one of the most profitable reinsurers

No. 1 position in 2019 and on 5-year average RoE

| Company | 2015 | | 2016 | | 2017 | | 2018 | | 2019 | | 2015 - 2019 | |
|--------------------------------------|--------------|----------|--------------|----------|--------------|----------|--------------|----------|------------------|----------|--------------|----------|
| | RoE | Rank | RoE | Rank | RoE | Rank | RoE | Rank | RoE | Rank | avg. RoE | Rank |
| Hannover Re | 14.7% | 1 | 13.7% | 1 | 10.9% | 2 | 12.2% | 1 | 13.3% | 1 | 13.0% | 1 |
| Peer 3, US, Life & Health | 7.6% | 9 | 10.6% | 4 | 21.9% | 1 | 7.9% | 3 | 8.7% | 6 | 11.3% | 2 |
| Peer 6, Bermuda, Property & Casualty | 13.0% | 3 | 12.7% | 2 | 5.7% | 5 | 1.3% | 9 | 11.9% | 3 | 8.9% | 3 |
| Peer 9, China, Composite | 12.2% | 4 | 7.2% | 9 | 7.2% | 3 | 4.9% | 5 | not yet reported | - | 7.9% | 4 |
| Peer 1, Germany, Composite | 10.2% | 6 | 8.3% | 7 | 1.3% | 7 | 8.5% | 2 | 9.6% | 5 | 7.6% | 5 |
| Peer 7, France, Composite | 10.7% | 5 | 9.3% | 6 | 4.4% | 6 | 5.4% | 4 | 6.9% | 7 | 7.3% | 6 |
| Peer 10, Korea, Composite | 9.7% | 7 | 7.8% | 8 | 6.2% | 4 | 4.7% | 6 | not yet reported | - | 7.1% | 7 |
| Peer 8, Bermuda, Property & Casualty | 9.5% | 8 | 10.0% | 5 | -5.3% | 10 | 4.2% | 7 | 12.9% | 2 | 6.3% | 8 |
| Peer 2, Switzerland, Composite | 13.7% | 2 | 10.6% | 3 | 1.0% | 9 | 1.4% | 8 | 2.5% | 8 | 5.8% | 9 |
| Peer 4, US, Property & Casualty | 7.5% | 10 | 5.9% | 10 | 1.1% | 8 | 0.5% | 10 | 10.4% | 4 | 5.1% | 10 |
| Average | 10.9% | | 9.6% | | 5.4% | | 5.1% | | 9.5% | | 8.0% | |

List shows the Top 10 of the Global Reinsurance Index (GloRe)
Data based on company data, own calculation

Remarkable premium and earnings growth

Improved result from Life & Health and favourable investment income

Group figures in m. EUR

| | Q4/2018 | Q4/2019 | Δ | 2018 | 2019 | Δ |
|---------------------------------------|------------|------------|---------------|--------------|--------------|---------------|
| Gross written premium | 4,184 | 5,204 | +24.4% | 19,176 | 22,598 | +17.8% |
| Net premium earned | 4,515 | 5,338 | +18.2% | 17,289 | 19,730 | +14.1% |
| Net underwriting result | 52 | (35) | -166.7% | (51) | (216) | - |
| - Incl. funds withheld | 97 | 24 | -75.6% | 157 | (10) | -106.2% |
| Net investment income | 375 | 425 | +13.5% | 1,530 | 1,757 | +14.8% |
| - From assets under own mgmt. | 330 | 366 | +11.1% | 1,322 | 1,551 | +17.3% |
| - From funds withheld | 45 | 59 | +31.3% | 208 | 206 | -0.7% |
| Other income and expenses | 12 | 68 | - | 118 | 312 | +165.2% |
| Operating profit/loss (EBIT) | 440 | 458 | +4.2% | 1,597 | 1,853 | +16.1% |
| Financing costs | (20) | (23) | +15.9% | (78) | (87) | +11.3% |
| Net income before taxes | 419 | 434 | +3.6% | 1,518 | 1,766 | +16.3% |
| Taxes | (63) | (127) | +102.8% | (373) | (393) | +5.3% |
| Net income | 357 | 307 | -13.8% | 1,146 | 1,373 | +19.9% |
| - Non-controlling interests | 23 | 26 | +17.1% | 86 | 89 | +3.7% |
| Group net income | 334 | 281 | -15.9% | 1,059 | 1,284 | +21.2% |
| Retention | 90.4% | 88.5% | | 90.7% | 90.0% | |
| EBIT margin (EBIT/Net premium earned) | 9.7% | 8.6% | | 9.2% | 9.4% | |
| Tax ratio | 14.9% | 29.2% | | 24.6% | 22.2% | |
| Earnings per share (in EUR) | 2.77 | 2.33 | | 8.79 | 10.65 | |

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Strong growth based on improving reinsurance market environment

Satisfactory results despite large losses exceeding budget

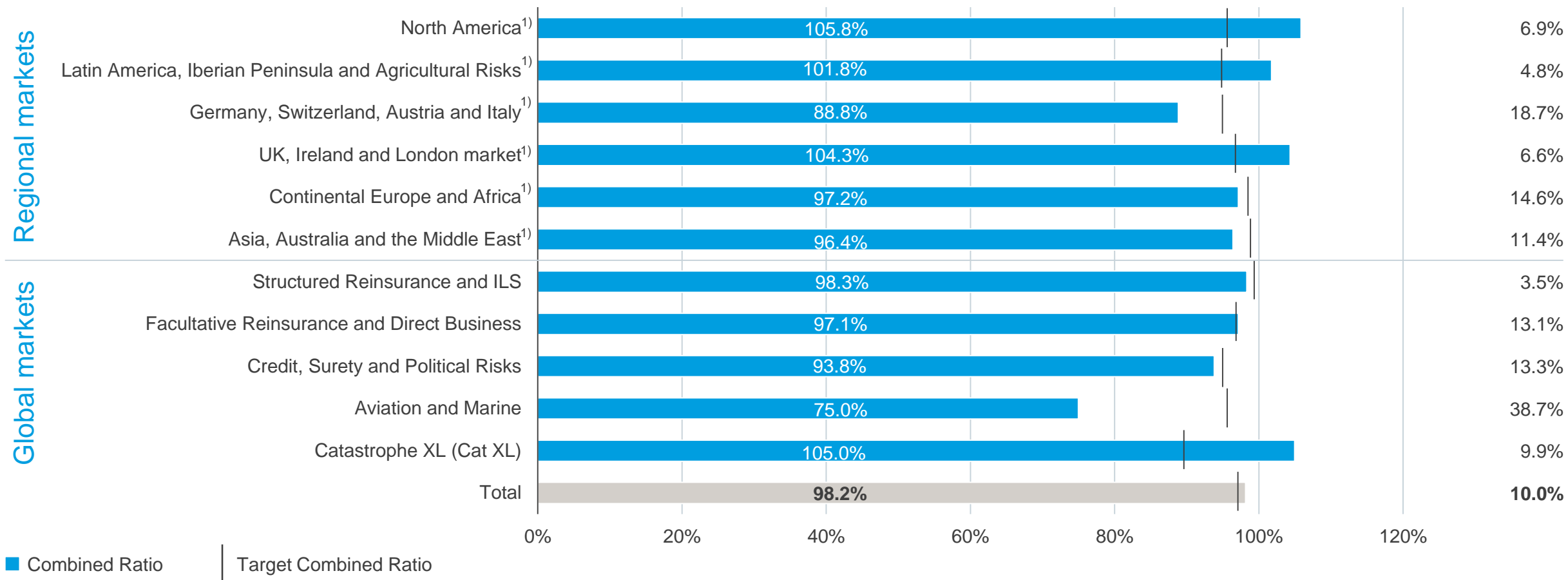
| Property & Casualty R/I in m. EUR | Q4/2018 | Q4/2019 | 2018 | 2019 |
|--|------------|------------|--------------|--------------|
| Gross written premium | 2,318 | 3,128 | 11,976 | 14,781 |
| Net premium earned | 2,787 | 3,515 | 10,804 | 12,798 |
| Net underwriting result incl. funds withheld | 114 | 110 | 373 | 235 |
| Combined ratio incl. interest on funds withheld | 95.9% | 96.9% | 96.5% | 98.2% |
| Net investment income from assets under own management | 242 | 254 | 999 | 1,022 |
| Other income and expenses | (37) | 3 | (50) | 29 |
| Operating profit/loss (EBIT) | 319 | 367 | 1,323 | 1,286 |
| Tax ratio | 12.6% | 29.9% | 23.4% | 25.4% |
| Group net income | 257 | 232 | 929 | 872 |
| Earnings per share (in EUR) | 2.13 | 1.92 | 7.70 | 7.23 |

YTD

- GWP f/x-adjusted +20.4%, growth from traditional reinsurance (+21.6%) as well as Structured R/I (+15.7%)
- NPE f/x-adjusted +15.8%
- Major losses of EUR 956 m. (7.5% of NPE) above budget of EUR 875 m.
- Negative development of typhoon Jebi impacted the combined ratio by approx. EUR 80 m.
- Positive overall run-off result and (unchanged) conservative initial reserving
- US casualty development and decision on Ogden rate change lead to reduction in reserve redundancies
- Net investment income increased mainly driven by strong ordinary investment income
- Other income and expenses benefitted from disposal of participation in Q3/2019
- EBIT margin of 10.0% exactly in line with target
- Tax ratio at normalised level

High large loss experience leads to a Combined Ratio above target

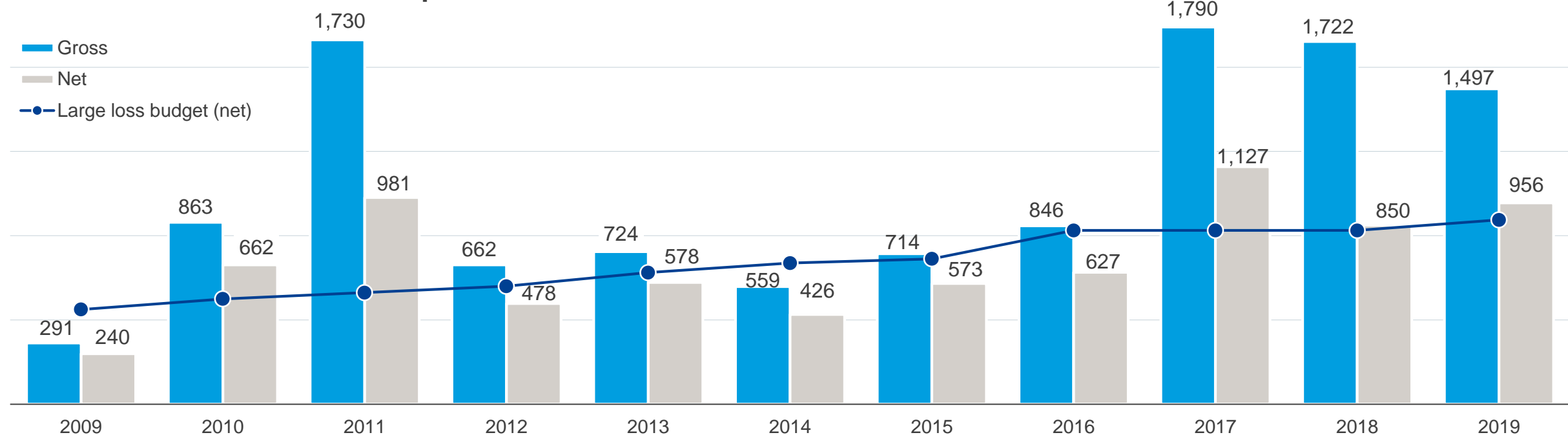
Q1-4/2019: Combined Ratio vs. Target Combined Ratio



1) All lines of Property & Casualty reinsurance except those stated separately

Large losses exceed budget by EUR 81 million

Natural and man-made catastrophe losses¹⁾



Natural and man-made catastrophe losses in % of Property & Casualty premium

| | | | | | | | | | | | | | | | | | | | | | |
|----|----|-----|-----|-----|-----|----|----|----|----|----|----|----|----|----|----|-----|-----|-----|----|-----|----|
| 5% | 5% | 14% | 12% | 25% | 16% | 9% | 7% | 9% | 8% | 7% | 6% | 8% | 7% | 9% | 8% | 17% | 12% | 14% | 8% | 10% | 7% |
|----|----|-----|-----|-----|-----|----|----|----|----|----|----|----|----|----|----|-----|-----|-----|----|-----|----|

Large loss budget (net) in m. EUR

| | | | | | | | | | | |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 450 | 500 | 530 | 560 | 625 | 670 | 690 | 825 | 825 | 825 | 875 |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|

1) Up to 2011 claims over EUR 5 m. gross, from 2012 onwards claims over EUR 10 m. gross

Large losses above budget due to frequency of man-made losses

Large losses from natural catastrophes in line with expectations

| Catastrophe losses ¹⁾ in m. EUR | Date | Gross | Net |
|--|----------------|----------------|--------------|
| Flood, Australia | 26 Jan - 7 Feb | 37.1 | 27.5 |
| Storm / flood, USA | 12 - 13 Mar | 20.2 | 17.6 |
| Tornados, USA | 25 - 29 May | 40.8 | 38.7 |
| Hailstorm "Jörn", Germany | 10 Jun | 23.9 | 14.9 |
| Typhoon "Lekima", China | 10 - 11 Aug | 14.8 | 14.3 |
| Hurricane "Dorian", Bahamas, USA | 1 Sep | 221.2 | 194.7 |
| Typhoon "Faxai", Japan | 8 Sep | 187.8 | 83.8 |
| Typhoon "Hagibis", Japan | 12 - 13 Oct | 447.1 | 183.8 |
| Earthquake, Albania | 26 Nov | 15.3 | 14.9 |
| Bushfire, Australia | 1 - 31 Dec | 54.9 | 46.3 |
| 10 Natural catastrophes | | 1,062.9 | 636.5 |
| 2 Marine claims | | 24.8 | 15.1 |
| 2 Aviation claims | | 127.9 | 33.2 |
| 6 Property claims | | 184.6 | 174.2 |
| 2 Credit claims | | 97.1 | 97.1 |
| 12 Man-made losses | | 434.4 | 319.6 |
| 22 Major losses | | 1,497.3 | 956.1 |

1) Natural catastrophes and other major losses in excess of EUR 10 m. gross
 Large loss budget EUR 875 m. thereof EUR 175 m. Man-made and EUR 700 m. Nat Cat

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Strong earnings contribution from Life & Health reinsurance

US mortality performance better than expected

| Life & Health R/I in m. EUR | Q4/2018 | Q4/2019 | 2018 | 2019 |
|--|------------|-----------|------------|------------|
| Gross written premium | 1,865 | 2,076 | 7,200 | 7,816 |
| Net premium earned | 1,728 | 1,823 | 6,485 | 6,932 |
| Net underwriting result incl. funds withheld | (16) | (86) | (216) | (245) |
| Net investment income from assets under own management | 87 | 112 | 320 | 526 |
| Other income and expenses | 50 | 67 | 172 | 289 |
| Operating profit/loss (EBIT) | 121 | 92 | 276 | 570 |
| EBIT margin | 7.0% | 5.1% | 4.3% | 8.2% |
| Tax ratio | 22.6% | 23.6% | 32.0% | 16.4% |
| Group net income | 93 | 69 | 186 | 472 |
| Earnings per share (in EUR) | 0.77 | 0.57 | 1.54 | 3.91 |

YTD

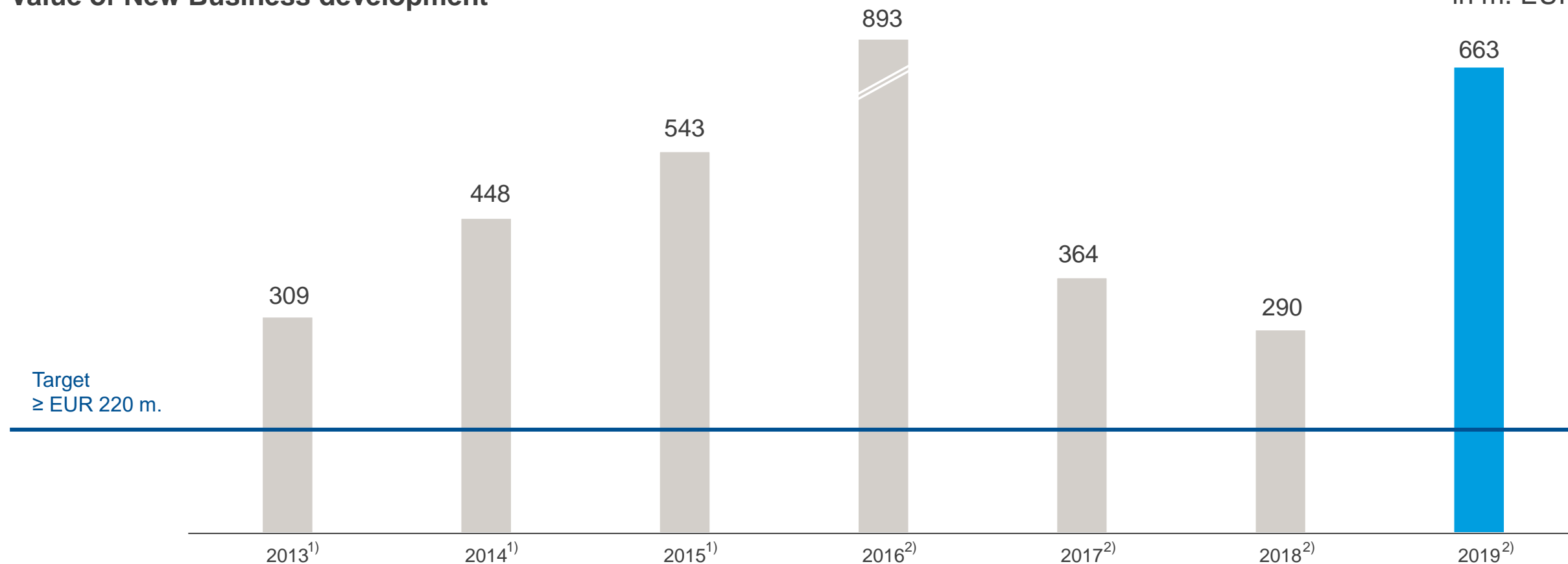
- GWP f/x-adjusted +6.7%, mainly from APAC and UK Longevity
- NPE f/x-adjusted growth +5.1%
- US mortality improved significantly due to in-force management actions. Technical result negatively impacted by Australian disability and UK mortality in 1H/2019
- Extraordinary gain from restructuring of a participation in Q2/2019 (EUR 99.5 m.). Favourable ordinary investment income and change in fair value of financial instruments
- Other income and expenses mainly the result of strong contribution from deposit accounted treaties in Financial Solutions in the amount of EUR 287 m. (2018: EUR 198 m.)
- EBIT materially exceeds prior year
- Low tax ratio due to tax-reduced investment gains

Value of New Business well above target

Driven by Financial Solutions and Longevity business

Value of New Business development

in m. EUR



1) Based on MCEV principles and post-tax reporting (in 2015 cost of capital already increased from 4.5% to 6% in line with Solvency II)

2) Based on Solvency II principles and pre-tax reporting

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Very pleasing outperformance of RoI target

Realisations driven by successful real estate transactions and one-off in L&H

| in m. EUR | Q4/2018 | Q4/2019 | 2018 | 2019 | RoI |
|---|------------|------------|--------------|--------------|-------------|
| Ordinary investment income ¹⁾ | 333 | 356 | 1,327 | 1,407 | 3.1% |
| Realised gains/losses | 27 | 74 | 128 | 274 | 0.6% |
| Impairments/appreciations & depreciations | (12) | (28) | (49) | (81) | -0.2% |
| Change in fair value of financial instruments (through P&L) | 11 | -4 | 31 | 73 | 0.2% |
| Investment expenses | (29) | (33) | (114) | (122) | -0.3% |
| NII from assets under own mgmt. | 330 | 366 | 1,322 | 1,551 | 3.5% |
| NII from funds withheld | 45 | 59 | 208 | 206 | |
| Total net investment income | 375 | 425 | 1,530 | 1,757 | |

YTD

- Rise in ordinary income from fixed-income securities and real estate as well as strong results from private equity investments
- Realised gains driven by restructuring of participation in L&H and disposals of two real estate objects as well as positive effects from fixed income portfolios
- Positive development of fair value changes through P&L predominantly due to reinsurance embedded derivatives
- Significant rise in valuation reserves due to lower EUR, USD and GBP yields as well as lower credit spreads on corporates

| Unrealised gains/losses of investments | 31 Dec 18 | 31 Dec 19 |
|--|------------|--------------|
| On-balance sheet | 500 | 1,789 |
| thereof Fixed income AFS | 91 | 1,356 |
| Off-balance sheet | 498 | 524 |
| thereof Fixed income HTM, L&R | 227 | 233 |
| Total | 998 | 2,314 |

1) Incl. results from associated companies

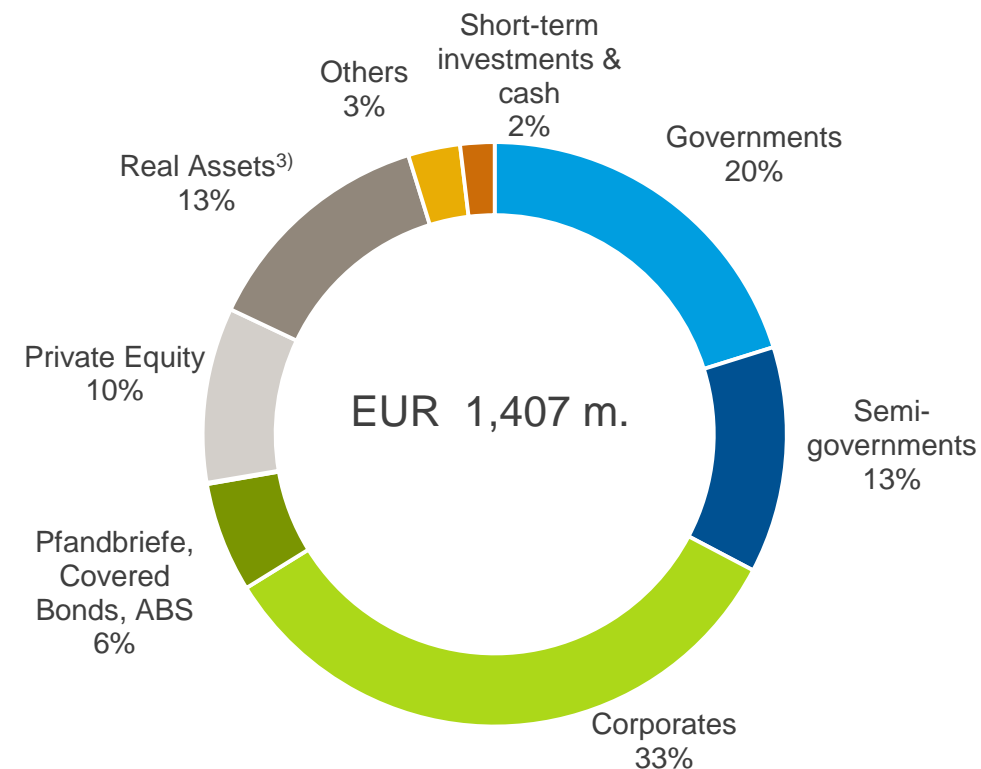
Ordinary investment income well supported by alternative asset classes

Credit profile slightly more offensive with increased share in Emerging Markets

Asset allocation¹⁾

| Investment category | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|-------------|-------------|-------------|-------------|------------------|
| Fixed-income securities | 87% | 87% | 87% | 87% | 87% |
| - Governments | 26% | 28% | 30% | 35% | 35% |
| - Semi-governments | 17% | 18% | 17% | 16% | 15% |
| - Corporates | 34% | 33% | 32% | 29% | 31% |
| Investment grade | 30% | 28% | 27% | 25% | 26% |
| Non-investment grade | 4% | 4% | 5% | 4% | 4% |
| - Pfandbriefe, Covered bonds, ABS | 10% | 9% | 8% | 7% | 7% ²⁾ |
| Equities | 3% | 4% | 2% | 2% | 3% |
| - Listed equity | 1% | 2% | <1% | <1% | <1% |
| - Private equity | 2% | 2% | 2% | 2% | 2% |
| Real Assets | 4% | 5% | 5% | 6% | 5% |
| Others | 1% | 1% | 1% | 1% | 2% |
| Short-term investments & cash | 5% | 4% | 4% | 4% | 3% |
| Total market values in bn. EUR | 39.8 | 42.3 | 40.5 | 42.7 | 48.2 |

Ordinary income split



1) Economic view based on market values without outstanding commitments for Private Equity and Alternative Real Estate as well as fixed-income investments of EUR 1,429.9 m. (EUR 1,326.4 m.) as at 31 December 2019

2) Of which Pfandbriefe and Covered Bonds = 66.9%

3) Before real estate-specific costs. Economic view based on market values as at 31 December 2019

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Group capital position remains comfortable

Growth in own funds exceeds SCR growth, driven also by hybrid bond issuance in Q4

| in m. EUR | Solvency II ¹⁾ 31.12.2018 | Solvency II ²⁾ 31.12.2019 | Internal Metrics 31.12.2019 |
|---|---|---|--------------------------------|
| Available Economic Capital / Eligible Own Funds ³⁾ | 12,635 | 14,399 | 15,035 |
| Solvency Capital Requirements (SCR) | 5,135 | 5,719 | 5,719 |
| Excess Capital | 7,499 | 8,680 | 9,316 |
| Capital Adequacy Ratio | 246% | 252% | 263% |
| Minimum Target Ratio (Limit / Threshold) | | 180% / 200% | |

1) Small deviations compared to annual report 2018 since the amounts are based on final Solvency II year-end reporting as presented in the Solvency and Financial Condition Report (SFCR).

2) Full internal model incl. the application of the dynamic volatility adjustment (subject to regulatory approval), own funds based on the Solvency II reporting as of 31 December 2019, audit opinions not issued yet

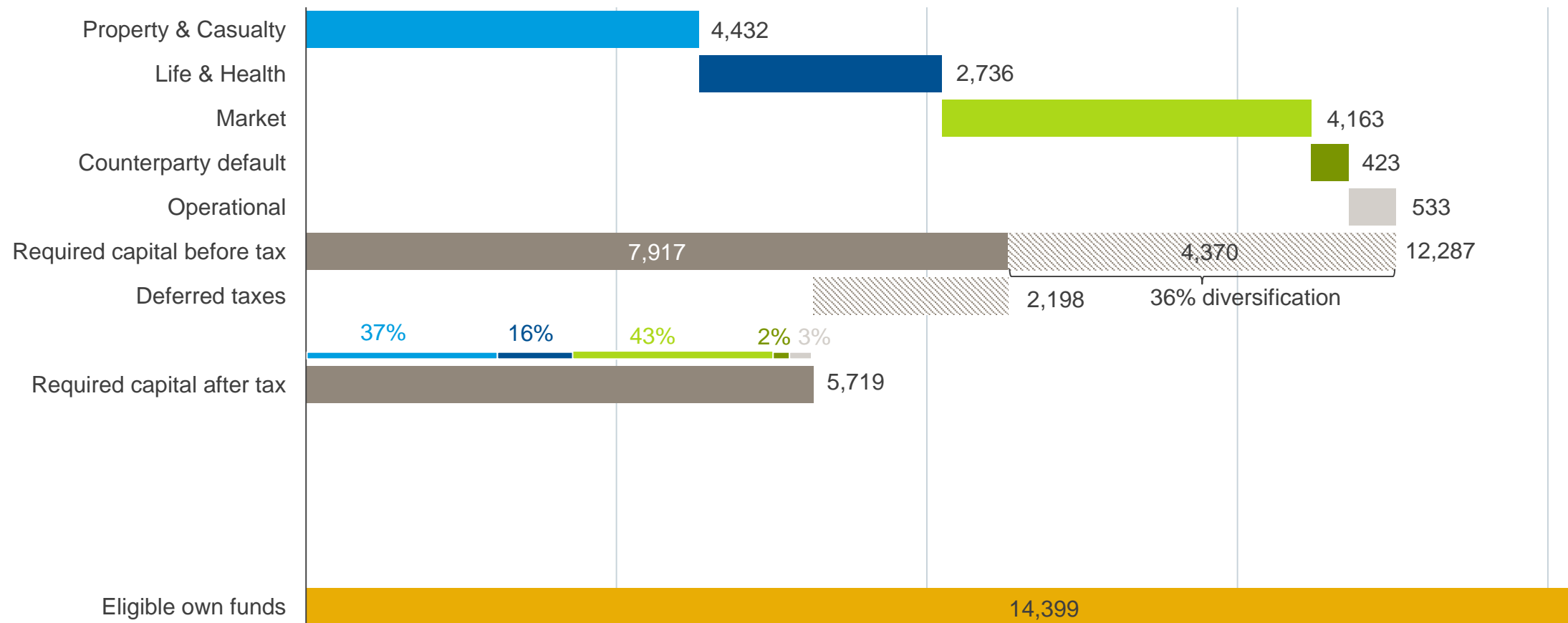
3) Including haircut (EUR 636 m.) for minority interests (mostly E+S Rückversicherung AG)

Efficient capital deployment supported by significant diversification

Eligible own funds at record high

Solvency Capital Requirements

in m. EUR

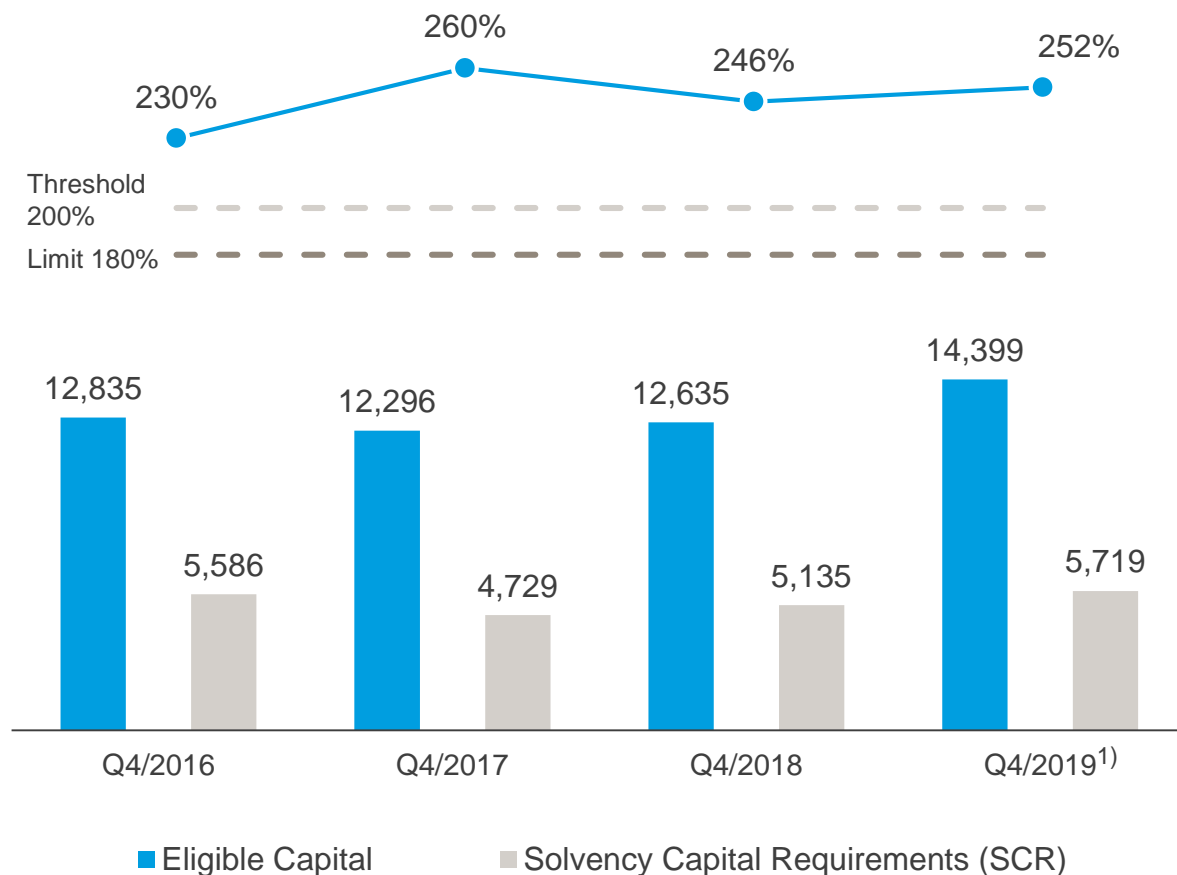


As at 31 December 2019
 Solvency capital requirements based on the full internal model incl. the application of the dynamic volatility adjustment (subject to regulatory approval).
 The capital allocation is based on TVaR which takes dependencies between risk categories into account.

Improving capital adequacy ratio

Strong growth supported by excellent operating earnings

Development of the (regulatory) capital adequacy ratio



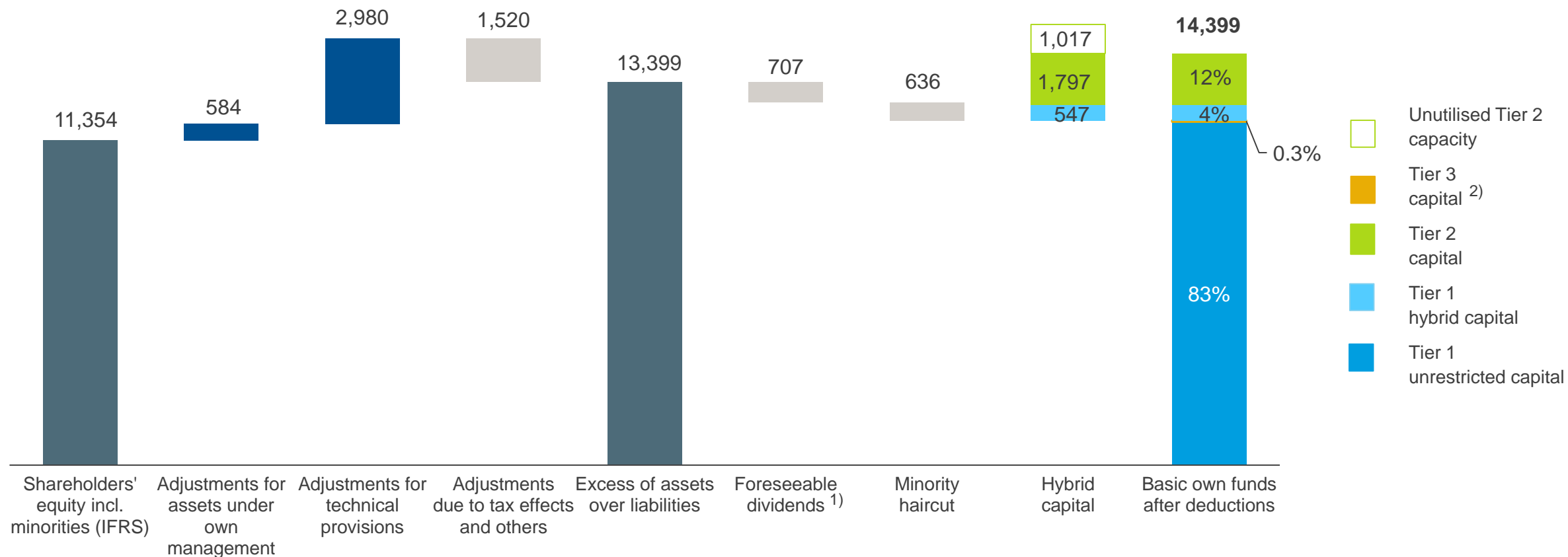
- **2018:** Decrease in solvency ratio mainly due to higher capital requirements as a result of growing business and widening of credit spreads, with offsetting effects from first-time application of volatility adjustment in Q4/2018.
- **2019:** Increase in solvency ratio due to the additional hybrid bond issued in 2019. The increase in capital requirements is a result of increasing business volumes, partly offset by first-time application of the dynamic volatility adjustment in Q4/2019.

1) Solvency Capital Requirements Q4/2019 include the application of the dynamic volatility adjustment (subject to regulatory approval).

High-quality capital base with 87% Tier 1 Unutilized Tier 2 provides additional flexibility

Reconciliation of IFRS Shareholders' equity vs. Solvency II own funds

in m. EUR



As at 31 December 2019, the related audits are at present not fully completed

1) Foreseeable dividends and distributions refer to Hannover Rück SE dividend including non-controlling interests

2) Net deferred tax assets

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Target Matrix 2019

Almost all targets achieved or exceeded

| Business group | Key figures | Strategic targets for 2019 | 2019 |
|-------------------------|--|----------------------------|------------|
| Group | Return on investment ¹⁾ | ≥ 2.8% | 3.4% |
| | Return on equity ²⁾ | ≥ 9.3% | 13.3% |
| | Earnings per share growth (y-o-y) | ≥ 5% | 21.2% |
| | Economic value creation ³⁾ | ≥ 6.3% | 13.5% |
| | Solvency ratio ⁴⁾ | ≥ 200% | 252% |
| Property & Casualty R/I | Gross premium growth ⁵⁾ | 3 - 5% | 20.4% |
| | Combined ratio ⁶⁾ | ≤ 97% | 98.2% |
| | EBIT margin ⁷⁾ | ≥ 10% | 10.0% |
| | xRoCA ⁸⁾ | ≥ 2% | 0.1% |
| Life & Health R/I | Gross premium growth ⁹⁾ | 3 - 5% | 6.7% |
| | Value of New Business (VNB) ¹⁰⁾ | ≥ EUR 220 m. | EUR 663 m. |
| | EBIT growth ¹¹⁾ | ≥ 5% | 106.6% |
| | xRoCA ⁸⁾ | ≥ 2% | 12.4% |

1) Excl. effects from ModCo derivatives

3) Growth in economic equity + paid dividend; target: 600 bps above 5-year average return of 10-year German government bonds

5) On average throughout the R/I cycle at constant f/x rates

7) EBIT/net premium earned

9) Organic growth only; target: annual average growth over a 3-year period, at constant f/x rates

11) Annual average growth over a 3-year period

2) After tax; target: 900 bps above 5-year average return of 10-year German government bonds

4) According to our internal capital model and Solvency II requirements

6) Incl. large loss budget of EUR 875 m.

8) Excess return on allocated economic capital

10) Based on Solvency II principles; pre-tax reporting

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| 4 | Investments | 18 |
| 5 | Solvency II reporting as at 31 December 2019 | 21 |
| 6 | Target Matrix | 26 |
| 7 | Outlook 2020 | 28 |
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Overall profitability above margin requirements in Property & Casualty

Financial year 2020

Reporting categories

| Reporting categories | Volume ¹⁾ | Profitability ²⁾ |
|---|----------------------|-----------------------------|
| North America ³⁾ | | + |
| Latin America, Iberian Peninsula and Agricultural Risks ³⁾ | | + |
| Germany, Switzerland, Austria and Italy ³⁾ | | + |
| UK, Ireland and London Market ³⁾ | | +/- |
| Continental Europe and Africa ³⁾ | | +/- |
| Asia, Australia and the Middle East ³⁾ | | +/- |
| Structured Reinsurance and ILS | | + |
| Facultative Reinsurance and Direct Business | | + |
| Credit, Surety and Political Risks | | +/- |
| Aviation and Marine | | +/- |
| Catastrophe XL (Cat XL) | | +/- |

1) In EUR, development in original currencies can be different

2) ++ = well above CoC; + = above CoC; +/- = CoC earned; - = below Cost of Capital (CoC)

3) All lines of business except those stated separately

Profitability at or above cost of capital in all reporting categories

Financial year 2020

Reporting categories

Volume¹⁾

Profitability²⁾

Financial solutions



++

Longevity



+

Mortality



+/-

Morbidity



+/-

1) In EUR, development in original currencies can be different

2) ++ = well above CoC; + = above CoC; +/- = CoC earned; - = below Cost of Capital (CoC)

Guidance for 2020

Hannover Re Group

- Gross written premium¹⁾ _____ ~ 5% growth
- Return on investment^{2) 3)} _____ ~ 2.7%
- Group net income²⁾ _____ ~ EUR 1.2 bn.
- Ordinary dividend payout ratio⁴⁾ _____ 35% - 45%
- Special dividend _____ additional payout if profit target is reached and capitalisation remains comfortable

1) At unchanged f/x rates

2) Subject to no major distortions in capital markets and/or major losses in 2020 not exceeding the large loss budget of EUR 975 m.

3) Excluding effects from ModCo derivatives

4) Relative to group net income according to IFRS

Agenda

| | | |
|----------|--|----|
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| 2 | Property & Casualty reinsurance | 10 |
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Our business groups at a glance

2019 vs. 2018

| in m. EUR | Property & Casualty R/I | | | Life & Health R/I | | | Total | | |
|---|-------------------------|--------------|--------------|-------------------|------------|----------------|--------------|--------------|---------------|
| | 2018 | 2019 | Δ | 2018 | 2019 | Δ | 2018 | 2019 | Δ |
| Gross written premium | 11,976 | 14,781 | +23.4% | 7,200 | 7,816 | +8.6% | 19,176 | 22,598 | +17.8% |
| Net premium earned | 10,804 | 12,798 | +18.5% | 6,485 | 6,932 | +6.9% | 17,289 | 19,730 | +14.1% |
| Net underwriting result | 337 | 188 | -44.3% | (388) | (404) | +4.0% | (51) | (216) | - |
| Net underwriting result incl. funds withheld | 373 | 235 | -36.9% | (216) | (245) | +13.4% | 157 | (10) | -106.2% |
| Net investment income | 1,035 | 1,069 | +3.3% | 492 | 684 | +39.2% | 1,530 | 1,757 | +14.8% |
| From assets under own management | 999 | 1,022 | +2.3% | 320 | 526 | +64.5% | 1,322 | 1,551 | +17.3% |
| From funds withheld | 36 | 48 | +33.1% | 172 | 159 | -7.8% | 208 | 206 | -0.7% |
| Other income and expenses | (50) | 29 | -157.7% | 172 | 289 | +68.0% | 118 | 312 | +165.2% |
| Operating profit/loss (EBIT) | 1,323 | 1,286 | -2.8% | 276 | 570 | +106.6% | 1,597 | 1,853 | +16.1% |
| Financing costs | 0 | (2) | - | 0 | (2) | - | (78) | (87) | +11.3% |
| Net income before taxes | 1,323 | 1,283 | -3.0% | 276 | 568 | +106.0% | 1,518 | 1,766 | +16.3% |
| Taxes | (309) | (326) | +5.4% | (88) | (93) | +5.8% | (373) | (393) | +5.3% |
| Net income | 1,014 | 958 | -5.5% | 188 | 475 | +153.2% | 1,146 | 1,373 | +19.9% |
| Non-controlling interest | 84 | 86 | +1.8% | 2 | 3 | +104.4% | 86 | 89 | +3.7% |
| Group net income | 929 | 872 | -6.2% | 186 | 472 | +153.7% | 1,059 | 1,284 | +21.2% |
| Retention | 90.7% | 90.3% | | 90.7% | 89.5% | | 90.7% | 90.0% | |
| Combined ratio (incl. interest on funds withheld) | 96.5% | 98.2% | | - | - | | - | - | |
| EBIT margin (EBIT / Net premium earned) | 12.2% | 10.0% | | 4.3% | 8.2% | | 9.2% | 9.4% | |
| Tax ratio | 23.4% | 25.4% | | 32.0% | 16.4% | | 24.6% | 22.2% | |
| Earnings per share (in EUR) | 7.70 | 7.23 | | 1.54 | 3.91 | | 8.79 | 10.65 | |

Our business groups at a glance

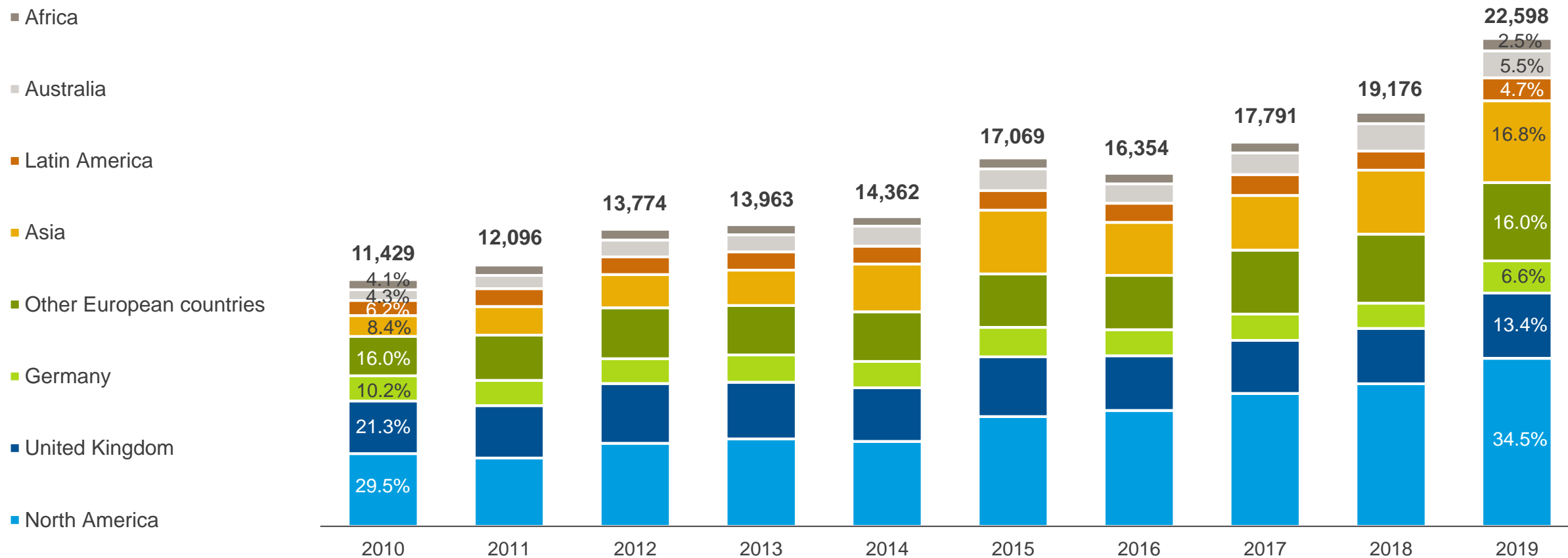
Q4/2019 vs. Q4/2018

| in m. EUR | Property & Casualty R/I | | | Life & Health R/I | | | Total | | |
|---|-------------------------|------------|---------------|-------------------|-----------|---------------|------------|------------|---------------|
| | Q4/2018 | Q4/2019 | Δ | Q4/2018 | Q4/2019 | Δ | Q4/2018 | Q4/2019 | Δ |
| Gross written premium | 2,318 | 3,128 | +34.9% | 1,865 | 2,076 | +11.3% | 4,184 | 5,204 | +24.4% |
| Net premium earned | 2,787 | 3,515 | +26.1% | 1,728 | 1,823 | +5.5% | 4,515 | 5,338 | +18.2% |
| Net underwriting result | 104 | 96 | -7.9% | (52) | (131) | +152.5% | 52 | (35) | -166.7% |
| Net underwriting result incl. funds withheld | 114 | 110 | -3.3% | (16) | (86) | - | 97 | 24 | -75.6% |
| Net investment income | 251 | 268 | +6.6% | 123 | 157 | +27.7% | 375 | 425 | +13.5% |
| From assets under own management | 242 | 254 | +5.0% | 87 | 112 | +28.1% | 330 | 366 | +11.1% |
| From funds withheld | 9 | 14 | +48.8% | 36 | 45 | +26.7% | 45 | 59 | +31.3% |
| Other income and expenses | (37) | 3 | -107.7% | 50 | 67 | +33.6% | 12 | 68 | - |
| Operating profit/loss (EBIT) | 319 | 367 | +15.0% | 121 | 92 | -23.5% | 440 | 458 | +4.2% |
| Financing costs | 0 | (1) | - | 0 | 0 | - | (20) | (23) | +15.9% |
| Net income before taxes | 319 | 366 | +14.8% | 121 | 92 | -23.9% | 419 | 434 | +3.6% |
| Taxes | (40) | (110) | +172.8% | (27) | (22) | -20.7% | (63) | (127) | +102.8% |
| Net income | 279 | 257 | -8.0% | 93 | 70 | -24.8% | 357 | 307 | -13.8% |
| Non-controlling interest | 22 | 25 | +13.0% | 0 | 1 | - | 23 | 26 | +17.1% |
| Group net income | 257 | 232 | -9.8% | 93 | 69 | -26.0% | 334 | 281 | -15.9% |
| Retention | 90.0% | 88.5% | | 91.0% | 88.5% | | 90.4% | 88.5% | |
| Combined ratio (incl. interest on funds withheld) | 95.9% | 96.9% | | - | - | | - | - | |
| EBIT margin (EBIT / Net premium earned) | 11.4% | 10.4% | | 7.0% | 5.1% | | 9.7% | 8.6% | |
| Tax ratio | 12.6% | 29.9% | | 22.6% | 23.6% | | 14.9% | 29.2% | |
| Earnings per share (in EUR) | 2.13 | 1.92 | | 0.77 | 0.57 | | 2.77 | 2.33 | |

Well balanced international portfolio growth

Gross written premium

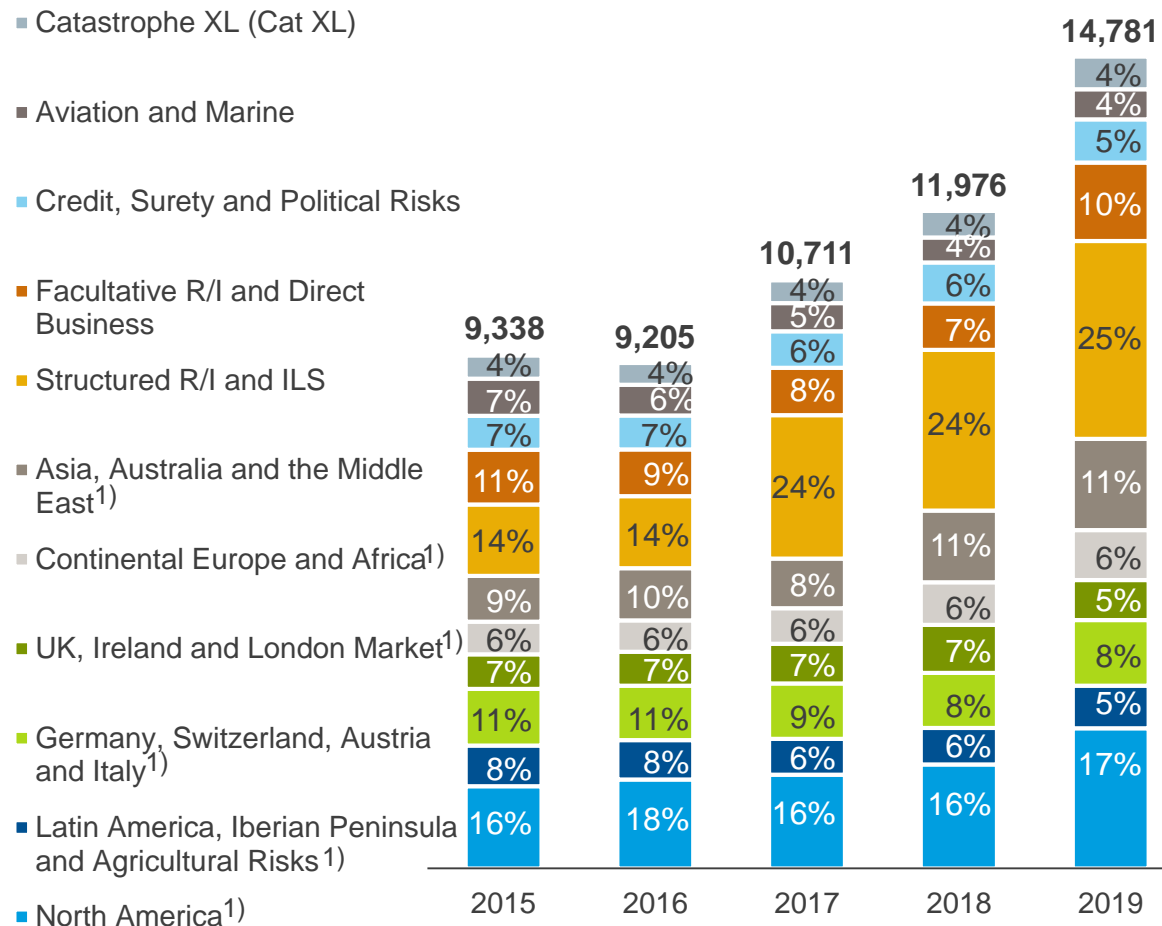
in m. EUR



Property & Casualty reinsurance: diversified growth

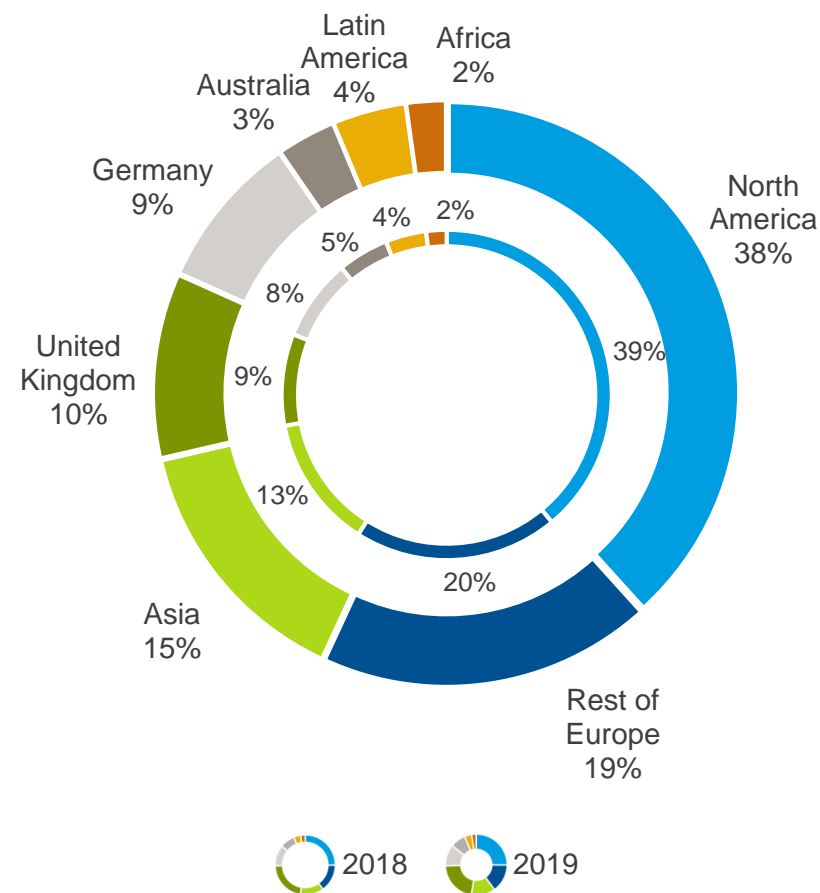
5-year CAGR: +13.3%

GWP split by line of business



1) Unless stated in a separate line

Gross written premium split by regions

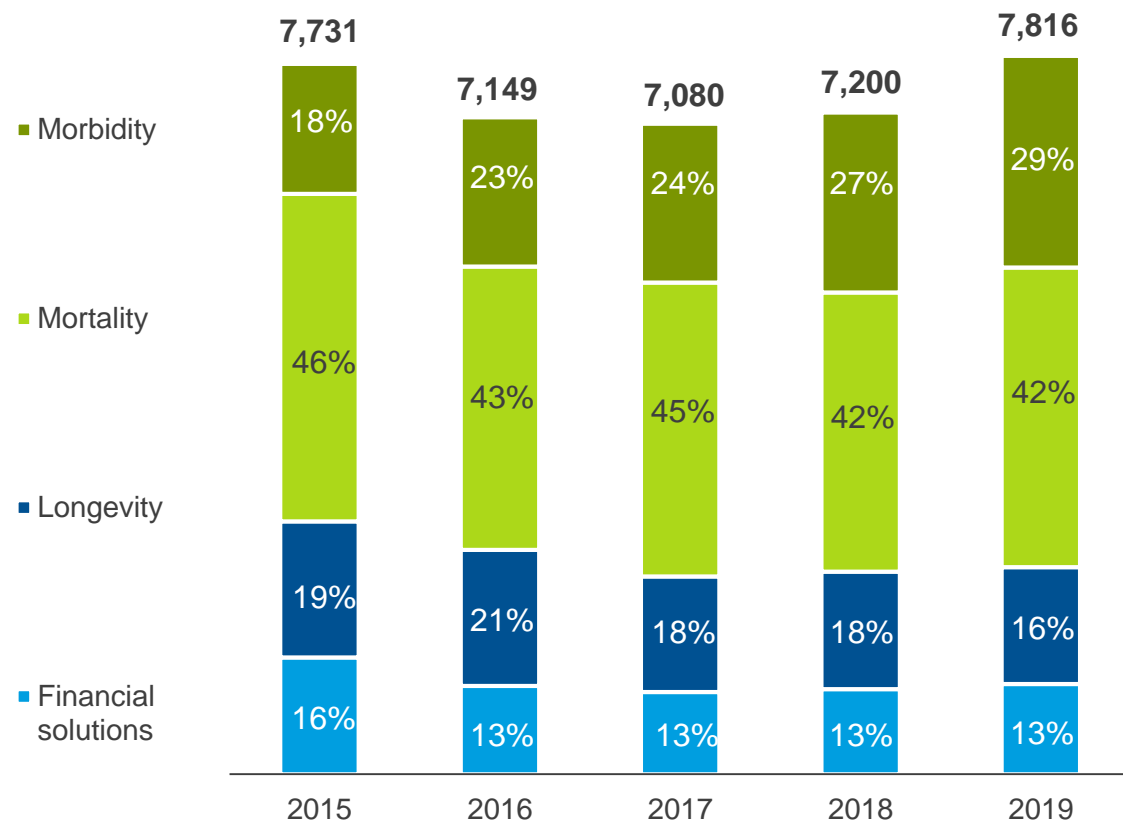


Life & Health reinsurance: worldwide portfolio

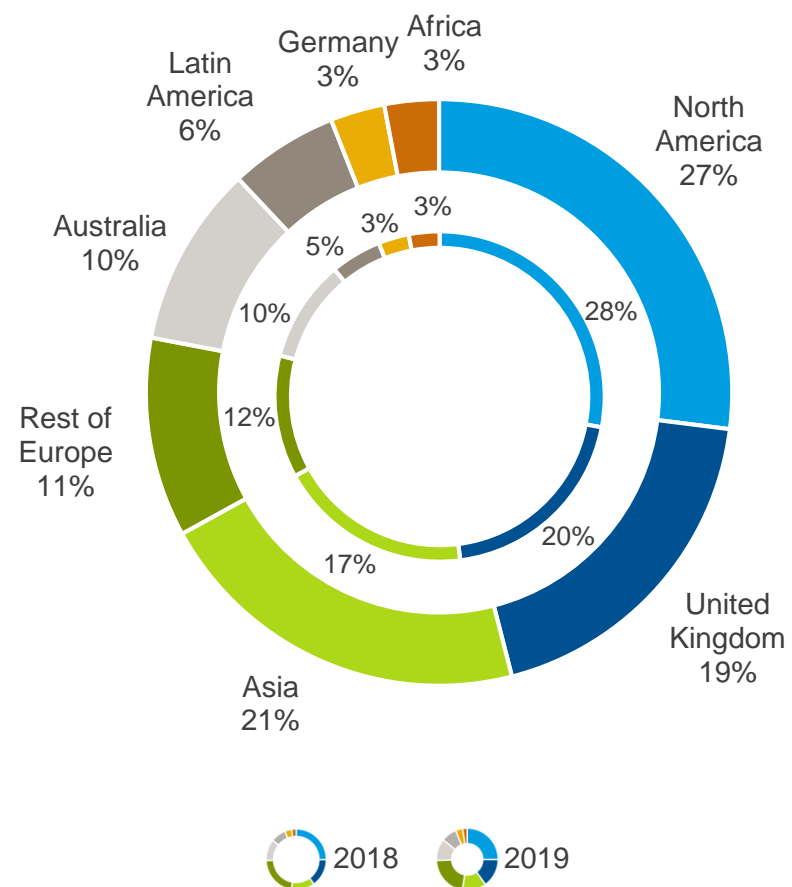
5-year CAGR: +3.9%

GWP split by reporting categories

in m. EUR



Gross written premium split by regions



Stress tests on assets under own management

Focus on credit and real assets risks

| Portfolio | Scenario | Change in market value in m. EUR | Change in OCI before tax in m. EUR |
|------------------------------------|----------|-------------------------------------|---------------------------------------|
| Equity (listed and private equity) | -10% | -121 | -121 |
| | -20% | -241 | -241 |
| Fixed-income securities | +50 bps | -1,202 | -1,141 |
| | +100 bps | -2,337 | -2,218 |
| Credit spreads | +50% | -757 | -749 |
| Real Assets | -10% | -262 | -105 |

As at 31 December 2019

High-quality fixed income book well balanced

Geographical allocation mainly in accordance with our broad business diversification

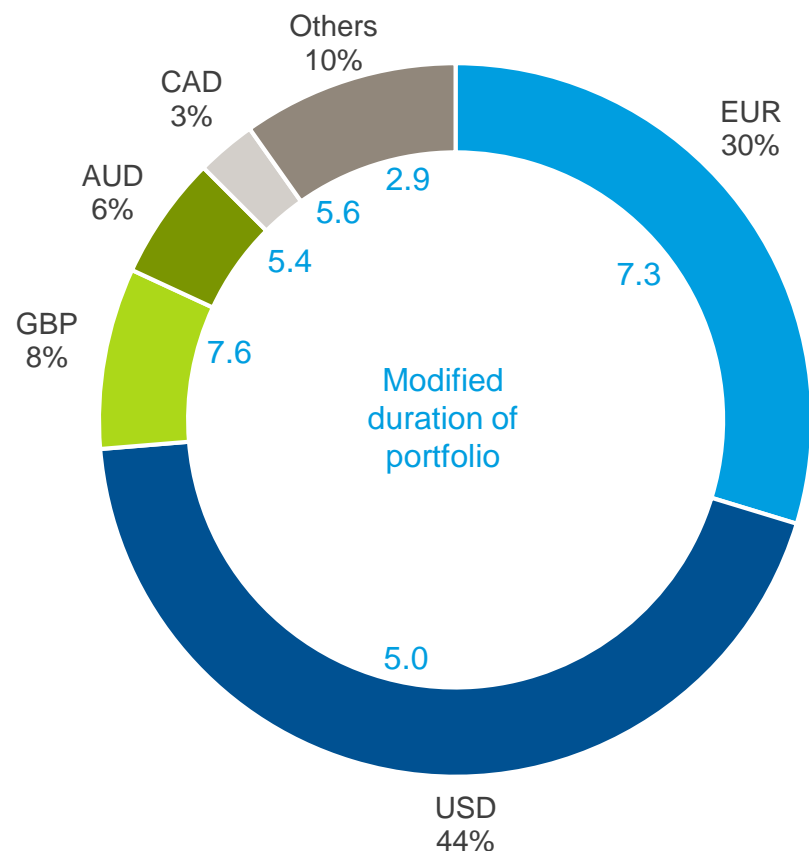
| | Governments | Semi-governments | Corporates | Pfandbriefe, Covered bonds, ABS | Short-term investments, cash | Total |
|-----------------------------------|---------------|------------------|---------------|---------------------------------|------------------------------|---------------|
| AAA | 73% | 53% | 1% | 58% | - | 44% |
| AA | 13% | 26% | 12% | 22% | - | 16% |
| A | 8% | 7% | 28% | 12% | - | 15% |
| BBB | 4% | 1% | 48% | 7% | - | 19% |
| <BBB | 2% | 13% | 11% | 1% | - | 7% |
| Total | 100% | 100% | 100% | 100% | - | 100% |
| Germany | 21% | 34% | 4% | 20% | 19% | 17% |
| UK | 8% | 3% | 7% | 10% | 15% | 7% |
| France | 1% | 2% | 8% | 6% | 0% | 4% |
| GIIPS | 1% | 1% | 4% | 5% | 0% | 2% |
| Rest of Europe | 3% | 13% | 16% | 23% | 2% | 10% |
| USA | 47% | 10% | 33% | 14% | 14% | 33% |
| Australia | 3% | 10% | 7% | 10% | 9% | 7% |
| Asia | 11% | 14% | 7% | 1% | 28% | 10% |
| Rest of World | 5% | 15% | 14% | 10% | 13% | 10% |
| Total | 100% | 100% | 100% | 100% | 100% | 100% |
| Total b/s values in m. EUR | 16,743 | 7,007 | 14,162 | 3,152 | 1,559 | 42,624 |

IFRS figures as at 31 December 2019

Currency allocation matches liability profile of balance sheet

Duration-neutral strategy continued with slightly longer neutral point

Currency split of investments



- Modified duration of fixed-income mainly congruent with liabilities and currencies
- Increase of modified duration against 2018 mainly due to decreased interest rates and credit spreads as well as due to new hybrid bond and changed liability modelling
- GBP's higher modified duration predominantly due to life business; EUR driven by hybrid bond issuance

Modified duration

| | |
|------|-----|
| 2019 | 5.7 |
| 2018 | 4.8 |
| 2017 | 4.8 |
| 2016 | 5.0 |
| 2015 | 4.4 |

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