

2018

# Key figures

## Munich Reinsurance Company (under German accountancy rules)

€m	2018	2017	2016
Gross premiums written	20,503	22,612	23,527
Investments	74,450	76,679	79,295
Net technical provisions	59,133	60,036	59,265
Shareholders' equity	11,701	11,841	11,992
Profit/loss for the year	2,160	2,199	3,411
Dividend	1,342	1,286	1,333
Dividend per share in €	9.25	8.60	8.60
Share price at 31 December in € <sup>1</sup>	190.55	180.75	179.65
Market capitalisation at 31 December	28,495	28,021	28,933

<sup>1</sup> Source: Datastream.

Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München (hereinafter: Munich Reinsurance Company) has its registered office in Munich (Commercial register number: HRB 42039, Registrar of Companies: Local Court [Amtsgericht] in Munich).

Our presentation currency is the euro (€). Unless otherwise specified, amounts are rounded to million euros. Due to rounding, there may be minor deviations in summations and in the calculation of percentages, with figures in brackets referring to the previous year.



All the facts and figures for the 2018 financial year can be found in our Group Annual Report. More at [www.munichre.com/annualreport2018](http://www.munichre.com/annualreport2018)

# Munich Reinsurance Company

## Report on the 139th year of business

### 1 January to 31 December 2018

Report of the Supervisory Board	2
Combined management report and combined non-financial statement	9
Financial statements as at 31 December 2018	11
Balance sheet	12
Income statement	14
Notes to the financial statements	16
List of shareholdings as at 31 December 2018	34
Independent auditor's report	48
Responsibility statement	54

This document is a translation of the original German version and is intended to be used for informational purposes only. While every effort has been made to ensure the accuracy and completeness of the translation, please note that the German original is binding.



**Bernd Pischetsrieder**  
Chairman of the  
Supervisory Board

## Ladies and Gentlemen,

In the 2018 financial year, the Supervisory Board fulfilled all the tasks and duties incumbent upon it by law and under the Articles of Association and the rules of procedure. All members of the Supervisory Board and of the committees took part in over half of the respective meetings. The overall average attendance for all members of the Supervisory Board was 98% in the reporting year.

Details on the disclosure of individual members' attendance can be found at [www.munichre.com/supervisory-board](http://www.munichre.com/supervisory-board).

We monitored the Board of Management in its conduct of the business, and gave advice on all matters of importance for the Group. No inspection measures in accordance with Section 111(2) sentence 1 of the German Stock Corporation Act (AktG) were required at any time.

## Collaboration between Supervisory Board and Board of Management

The Board of Management involved the Supervisory Board in all important business transactions and decisions of fundamental significance for the Group. In our meetings, we discussed all reports from the Board of Management at length. Cooperation with the Board of Management was characterised in every regard by targeted and responsible action aimed at promoting the successful development of Munich Re. The Board of Management satisfied its reporting obligations towards the Supervisory Board in all respects, both verbally and in writing.

Outside of Supervisory Board meetings, the Board of Management informed us promptly about important events in the Group, such as developments during the renewals of property-casualty reinsurance treaties, and the acquisition of the Internet of Things (IoT) technology firm Relayr by our US subsidiary Hartford Steam Boiler. The shareholder representatives and the employee representatives met regularly with the Chairman of the Board of Management for separate discussions in preparation for the meetings.

Between meetings, I met regularly with the Chairman of the Board of Management, Joachim Wenning. We discussed individual questions of strategic orientation and risk management, as well as Munich Re's current business situation. Also between meetings, the Chairman of the Audit Committee, Henning Kagermann, remained in close contact with Jörg Schneider, the member of the Board of Management responsible for Group reporting.

## Focal points of the meetings of the full Supervisory Board

There were six meetings of the Supervisory Board in the year under review. We regularly held in-depth discussions with the Board of Management about business performance and current topics, with special focus on strategic considerations of the Board of Management with respect to the individual fields of business. The Board of Management reported regularly on Munich Re's investments, addressing the development of the global economy and financial markets in detail, as well as their impact on the Group's assets and earnings. In addition, we advised the Board of Management on matters of strategic importance for the future of the Group, including its digitalisation and growth strategies, the investment strategy and the transformation programme. We also conferred on matters involving the full Board of Management in the latter's absence. Moreover, we dealt with the following topics at the individual meetings in 2018:

The meeting on 14 March focused among other things on the Company and Group financial statements for 2017, the combined management report, the separate non-financial (Group) statement and the motions for resolution by the 2018 Annual General Meeting. Furthermore, we conferred and took decisions regarding the extension of a Board of Management appointment, and established the details of the assessment basis and the evaluation method used in determining the multi-year variable remuneration

component for the members of the Board of Management. We also received updates on developments at ERGO and on the Group-wide compliance management system. Representatives of the German Federal Financial Supervisory Authority (BaFin) routinely attended this meeting as guests.

The meeting on 24 April dealt with matters involving the Board of Management, specifically the evaluation of the individual Board members' annual performance for 2017 and their multi-year performance for 2015–2017. We also dealt with a self-assessment of the members of the Supervisory Board concerning their knowledge of specific fields that are important for providing advice and supervision to Munich Re. Compared with the previous year, the Supervisory Board's good overall level of competence has increased further. We found that the Supervisory Board as a whole possesses the appropriate diversity of qualifications, knowledge and experience to provide advice and supervision to Munich Re in a professional manner, taking account of the company-specific characteristics.

On 25 April, directly prior to the Annual General Meeting, we heard the Board of Management's report on the present status of business performance in 2018. We also used the meeting to make last-minute preparations for the Annual General Meeting.

On 17 July, we resolved to appoint Christoph Jurecka to the Board of Management with effect from 1 January 2019 as successor to Jörg Schneider, who retired with effect from 31 December 2018. In addition, we adopted amendments to the allocation of responsibilities among the members of the Board of Management. We also resolved to commission voluntary external assurance of the separate non-financial (Group) statement for the 2018 financial year. We heard reports on current and strategic topics, as well as on the measures taken by Munich Re to guard against cyber risks. The Board of Management informed us about Munich Re's asset management and the planned establishment of a Chief Investment Officer.

The meeting on 18 October dealt with matters of corporate governance, including the adoption of amendments to the Rules of Procedure of the Audit Committee, the annual Declaration of Conformity with the German Corporate Governance Code, as well as the outcome of the annual efficiency review. Further topics included the submission of the Group-wide remuneration report 2017 in accordance with Solvency II and the German Remuneration Regulation for Insurance Companies (VersVergV), and the update of the Munich Re Group Compensation Policy pursuant to Solvency II. The Board of Management also briefed us on Munich Re's IoT business strategy.

On 13 December, we resolved to appoint Nicholas Gartside to the Board of Management, and to make the requisite changes to the allocation of responsibilities among the members of the Board of Management. Furthermore, we established the amount of remuneration for the Board of Management from 2019, as well as the assessment basis for variable remuneration for 2019. The new remuneration system introduced on 1 January 2018 and approved by the Annual General Meeting on 25 April 2018 has remained unchanged. In addition, we adopted amendments to the Guideline on fringe benefits, and discussed the Group's risk strategy against the backdrop of the yearly report on Munich Re's risk situation provided by the Group Chief Risk Officer. The Board of Management further provided a report on Group planning for the period from 2019 to 2021. The Board also presented us with the Group human resources report 2017/2018 and detailed the focal points of human resources work within the Group. Moreover, it provided information on the overall growth strategy for reinsurance and on reinsurance growth in the Asia Pacific and Africa unit.

Two resolutions were adopted by written consent in lieu of a meeting. In preparation of the planned issuance of a subordinated bond, we appointed the external auditor for a review of the quarterly financial report for the third quarter of 2018. Furthermore, in view of the legal requirement to change auditors, we decided to follow the Audit Committee's recommendation and selected Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft (EY), Munich, as the (Group) auditor from the 2020 financial year.

### Work of the committees

There are six Supervisory Board committees. These are assigned certain matters for resolution, and also prepare the topics which are to be addressed and decided upon by the full Supervisory Board. At each Supervisory Board meeting, detailed information about the work of the committees was provided to the full Supervisory Board by the respective chairs of the committees.

Details of the tasks of the committees and their composition can be obtained on page 30 f. and from our website at [www.munichre.com/supervisory-board](http://www.munichre.com/supervisory-board).

The Personnel Committee held seven meetings in the period under review. It essentially prepared the resolutions on matters involving the Board of Management already mentioned in the report on the work of the full Supervisory Board, unless these fell under the remit of the Remuneration Committee established on 1 January 2018. As a first step, the Personnel Committee and the Remuneration Committee adopted a common set of rules to govern the cooperation between the two committees in evaluating the variable remuneration components for the members of the Board of Management. One of the key tasks of the Personnel Committee consisted in checking the fitness and propriety of two candidates to be appointed to the Board of Management, and of an existing member seeking reappointment. In addition, the Personnel Committee approved the assumption of seats on supervisory, advisory and similar boards by members of the Board of Management. It also dealt with Group-wide succession planning, especially with regard to Board-level appointments.

The Remuneration Committee met five times in 2018. Specifically, it was in charge of preparing resolutions on matters involving the Board of Management – as already mentioned above when reporting on the work of the full Supervisory Board – as far as these resolutions concerned the amount of remuneration, the establishment of the assessment basis for variable remuneration and the corresponding evaluation, as well as the sections of the Board members' contracts relating to remuneration. In addition, it dealt with the fringe benefits for members of the Board of Management disclosed in the 2017 Group Annual Report.

At its five meetings in 2018, the Standing Committee dealt with the preparation of the respective Supervisory Board meetings and, in particular, with topics of corporate governance. On the basis of a comprehensive questionnaire, the Standing Committee carried out a survey among the members of the Supervisory Board to assess the efficiency of the Supervisory Board's work in 2018. After analysing the survey, the Standing Committee discussed the findings and agreed on a small number of suggested improvements, which the Chairman of the Supervisory Board then presented to the full Supervisory Board. The Standing Committee determined that, overall, the reporting by the Board of Management and the work of the Supervisory Board were efficient and appropriate. Regular reports by the Chairman of the Board of Management covered changes to the shareholder structure and the status of the share buy-back programmes. In addition, the Standing Committee held various meetings where it dealt in great depth with the separate non-financial (Group) statement, which had to be produced for the first time for the 2017 financial year. On the basis of a resolution adopted by the full Supervisory Board, the Standing Committee commissioned EY to perform a limited assurance engagement on the separate non-financial (Group) statement for the 2018 financial year.

The Audit Committee held nine meetings in the period under review, and adopted one resolution by written consent in lieu of a meeting. Five of these meetings were attended by the external auditor. The Committee discussed the Company and Group financial

statements, the combined management report, the auditor's reports and the Board of Management's proposal for the appropriation of the net retained profits for the 2017 financial year. The Committee also considered the quarterly statement for the first quarter of 2018, and conducted a detailed review of the 2018 Half-Year Financial Report and the Quarterly Report for the third quarter of 2018 in conjunction with the auditor. The Committee heard regular reports on the key Solvency II figures and discussed the quarterly reporting to the Supervisory Authority in these meetings. Another key task of the Committee consisted in monitoring the Group's risk situation and risk management on an ongoing basis, and discussing its risk strategy: the Group Chief Risk Officer provided detailed verbal input at several meetings of the Committee in addition to the quarterly written reports submitted. The Audit Committee also dealt with the measures taken by Munich Re to guard against cyber attacks. The holder of the actuarial function presented the report of the actuarial function of Munich Re (Group) at two Committee meetings. Further issues discussed regularly were the internal control system and compliance topics. The Group Chief Auditor informed the members of the Committee in full about the outcome of the audits for 2017 and the audit planning for 2018. The Committee received regular updates on the current status of individual compliance issues and the progress of audits. In the absence of the Board of Management, the members of the Committee took the opportunity to confer amongst themselves or with the Group Chief Auditor, the Group Chief Compliance Officer, the Group Chief Risk Officer and the external auditor on a regular basis. In addition, the Audit Committee and the external auditor exchanged their views on selected topics on an ad-hoc basis between meetings. Furthermore, the Audit Committee closely reviewed and monitored the auditor's independence. It regularly called for reports on the auditor's new activities beyond the auditing of the annual financial statements and on the utilisation of the statutory limit for awarding such contracts. The auditor presented the Audit Committee with explanations of the key audit matters for the 2018 financial year. Likewise, the Audit Committee prepared a report for the full Supervisory Board on the appointment of the external auditor for the 2018 financial year, determined the main points of the audits, and set the auditor's fees. Following a resolution by the full Supervisory Board, the Chair of the Committee commissioned KPMG Bayerische Treuhandgesellschaft Aktiengesellschaft Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft (KPMG), Munich, with the audit for the 2018 financial year, and also commissioned the auditor's review of the 2018 Half-Year Financial Report and the Quarterly Report for the third quarter of 2018.

At the same time, after intensive preparation, the Audit Committee issued an invitation to tender for audit services for the 2020 financial year and beyond. Following a thorough evaluation of the tenders, the Audit Committee submitted a reasoned recommendation to the Supervisory Board for two proposals, with a preference for EY.

The Nomination Committee held six meetings in the period under review. It dealt in great depth with long-term succession planning on the Supervisory Board. In preparation of the upcoming election of ten shareholder representatives at the Annual General Meeting on 30 April 2019, the Nomination Committee drew up requirement profiles and deliberated on the re-election of Supervisory Board members and suitable new candidates to be nominated for election to the Supervisory Board. The Committee also looked for suitable successors to the Chair of the Supervisory Board and the Chair of the Audit Committee. In selecting and evaluating potential candidates, the Committee took account of the objectives set by the Supervisory Board for the composition of the Board and the set of criteria established for this purpose.

There was again no need to convene the Conference Committee in the 2018 financial year.

### Supervisory Board succession planning

In my role as Chairman of the Supervisory Board, I have been holding discussions with investors and proxy advisors since 2018 about the upcoming election of shareholder representatives to the Supervisory Board at the Annual General Meeting in 2019. Key topics discussed included the candidates' independence and time availability. All the candidates nominated for election to the Supervisory Board as shareholder representatives at the next Annual General Meeting have confirmed to the full Supervisory Board that they can spend sufficient time at Munich Re on their Supervisory Board work – and, if applicable, Committee work. Among the candidates standing for election for the first time, Karl-Heinz Streibich has a high level of IT and digitalisation expertise, while Nikolaus von Bomhard possesses wide-ranging industry knowledge and an in-depth understanding of Munich Re (Group).

The Supervisory Board Chair is a key position and should thus be filled with an individual of exceptional qualities and skills. In order to be able to communicate closely with the Chairman of the Board of Management and to provide oversight and advice to the Company's management, the Supervisory Board Chair needs to have a deep understanding of the core business and excellent leadership qualities. I fully agree with the Nomination Committee and the Supervisory Board that Nikolaus von Bomhard, due to his excellent expertise across the full value chain of our complex reinsurance and primary insurance business model, his universally acknowledged personal integrity for which he is held in high esteem, and his many years of experience as Chairman of the Board of Management of Munich Re, best meets the requirements of this position. In performing his role, he will promote good corporate governance especially in working together with the Chairman of the Board of Management.

### Corporate governance and Declaration of Conformity

The Supervisory Board pays close attention to good corporate governance. Together with the Board of Management, we therefore published the mandatory annual Declaration of Conformity pursuant to Section 161 of the German Stock Corporation Act (AktG) in November 2018. The Company has complied and intends to continue to comply with all of the recommendations of the German Corporate Governance Code as amended on 7 February 2017. We confirmed our assessment that all 20 members of the Supervisory Board are to be regarded as independent and that they do not have any relevant conflicts of interests.

Details of this can be found in the Corporate Governance Report and in the combined Statement on Corporate Governance at [www.munichre.com/cg-en](http://www.munichre.com/cg-en).

Because of conflicting opinions regarding the validity of Ina Hosenfelder's election to the Supervisory Board, her attendance at the meeting on 17 July 2018 was put to the vote. Ina Hosenfelder did not take part in the vote as it affected her directly.

Munich Re again offered the members of the Supervisory Board specific training at an internal information event in 2018. Almost all members took the opportunity to learn more about selected topics related to reinsurance and risk management.

### Changes on the Board of Management

Jörg Schneider retired from the Board of Management with effect from 31 December 2018. Christoph Jurecka was appointed his successor with effect from 1 January 2019, and assumed responsibility for the central divisions "Financial and Regulatory Reporting", "Group Controlling", "Integrated Risk Management", "Group Taxation" and "Investor and Rating Agency Relations".

On 13 December 2018, the Supervisory Board appointed Nicholas Gartside to the Board of Management. In his role as Chief Investment Officer, he will assume responsibility for all asset management activities at Munich Re (Group) as of 18 March 2019.



### Changes on the Supervisory Board

Ron Sommer stepped down from the Supervisory Board with effect from the end of the Annual General Meeting in 2018. Kurt Bock was elected to the Supervisory Board for the remainder of Sommer's period of office by the Annual General Meeting on 25 April 2018.

### Former members of the Supervisory Board

Dr. Wolfgang Röller passed away on 9 March 2018. He served as Deputy Chairman on Munich Re's Supervisory Board from 1994 to 1999. We have a great deal to thank him for, and mourn the loss of an exceptional man.

Wolfgang Mayrhofer passed away on 1 December 2018. He was a member of the Supervisory Board from 2002 to 2016, and served on the Personnel Committee and Standing Committee during his last years of office. We owe him a great debt of thanks for his open and constructive cooperation, and mourn the loss of a highly esteemed and outstanding personality.

### Company and Group financial statements for 2018, Solvency II reporting and non-financial information

Auditor KPMG duly audited the Company and Group financial statements and the combined management report as at 31 December 2018, and issued them with an unqualified auditor's opinion. The German Public Auditor responsible for the engagement is Dr. Frank Ellenbürger. He first took charge of the audit of the Company and Group financial statements for the financial year ending 31 December 2013.

The above-mentioned reports and the Board of Management's proposal for appropriation of the net retained profits were submitted directly to the members of the Supervisory Board. At its meeting on 5 February 2019, the Audit Committee had the opportunity to confer in detail about the preliminary year-end figures as at 31 December 2018. On 18 March 2019, it prepared the Supervisory Board's resolution on the adoption of the Company financial statements and the approval of the Group financial statements. To this end, the Audit Committee examined in advance the Company and Group financial statements, the combined management report and the Board of Management's proposal for appropriation of the net retained profits. It discussed these at length with the external auditor present at the meeting, and gave detailed consideration to the auditor's reports. The Audit Committee paid particular attention to the key audit matters described in the auditor's opinion, including audit activity. The Chair of the Audit Committee briefed the full Supervisory Board about the outcome of its consultations at the balance sheet meeting. In its March meeting, the Audit Committee discussed the preliminary key figures under Solvency II reporting – and the Solvency II ratio in particular – and reported on this in the plenary session.

The full Supervisory Board also reviewed the Company and Group financial statements and the combined management report, and the proposal of the Board of Management for appropriation of the net retained profits. The auditor's reports were available to all members of the Supervisory Board and were discussed in detail at the balance sheet meeting of the Supervisory Board on 19 March 2019 in the presence of the external auditor. The auditor reported on the scope, the main points, and the key results of the audit, going into particular detail on the key audit matters (please refer to auditor's report on page 48 ff. for information) and the audit activity conducted. There were no reports of material weaknesses in the internal control system or the risk management system.

On the basis of this comprehensive examination, the Supervisory Board raised no objections concerning the outcome of the external audit. It approved the Company and Group financial statements on 19 March 2019. The financial statements were thus adopted. Having carefully weighed all relevant aspects, the Supervisory Board followed the proposal of the Board of Management for appropriation of the net retained profits.

The Standing Committee dealt with the separate non-financial (Group) statement for the financial year 2018 on 13 December 2018 and 19 March 2019. Also on 19 March 2019, the full Supervisory Board examined this statement, taking due consideration of the external auditor's findings, and approved the statement.

**Words of thanks to the Board of Management and employees**

The Supervisory Board wishes to thank all members of the Board of Management and staff worldwide. With their work and commitment, they have contributed to a successful result for Munich Re.

Munich, 19 March 2019

For the Supervisory Board



**Bernd Pischetsrieder**  
Chairman

## Combined management report

The management report of Munich Reinsurance Company and the Group management report have been combined in accordance with the provisions of Section 315(5) in conjunction with Section 298(2) of the German Commercial Code (HGB), and published in the 2018 Group Annual Report.

The annual financial statements and the combined management report for Munich Reinsurance Company and the Group for the 2018 financial year will be submitted to the German Federal Gazette for publication.

## Combined non-financial statement

For the 2018 financial year, Munich Reinsurance Company meets the requirements of the Corporate Social Responsibility (CSR) Directive of the European Union set out in Sections 289b(3) and 315b(3) of the German Commercial Code (HGB) by publishing a separate non-financial (Group) statement alongside the combined management report for Munich Reinsurance Company and the Group in the Corporate Governance section of Munich Re's website at [www.munichre.com/cg-en](http://www.munichre.com/cg-en).



---

### Financial statements as at 31 December 2018

Balance sheet	12
Income statement	14
Notes to the financial statements	16
List of shareholdings as at 31 December 2018	34

## Balance sheet as at 31 December 2018

## Assets

	Notes	€m	€m	€m	Prev. year €m
<b>A. Intangible assets</b>	(1)			<b>186</b>	<b>188</b>
<b>B. Investments</b>	(2, 3)				
I. Land, land rights and buildings, including buildings on third-party land			1,087		1,052
II. Investments in affiliated companies and participating interests					
1. Shares in affiliated companies		32,703			31,238
2. Loans to affiliated companies		71			83
3. Participating interests		319			296
4. Loans to participating interests		33			28
			33,126		31,645
III. Other investments					
1. Shares, investments in unit trusts and funds, and other non-fixed-interest securities		4,938			7,058
2. Bearer bonds and other fixed-interest securities		21,578			22,715
3. Loans secured on property		0			0
4. Other loans		378			372
5. Deposits with banks		847			697
6. Miscellaneous investments		2,342			471
			30,083		31,314
IV. Deposits retained on assumed reinsurance			10,154		12,669
				<b>74,450</b>	<b>76,679</b>
<b>C. Receivables</b>					
I. Accounts receivable on reinsurance business			4,770		4,679
Thereof from					
- affiliated companies: €1,139m (1,152m)					
- participating interests: €125m (56m)					
II. Other receivables			5,415		2,372
Thereof from					
- affiliated companies: €251m (196m)					
- participating interests: €10m (5m)					
				<b>10,184</b>	<b>7,051</b>
<b>D. Other assets</b>					
I. Tangible assets and inventories			32		38
II. Cash at banks, cheques and cash in hand			938		562
				<b>971</b>	<b>601</b>
<b>E. Deferred items</b>					
I. Accrued interest and rent			211		211
II. Miscellaneous deferred items	(4)		144		59
				<b>355</b>	<b>270</b>
<b>F. Excess of plan assets over pension liabilities</b>	(5)			<b>453</b>	<b>456</b>
<b>Total assets</b>	(11)			<b>86,598</b>	<b>85,246</b>

## Equity and liabilities

	Notes	€m	€m	€m	Prev. year €m
<b>A. Equity</b>	<b>(6)</b>				
I. Issued capital					
1. Subscribed capital		588			588
2. Less: Accounting value of own shares held		-15			-14
			573		573
II. Capital reserve			6,845		6,845
III. Revenue reserves			2,900		3,089
IV. Net retained profits			1,383		1,333
				11,701	11,841
<b>B. Subordinated liabilities</b>	<b>(7)</b>			<b>3,651</b>	<b>2,745</b>
<b>C. Technical provisions</b>	<b>(8)</b>				
I. Unearned premiums					
1. Gross amount		4,016			3,532
2. Less for retroceded business		563			450
			3,453		3,082
II. Provision for future policy benefits					
1. Gross amount		9,722			12,234
2. Less for retroceded business		389			496
			9,333		11,738
III. Provision for outstanding claims					
1. Gross amount		39,985			39,211
2. Less for retroceded business		3,179			2,835
			36,806		36,376
IV. Provision for premium refunds					
1. Gross amount		3			4
2. Less for retroceded business		0			0
			3		4
V. Claims equalisation provision and similar provisions			9,043		8,263
VI. Other technical provisions					
1. Gross amount		424			493
2. Less for retroceded business		-71			-79
			495		573
				<b>59,133</b>	<b>60,036</b>
<b>D. Other provisions</b>	<b>(9)</b>				
I. Provisions for employees' pensions and similar commitments			55		36
II. Provisions for tax			1,267		1,643
III. Miscellaneous provisions			670		620
				<b>1,991</b>	<b>2,299</b>
<b>E. Deposits retained on retroceded business</b>				<b>1,407</b>	<b>1,686</b>
<b>F. Other liabilities</b>					
I. Accounts payable on reinsurance business			4,500		4,595
Thereof to					
- affiliated companies: €1,523m (1,402m)					
- participating interests: €1m (1m)					
II. Amounts due to banks			0		0
III. Miscellaneous liabilities	<b>(10)</b>		4,187		2,025
Thereof to					
- affiliated companies: €248m (271m)					
- participating interests: €10m (5m)					
Thereof from other taxes: €65m (53m)					
Thereof for social security: €0m (1m)					
				<b>8,686</b>	<b>6,620</b>
<b>G. Deferred items</b>				<b>28</b>	<b>19</b>
<b>Total equity and liabilities</b>	<b>(11)</b>			<b>86,598</b>	<b>85,246</b>

## Income statement for the financial year 2018

## Items

	Notes	€m	€m	€m	Prev. year €m
<b>I. Technical account</b>					
<b>1. Earned premiums for own account</b>					
a) Gross premiums written		20,503			22,612
b) Retroceded premiums		-3,266			-2,213
			17,237		20,399
c) Change in gross unearned premiums		-501			182
d) Change in retroceded share of unearned premiums		120			-55
			-381		126
				16,856	20,525
<b>2. Interest on technical provisions for own account</b>	(13)			398	469
<b>3. Other underwriting income for own account</b>				18	39
<b>4. Claims incurred for own account</b>					
a) Claims paid					
aa) Gross amount		-12,804			-13,710
ab) Retroceded amount		1,217			1,213
			-11,587		-12,497
b) Change in provision for outstanding claims					
ba) Gross amount		-281			-4,759
bb) Retroceded amount		306			545
			25		-4,214
				-11,562	-16,711
<b>5. Change in other technical provisions for own account</b>					
a) Net provision for future policy benefits			385		-583
b) Other net technical provisions			32		31
				418	-552
<b>6. Expenses for premium refunds for own account</b>				-1	
<b>7. Operating expenses for own account</b>	(14, 18, 21)				
a) Gross operating expenses			-5,867		-6,256
b) Less commission received on retroceded business			903		520
				-4,964	-5,736
<b>8. Other underwriting expenses for own account</b>				-133	-23
<b>9. Subtotal</b>				1,031	-1,990
<b>10. Change in claims equalisation provision and similar provisions</b>	(12)			-780	2,382
<b>11. Underwriting result for own account</b>	(12)			251	392



## Items

	Notes	€m	€m	€m	€m	Prev. year €m
<b>II. Non-technical account</b>						
<b>1. Investment income</b>	<b>(15)</b>					
a) Dividends from participating interests			564			1,560
Thereof from affiliated companies: €542m (1,540m)						
b) Income from other investments						
Thereof from affiliated companies: €130m (676m)						
ba) Rents from land and buildings, including buildings on third-party land		148				140
bb) Income from other investments		948				1,451
			1,096			1,591
c) Income from write-ups			929			296
d) Realised gains on the disposal of investments			2,014			731
e) Income from profit-transfer agreements			187			155
				4,789		4,333
<b>2. Investment expenses</b>	<b>(14, 16, 18, 21)</b>					
a) Expenses for the management of investments, interest paid and other expenses for investments			-337			-278
b) Write-downs of investments			-892			-366
c) Realised losses on the disposal of investments			-1,033			-561
d) Expenses from loss transfers			-43			-52
				-2,305		-1,257
				2,483		3,076
<b>3. Interest income on technical provisions</b>				-403		-493
					2,080	2,583
<b>4. Other income</b>	<b>(19)</b>				465	204
<b>5. Other expenses</b>	<b>(19, 20, 21)</b>				-617	-546
<b>6. Operating result before tax</b>					2,179	2,634
<b>7. Taxes on income</b>				-17		-426
<b>8. Other taxes</b>				-2		-8
					-20	-434
<b>9. Profit for the year</b>					2,160	2,199
<b>10. Profit brought forward from previous year</b>					47	52
<b>11. Appropriations to revenue reserves</b>					-824	-918
<b>12. Accounting value of own shares deducted from     subscribed capital</b>					21	21
<b>13. Reversal of accounting value of own shares deducted from     subscribed capital</b>					-21	-22
<b>14. Allocation to reserve for own shares</b>					-21	-21
<b>15. Release of reserve for own shares</b>					21	22
<b>19. Release of revenue reserve for acquisition of own shares</b>					1,013	1,017
<b>20. Expenses for acquisition of own shares</b>					-1,013	-1,017
<b>21. Net retained profits</b>					1,383	1,333

## Notes to the financial statements

### Recognition and measurement

#### Accounting basis

The financial statements, and the sections of the management report that have been combined with the Group management report and relate to Munich Reinsurance Company, have been prepared in accordance with the German Commercial Code (HGB), the German Stock Corporation Act (AktG), the German Insurance Accounting Regulation (RechVersV) and the German Insurance Supervision Act (VAG), and observing conservative accounting principles.

#### Intangible assets

Intangible assets are measured at the acquisition cost less admissible amortisation and, where applicable, write-downs for impairment. Undeveloped land is measured at acquisition cost and is not subject to depreciation. If a permanent impairment is expected, we write the carrying amount down to the fair value of the property (current-value depreciation).

#### Investments

Our developed land is measured at the acquisition or construction cost less admissible linear depreciations and, where applicable, write-downs for impairment.

The carrying amount of shareholdings in affiliated companies and other participating interests is generally the acquisition cost, written down to a lower fair value where applicable.

Loans to affiliated companies and to participating interests, registered bonds, mortgage loans, promissory notes and loans, and other receivables are measured at amortised cost.

Shares, investments in unit trusts and funds, and other non-fixed-interest securities, bearer bonds and other fixed-interest securities and other investments are valued at acquisition cost or at the market price at the balance sheet date, whichever is the lower. Investments with participating interests have been classified under Section 341b of the German Commercial Code but have been measured according to the strict lower of cost or market principle, despite the alternative measurement option provided for.

Lower measurements from previous years are maintained for all our investments if the impairment in value is probably permanent. Where the market price at the balance sheet date was sustainably higher than the previous years' values, we have reversed the write-down back up to the fair value, but not exceeding the acquisition cost or the amortised cost.

#### Receivables

Deposits retained on assumed reinsurance business, accounts receivable on reinsurance business and other receivables are recognised at the nominal values less any necessary adjustments of value.

#### Other assets

Inventories are recognised at acquisition cost. Office furniture and equipment is measured at acquisition cost less admissible depreciations. The purchase price of low-value items is written off on a straight-line basis over a period of five years.

#### Deferred taxes

For the calculation of deferred taxes across all tax spheres, temporary differences and carry-forwards are assessed overall. We did not avail ourselves of the option provided for in Section 274(1) sentence 2 of the German Commercial Code (HGB). An excess of deferred tax assets beyond the netting amount is not recognised.

Significant for the Company are the temporary differences existing in Germany, where the deductible temporary differences exceed the taxable temporary differences by €8,181m. The deductible temporary differences result mainly from write-downs of investments that were not recognisable in the tax accounts owing to the stricter regulations, and from technical provisions that tend to have a lower value in the tax accounts than in the financial statements. In addition, there are deductible temporary differences resulting from intangible assets due to the extensive recognition of internally developed IT programs in the tax accounts. By contrast, the taxable temporary differences existing in the German tax sphere are of subordinate importance.

The rounded deferred tax rate applicable for the German tax sphere is 33.0%. It is made up of the corporate tax rate (including solidarity surcharge) of 15.8% and the trade tax rate of 17.2%. The tax rate applicable for the Canadian branch amounts to 26.5%, for the UK branch to 19.0%, for the Australian branch to 30.0%, and for the Italian branch to 30.8%.

Munich Reinsurance Company has total loss carry-forwards of €2,394m, of which €1,381m is attributable to the German tax sphere. The remaining loss carry-forwards stem from the Company's foreign business units. Loss carry-forwards of €1,492m will probably be utilised within the next five years.

### Excess of plan assets over pension liabilities

Under certain conditions, assets are netted with related liabilities for pension commitments (exception to the prohibition of offsetting under Section 246(2) sentence 2 of the German Commercial Code). Under this rule, assets that are not accessible to creditors and serve solely to settle liabilities arising from pension commitments or comparable long-term commitments must be netted with those liabilities. In accordance with Section 253(1) sentence 4 of the German Commercial Code, the assets in question must be measured at fair value. If the fair value of the assets exceeds the settlement amount of the liabilities, the excess amount must be recognised separately in the balance sheet as "excess of plan assets over pension liabilities" in accordance with Section 246(2) sentence 3 of the German Commercial Code.

### Technical provisions

The technical provisions have been calculated in accordance with the requirements of German commercial law. In all cases, we have taken into account the necessity of ensuring that our obligations from reinsurance business can always be met.

Unearned premiums are accrued premiums already written for future risk periods. They are calculated in accordance with German accounting principles, partly on the basis of information received from our ceding companies and partly using nominal percentages. Where unearned premiums are calculated using such percentages, these are based on many years of experience and the latest knowledge available. Costs for reinsurance commissions are deducted at a rate of 92.5% from the unearned premium components calculated.

The provision for future policy benefits in long-term underwriting business is posted for the actuarially calculated value of obligations arising from policyholders' guaranteed entitlements.

The actuarial assumptions used for their calculation include, in particular, assumptions relating to mortality, disability, morbidity, interest-rate development, lapses and costs. These are estimated on a realistic basis at the time the insurance contracts are concluded, and they include adequate provision for adverse deviation to make allowance for the risks of change, error and random fluctuations. The actuarial assumptions are adjusted if, and only if, the original provisions for adverse deviation are no longer considered sufficient.

Provisions for outstanding claims are generally established in accordance with the amounts reported to us by our cedants. These provisions are posted for payment obligations arising from reinsurance contracts where the size of the claim or the timing of the payment is still uncertain. Part of the provision is for known claims for which individually calculated provisions are set up. Another part is for expenses for claims which are not yet known (e.g. because they have not been reported or have not yet manifested themselves). A third class of provisions covers claims which are basically known but whose extent has turned out to be greater than originally foreseen. All these provisions include expenses for internal and external loss adjustment. The provision for outstanding claims is based on estimates: the actual payments may be higher or lower. The amounts posted are the realistically estimated future amounts to be paid; they are calculated on the basis of past experience and assumptions about future developments (e.g. social, economic or technological parameters) and using appropriate actuarial methods. Future payment obligations are not discounted but recognised at the future settlement value.

The item "claims equalisation provision and similar provisions" contains the amounts required and permissible under German accounting principles to mitigate fluctuations in claims experience in future years, plus the provisions for major risks.

The "other technical provisions" mainly comprise provisions for profit commission and the provision for anticipated losses. Provisions for anticipated losses are posted if, in a reinsurance portfolio, the future premiums plus the proportionate investment result will probably not be sufficient to cover the expected claims and costs. In the 2018 financial year, provisions for anticipated underwriting losses were posted in the motor line of business.

Technical provisions apportionable to the business retroceded by us have been calculated in accordance with the terms of the retrocession agreements.

### Other provisions

Pursuant to Section 253 of the German Commercial Code (HGB) as amended on 17 March 2016, the discount rate used by the Company for calculating pension commitments is now based on a ten-year average. In this context, in accordance with the German Regulation on the Discounting of Provisions (RückAbzinsV), we used an actuarial interest rate of 3.21% as at 31 December 2018, availing ourselves of the option under Section 253(2) sentence 2 of the German Commercial Code, which is based on an assumed duration

of 15 years. In contrast, semi-retirement commitments and anniversary payments were calculated as at 31 December 2018 using a discount rate of 2.32% based on a seven-year average. Moreover, increases of between 1.00% and 3.00% were assumed for the future development of existing entitlements, and of between 1.00% and 2.00% for the future development of current pensions.

Based on studies of the Company's portfolio of pensioners, the mortalities of the Heubeck 2005 G tables used were also modified. The present value of the commitments is calculated using the projected unit credit method.

All other provisions are recognised in accordance with the required settlement amount, based on reasonable and prudent commercial judgement. For discounting, we use the discount rates issued by the Bundesbank pursuant to Section 253(2) of the German Commercial Code, in line with the duration of the provisions and based on a seven-year average.

### Liabilities

Subordinated liabilities, deposits retained on retroceded business, accounts payable on reinsurance business, amounts owed to banks and other liabilities are stated at their settlement amounts.

### Foreign currency translation and hedging relationships for currency risks

All business transactions are generally recognised in the original currencies and reported using the applicable day's exchange rate in euros. The foreign currency amounts are retranslated for the balance sheet at year-end exchange rates.

Foreign currency liabilities are grouped together with the assets matching them per currency in hedging relationships, in accordance with Section 254 of the German Commercial Code (HGB) (portfolio hedges), the items allocated to the hedging relationships being primarily non-current assets, provisions and non-current liabilities. Translation is generally performed independently of the restrictions of the historical-cost and realisation principle.

If there is an excess of assets over liabilities in a particular currency, this is examined to see whether it is long-term or not. Long-term excesses of assets over liabilities are grouped together with currency forward transactions in separate hedging relationships, pursuant to Section 254 of the German Commercial Code, and are also generally translated independently of the restrictions of the historical-cost and realisation principle. In the year under review, there was a long-term excess of assets over liabilities only in respect of the Canadian dollar.

The effective part of the hedging relationships was accounted for using the "gross method".

Short-term excesses of assets over liabilities and (short-term and long-term) excesses of liabilities over assets are generally translated immediately with impact on profit or loss. The remaining assets and liabilities outside the above-mentioned hedging relationships per currency have a residual term of less than one year and are therefore recognised in accordance with Section 256a of the German Commercial Code (HGB). The same applies to provisions, whose residual term is, however, immaterial for non-compliance with the historical-cost or realisation principle.

Gains and losses resulting from currency translation are recognised in the income statement under other income or other expenses.

### Other hedging relationships

In addition to the hedging relationships for currency risks described above, we have also availed ourselves of the option under Section 254 of the German Commercial Code (HGB) to use hedge accounting to recognise the economic hedge for two reinsurance contracts assumed and two offsetting retrocession contracts at a nominal value of the equivalent of €184m (see page 20). As described in the risk report – which is part of the management report that has been combined with the Group management report – numerous other risks are hedged using economic hedges as part of our risk management. However, we do not apply hedge accounting for these items. Details of the hedging relationships are provided on page 26.

## Notes to the balance sheet – Assets

### 1, 2 Intangible assets and investments

	Carrying amount Prev. year	Currency translation	Additions	Disposals	Write- ups	Write- downs	Carrying amount 31.12.2018
	€m	€m	€m	€m	€m	€m	€m
<b>(1) Intangible assets</b>	<b>188</b>	<b>0</b>	<b>24</b>	<b>0</b>	<b>0</b>	<b>-26</b>	<b>186</b>
<b>(2) Investments</b>							
(a) Land, land rights and buildings, including buildings on third-party land	1,052	0	168	-116	14	-32	1,087
(b) Investments in affiliated companies and participating interests							
Shares in affiliated companies	31,238	182	3,303	-2,556	865	-328	32,703
Loans to affiliated companies	83	-1	114	-124	0	-1	71
Participating interests	296	0	15	-4	13	-1	319
Loans to participating interests	28	0	7	0	0	-1	33
<b>Subtotal (b)</b>	<b>31,645</b>	<b>181</b>	<b>3,438</b>	<b>-2,684</b>	<b>878</b>	<b>-331</b>	<b>33,126</b>
(c) Other investments							
Shares, investments in unit trusts and funds, and other non-fixed-interest securities	7,058	107	240	-2,125	50	-392	4,938
Bearer bonds and other fixed-interest securities	22,715	-95	18,008	-18,952	36	-134	21,578
Loans secured on property	0	0	0	0	0	0	0
Other loans	372	-2	25	-18	0	0	378
Deposits with banks	697	-6	156	0	0	0	847
Miscellaneous investments	471	18	7,290	-5,434	2	-4	2,342
<b>Subtotal (c)</b>	<b>31,314</b>	<b>22</b>	<b>25,720</b>	<b>-26,530</b>	<b>87</b>	<b>-530</b>	<b>30,083</b>
<b>Total investments (2)</b>	<b>64,010</b>	<b>203</b>	<b>29,326</b>	<b>-29,329</b>	<b>980</b>	<b>-893</b>	<b>64,296</b>
<b>Total (1) + (2)</b>	<b>64,198</b>	<b>203</b>	<b>29,350</b>	<b>-29,329</b>	<b>980</b>	<b>-920</b>	<b>64,481</b>

The statement of changes in assets and investments is shown at year-end exchange rates (31 December 2018).

Intangible assets consist mainly of purchased insurance portfolios and software. Purchased life reinsurance portfolios were amortised by €19m on a straight-line basis in the year under review.

The carrying amount of owner-occupied property totalled €203m.

Of our total investments (excluding deposits retained on assumed reinsurance) with a carrying amount of €64,296m, an amount of €2,579m was deposited with ceding companies or foreign governments, or was in the custody of trustees nominated by us.

The item “miscellaneous investments” mainly included cash and a portfolio of physical gold, with a carrying amount of €372m.

Derivatives	Balance sheet item	Carrying amount	Fair value	Notional principal amount
		€m	€m	€m
<b>Equity risks</b>				
Stock options (short)	Miscellaneous provisions	0	0	5
<b>Interest-rate risks</b>				
Interest-rate swaps	Miscellaneous provisions	-28	-20	1,325
Inflation swaps	Miscellaneous provisions	-5	-1	473
Bund futures	Miscellaneous provisions	-29	-20	4,503
Forward loans	-	-	-14	133
<b>Currency risks</b>				
Long currency options	Shares, investments in unit trusts and funds, and other non-fixed-interest securities	1	2	235
Short currency options	Other liabilities	-1	-1	51
	Miscellaneous provisions	0		
Currency forwards	Miscellaneous provisions	-51	62	15,318
Currency forwards (for Can\$ hedging)	Shares, investments in unit trusts and funds, and other non-fixed-interest securities	49	49	1,973
<b>Other transactions</b>				
Insurance derivatives I (cat bonds)	Deferred asset items	-5	-5	652
	Deferred liability items	2		
	Miscellaneous provisions	0		
Insurance derivatives II (short options)	Other liabilities	-34	-14	232
Insurance derivatives III (long options)	Other investments	33	13	184
Insurance derivatives IV (total return swaps, insurance-linked)	Miscellaneous provisions	-	0	621
Weather derivatives (total return swaps, weather)	Miscellaneous provisions	-	6	136
Single credit default swaps	Miscellaneous provisions	-1	7	233
	Deferred asset items	10		
	Deferred liability items	-2		
Basket credit default swaps	Miscellaneous provisions	-1	33	2,053
	Deferred asset items	78		
	Deferred liability items	-9		
Commodity swaps	Miscellaneous provisions	-63	-12	1,560

Derivative financial instruments (derivatives) are financial contracts relating to a specific underlying asset.

Derivatives are generally recognised at the acquisition cost or their fair value at the balance sheet date, whichever is the lower. A pending liability is taken into account through the posting of a provision for anticipated losses. Upfront payments are recognised as assets and amortised over the term.

The carrying amounts of the insurance derivatives (swap contracts, options, and derivatives embedded in cat bonds) are derived from the fair value of the related underlying assets.

Recognised measurement methods were used to determine the fair values of derivatives not traded on the stock exchange. Details may be obtained from the following table.

Derivatives	Pricing method	Parameters	Pricing model
<b>Equity risks</b>			
Stock options	Theoretical price	Listing of underlying Effective volatilities Money-market interest rate Dividend yield	Black-Scholes (Europ.) Cox, Ross and Rubinstein (Amer.) Monte Carlo simulation
<b>Interest-rate risks</b>			
Interest-rate swaps	Theoretical price	Credit support annex/swap curve	Present-value method
Inflation swaps	Theoretical price	Zero-coupon inflation swap rates Overnight index swap curve	Present-value method
Forward loans	Theoretical price	Listing of underlying Swap curve	Present-value method
<b>Currency risks</b>			
Currency options	Theoretical price	Volatility skew Currency spot rates Money-market interest-rate curve	Garman-Kohlhagen (European)
Currency forwards	Theoretical price	Currency spot rates Currency forward rates/ currency spreads Money-market rates	Present-value method
<b>Other transactions</b>			
Insurance derivatives	Theoretical price	Fair values of the cat bonds Historical event data Interest-rate curve	Present-value method
Credit default swaps	Theoretical price	Credit spreads Recovery rates Interest-rate curve	Present-value method ISDA CDS Standard Model
Commodity swaps	Theoretical price	Listing of underlying index	Index ratio calculation
Commodity options	Theoretical price	Listing of underlying Effective volatilities Money-market interest rate	Black-Scholes (European), Cox, Ross and Rubinstein (American)
Weather derivatives	Theoretical price	Event estimates Historical data	Monte Carlo

The fair value of investments (excluding deposits retained on assumed reinsurance) amounted to €76,515m. The carrying amount was €64,296m. This resulted in valuation reserves of €12,220m at the end of the 2018 financial year.

The valuation reserves contain hidden losses of €4m from land and buildings. We have refrained from making a write-down, as there is probably no permanent impairment.

The valuation reserves also contain hidden losses not induced by credit risks of €4m for other loans. Again, we have refrained from making a write-down, as there is probably no permanent impairment.

The valuation reserves also contain hidden losses of €20m from other investments. These were neutralised by two hedging relationships (see page 26).

The fair values of developed land are determined once a year, generally using the capitalised earnings value; undeveloped land is measured on the basis of the current standard land value.

In the case of shares in affiliated companies, participating interests, equities, investments in unit trusts and funds, and other non-fixed-interest securities, the market prices at the balance sheet date are used if the investments concerned are listed on the stock market. If no market prices are available, we calculate the value using the discounted earnings method or use net asset values.

The fair values of fixed-interest securities listed on the stock market are determined on the basis of the market prices at the balance sheet date. In the case of fixed-interest securities not listed on the stock market, we determine the values using recognised valuation techniques in accordance with the present-value principle on the basis of interest-rate curves.



## Investments – Valuation reserves

	Carrying amounts	Fair values	Valuation reserves
€m	31.12.2018	31.12.2018	31.12.2018
Land, land rights and buildings, including buildings on third-party land	1,087	4,506	3,419
Investments in affiliated companies and participating interests			
Shares in affiliated companies	32,703	40,291	7,588
Loans to affiliated companies	71	72	1
Participating interests	319	762	443
Loans to participating interests	33	35	2
	<b>33,126</b>	<b>41,160</b>	<b>8,034</b>
Other investments			
Shares, investments in unit trusts and funds, and other non-fixed-interest securities	4,938	5,014	76
Bearer bonds and other fixed-interest securities	21,578	22,284	706
Loans secured on property	0	0	0
Other loans	378	375	-3
Deposits with banks	847	847	0
Miscellaneous investments	2,342	2,330	-12
	<b>30,083</b>	<b>30,850</b>	<b>767</b>
<b>Total investments</b>	<b>64,296</b>	<b>76,515</b>	<b>12,220</b>

At 31 December 2018, the Company held shares of more than 10% in several German and foreign investment funds, with a focus on equity funds.

## Disclosures in accordance with Section 285 no. 26 of the German Commercial Code (HGB)

	Carrying amount	Fair value	Valuation reserves	Distribution received in the financial year
€m	31.12.2018	31.12.2018	31.12.2018	
Equity funds	4,433	4,438	5	1
Bond funds	23	24	1	1
<b>Total</b>	<b>4,457</b>	<b>4,462</b>	<b>5</b>	<b>2</b>

## 3 Information on shareholdings

A list of all our shareholdings can be found on page 34 ff.

## 4 Deferred items

These include €18m for a difference (as defined in Section 250(3) of the German Commercial code – HGB) in respect of the settlement amount of a liability.

## 5 Excess of plan assets over pension liabilities

A total settlement amount of €1,204m for liabilities from pension commitments is more than covered by plan assets with a total fair value of €1,599m. Netting at individual plan level results in both an excess of €450m of plan assets over pension liabilities, which has to be capitalised, and a pension provision of €55m. The acquisition costs of the assets to be netted amount to just under €1,301m. Income from these assets totalled €60m in the financial year. The interest

expenditure for the pension provisions and comparable long-term commitments came to a total of €130m.

## Netted income and expenses from pension commitments and plan assets to be netted

€m	2018
Expenses for discounting liabilities for pension commitments	-40
Expenses from change in the discount rate for liabilities for pension commitments	-91
Income from plan assets to be netted with liabilities for pension commitments	60
<b>Net expenses from pension commitments</b>	<b>-71</b>
Expenses for discounting liabilities for semi-retirement commitments	-2
Expenses for change in the discount rate for liabilities for semi-retirement commitments	-1
Expenses for plan assets to be netted with liabilities for semi-retirement commitments	0
<b>Net expenses for semi-retirement commitments</b>	<b>-3</b>



## Notes to the balance sheet – Equity and liabilities

### 6 Equity

The total share capital of €587,725,396.48 at 31 December 2018 was divided into 149,538,477 no-par-value registered shares, each fully paid up and giving one vote.

Composition of the capital authorised for capital increases:

€m	31.12.2018
Authorised capital 2015 (until 22 April 2020)	10
Authorised capital 2017 (until 25 April 2022)	280
<b>Total</b>	<b>290</b>

Composition of contingent capital:

€m	31.12.2018
Contingent capital 2015 (until 22 April 2020)	117
<b>Total</b>	<b>117</b>

An amount of €15m was shown deducted from subscribed capital for the accounting value of treasury shares as at 31 December 2018. The portion of the acquisition costs for these shares in excess of this accounting value, i.e. €682m, was deducted from the revenue reserves.

From the profit for the year 2018, an amount of €824m was allocated to the revenue reserves by the Board of Management. Revenue reserves contain a reserve of €15m to take account of treasury shares. Net retained profits for the year under review include a profit of €47m carried forward from the previous year. An amount of €465m resulting from the recognition of assets at fair value (€297m), the balance from the change in the averages used in calculating liabilities arising from pension commitments pursuant to an amendment to Section 253 of the German Commercial Code (HGB) dated 17 March 2016 (€153m), and from the reserve for treasury shares is subject to a restriction on distribution.

On 31 December 2018, a total of 3,741,099 shares with a calculated nominal value of around €15m were held by Munich Reinsurance Company. This represents around 2.5% of the current share capital.

In the year under review, Munich Reinsurance Company repurchased 5,462,053 own shares. This includes the 2017/2018 share buy-back programme completed on 6 April 2018, and the 2018/2019 programme approved by the Board of Management of Munich Reinsurance Company on 15 March 2018, which provides for the acquisition of shares up to a value of €1,000m until the 2019 AGM. Munich Reinsurance Company's Board of Management thus availed itself of the authorisation granted by the Annual General Meeting on 25 April 2018 in accordance with Section 71(1) no. 8 of the German Stock Corporation Act (AktG). From 8 June 2018 to 31 December 2018, a total of 3,741,099 shares were acquired at an average price of €186.25 as part of this new programme.

From 1 June 2017 until 6 April 2018, a total of 5,489,431 Munich Reinsurance Company shares were acquired under the 2017/2018 share buy-back programme. Of these, 1,720,954 shares (1.1% of the share capital at the time) were acquired at an average price of €183.88 in the 2018 calendar year. All shares from this buy-back programme were retired on 25 April 2018 in a simplified process, without reducing the share capital, by adjusting the proportion of the Company's share capital represented by each of the remaining no-par-value shares.

The acquisition costs of all Munich Re shares in the possession of Group companies at the end of the financial year totalled €696,764,312.27.

In the reporting year, a total of €1,286m was distributed to Munich Reinsurance Company's equity holders for the financial year 2017 in the form of a dividend of €8.60 per dividend-bearing share.

The Company has received the following notifications pursuant to Section 33 of the German Securities Trading Act (WpHG) regarding voting-right percentages (as at 31 December 2018):

On 5 November 2018, BlackRock Inc., Wilmington, DE, USA, informed us in a voluntary Group statement pursuant to Sections 33, 34 and 37 of the German Securities Trading Act (WpHG) that on 15 August 2018 their share in the voting rights of our Company amounted to 7.17% (10,716,085 voting rights). Pursuant to Section 34 of the German Securities Trading Act (WpHG), these shares were attributed to BlackRock Inc. Based on the information provided by BlackRock Inc. none of its subsidiaries directly held 3% or more of the voting rights in our Company.

## 7 Subordinated liabilities

On 7 May 2018, we called our 2003/2028 subordinated bond with an outstanding nominal volume of £300m and repaid it in full on 21 June 2018.

The subordinated bond issued in 2011 with a nominal value of €1,000m will mature in 2041 and is callable by us for the first time on 26 May 2021.

The subordinated bonds issued in 2012 with nominal values of €900m and £450m will mature in 2042 and are callable by us for the first time on 26 May 2022.

On 15 November 2018, with a settlement date of 22 November 2018, we placed a subordinated bond of €1,250m with a consortium of investors. It will mature in 2049 and is callable by us for the first time on 26 May 2029. ↗

### Subordinated liabilities

€m	31.12.2018
Subordinated bond 2011/2041, €1,000m 6.00% p.a. until 2021, thereafter floating	1,000
Subordinated bond 2012/2042, €900m 6.25% p.a. until 2022, thereafter floating	900
Subordinated bond 2012/2042, £450m 6.625% p.a. until 2022, thereafter floating	501
Subordinated bond 2018/2049, €1,250m 3.25% p.a. until 2029, thereafter floating	1,250
<b>Total</b>	<b>3,651</b>

The remaining term of the subordinated liabilities with a total amount of €3,651m is more than five years.

The subordinated bonds of Munich Reinsurance Company have been given the following ratings by the leading rating agencies:

### Bond ratings

	A.M. Best	Fitch	Moody's	S&P
<b>31.12.2018</b>				
Subordinated bond 2011/2041, €1,000m 6.00% p.a. until 2021, thereafter floating	a+	A		A
Subordinated bond 2012/2042, €900m 6.25% p.a. until 2022, thereafter floating	a+	A		A
Subordinated bond 2012/2042, £450m 6.625% p.a. until 2022, thereafter floating	a+	A		A
Subordinated bond 2018/2049, €1,250m 3.25% p.a. until 2029, thereafter floating		A	A2 (hyb)	

## 8 Technical provisions by class of business

31.12.2018 €m	Unearned premiums	Provision for future policy benefits	Claims provisions	Claims equalisation provision and similar provisions	Other technical provisions	Total	Reserves as % of net premiums
Life	508	9,333	1,408	14	142	11,404	271
Health	160	0	465	6	96	727	66
Accident	26	0	1,707	846	-3	2,575	1,058
Liability	271	0	12,969	1,592	24	14,857	793
Motor	988	0	7,627	1,260	106	9,981	293
Marine	49	0	570	164	6	788	302
Aviation	141	0	982	102	5	1,229	312
Fire	540	0	6,272	3,093	35	9,941	331
Engineering	354	0	2,336	185	4	2,879	515
Other classes	416	0	2,471	1,781	84	4,752	218
Non-life combined	2,945	0	35,399	9,029	357	47,730	366
<b>Total</b>	<b>3,453</b>	<b>9,333</b>	<b>36,806</b>	<b>9,043</b>	<b>499</b>	<b>59,134</b>	<b>343</b>

The claims provisions as at 31 December 2018, a key component of the Company's technical provisions, have been influenced both by payments made in the reporting year and by expenses from increasing or income from reducing the provisions respectively.

Claims expenses for the reporting year less the payments already made in the same year increased the provisions. The provisions for previous years were reduced by the payments made in the reporting year for these years. Provisions are determined based on claims information and past claims experience, as well as estimates of future claims development. In this respect, the provisions are best estimates only, and as such these estimates will change as knowledge of claims cases grows in the current reporting year.

The claims equalisation provision and similar provisions developed as follows:

€m	31.12.2018	Prev. year
Claims equalisation provision	8,479	7,725
Provision for major risks	564	538
Thereof:		
For nuclear facility risks	97	99
For pharmaceutical product liability risks	89	79
For terrorism risks	378	361
<b>Total</b>	<b>9,043</b>	<b>8,263</b>

The "Other technical provisions" include provisions for anticipated underwriting losses totalling €35m.

## 9 Other provisions

As at 31 December 2018, prior to netting, the provision for employees' pensions and similar commitments totalled €1,204m, compared with assets of €1,599m, also prior to netting. After netting as at 31 December 2018, there was an excess of €450m of plan assets over pension liabilities and similar commitments and a surplus provision of €55m (see page 22).

For semi-retirement commitments, a settlement amount of €79m compares with assets of €29m to be netted. Netting at individual plan level results in both a provision of €51m and an excess of €2m of plan assets over pension liabilities, which has to be capitalised. The acquisition costs of the assets to be netted amount to €30m.

We have agreed to pay pensions to nearly all our staff and their surviving dependants. These commitments are to be met by the Company itself, by the Munich Re staff pension fund and by Allianz Pensions Management e. V.

For other personnel expenses not yet payable on the balance sheet date, provisions of €330m have been posted.

There are provisions of €183m for anticipated losses from derivatives.

## 10 Miscellaneous liabilities

Liabilities secured by charges on property total less than €1m. These have a remaining term of more than five years. ➔

## 11 Hedging relationships

As at 31 December 2018, hedge accounting was used for the following economic hedges:

Type of hedging relationship	Hedged items Types and volumes	Hedging instruments Types and volumes	Type of risks	Amount of risks hedged
a) Portfolio hedges	Foreign currency liabilities  The following hedging relationships – the largest in terms of volume – were recognised at the balance sheet date: – US dollar: 16,846m (€14,737m) – Pound sterling: 5,384m (€5,998m) – Chinese renminbi: 28,838m (€3,674m) – Australian dollar: 5,396m (€3,323m) – Canadian dollar: 5,017m (€3,213m) – Japanese yen: 236,569m (€1,886m) – Hong Kong dollar: 11,585m (€1,294m) – Israeli new shekel: 4,330m (€1,014m)	Foreign currency assets	Exchange-rate risks	Currency result from hedged foreign currency liabilities Recognition of effective change in the fair value of hedged items and hedging instruments in the balance sheet and income statement, owing to use of “gross method” for hedging relationships
b) Portfolio hedge	Variable portfolio of securities (Canadian dollar) in the deposits MXA016F100 and MRA016F101  Carrying amount (basis for hedging) as at 31 December 2018: Can\$ 3,068m (€1,965m)	Hedging by means of currency forward transactions (sale of Canadian dollars in exchange for euros) Hedging always annually with regular adjustments in line with changes in carrying amounts in the deposit Open currency forward contracts as at 31 Dec. 2018: Sell Can\$ 3,081m in exchange for €1,977m	Exchange-rate risk	Currency result from hedged securities deposits MXA016F100 and MRA016F101 Recognition of effective change in the fair value of hedged items and hedging instruments in the balance sheet and income statement, owing to use of “gross method” for hedging relationship
c) Micro hedges	Two inwards reinsurance agreements (industry loss short swaps) Term until 15 December 2019 Recorded as OPT63200116 and OPT63200117  Premium: US\$ 38m (€33m) Received on 5 August 2017	Two outwards retrocession agreements (industry loss long swaps) Term until 15 December 2019 Recorded as OPT63200113 and OPT63200114  Premium: US\$ 38m (€33m) Paid on 5 August 2017	Market price risk and credit risk	Net hedge presentation method Nominal volume US\$ 210m (€184m)

→ Details of effectiveness			
Reason	Scope	Period	Method for measuring effectiveness
a) Currency match	Probable compensation of countervailing changes in the fair value	According to duration of liabilities	Critical term match method, prospective
b) Identity of underlying Currency match Volume of hedge is regularly adjusted to the status of the deposit	Probable compensation of countervailing changes in the fair value Effectiveness 99.86% Ineffectiveness results mainly from changes in the contents of the deposit and minor delay until hedge volume is adjusted in the currency forward transactions	Commenced on 1 October 2011 Unlimited term	Critical term match method, prospective Dollar offset method, retrospective
c) Identity of underlying Currency match	Full compensation of countervailing changes in the fair value Effectiveness 100.00%	Commenced on 5 August 2017 Term until December 2019	Critical term match method, prospective and retrospective

## Notes to the income statement

### 12 Reinsurance underwriting result by class of business

€m	Gross premiums written		Underwriting result before claims equalisation provision and similar provisions		Change in claims equalisation provision and similar provisions		Combined ratio %	
	2018	Prev. year	2018	Prev. year	2018	Prev. year	2018	Prev. year
Life	5,754	7,719	447	-111	0	0	-	-
Health	1,260	3,079	32	14	0	0	97.0	99.5
Accident	261	236	225	105	-82	-166	4.5	55.8
Liability	1,937	1,668	-123	-634	-200	254	106.7	138.3
Motor	3,953	2,970	-217	-153	-150	-77	106.7	105.9
Marine	317	277	180	73	41	92	30.0	73.1
Aviation	392	486	58	132	0	720	86.0	73.3
Fire	3,658	3,278	237	-1,248	-169	1,401	91.9	142.8
Engineering	613	567	29	-125	-37	127	94.8	122.0
Other classes	2,358	2,332	163	-42	-183	31	79.7	102.7
Non-life combined	14,749	14,893	583	-1,879	-780	2,382	95.3	113.7
<b>Total</b>	<b>20,503</b>	<b>22,612</b>	<b>1,031</b>	<b>-1,990</b>	<b>-780</b>	<b>2,382</b>	<b>-</b>	<b>-</b>

### 13 Interest on technical provisions

We have calculated the interest on technical provisions in accordance with Section 38 of the German Insurance Accounting Regulations (RechVersV) and have transferred it from the non-technical to the technical account.

### 14 Personnel expenses

The management expenses include the following personnel expenses:

€m	2018	Prev. year
Wages and salaries	-487	-503
Social insurance contributions and voluntary assistance	-71	-80
Expenses for employees' pensions	-16	-21
<b>Total</b>	<b>-575</b>	<b>-604</b>

### 15 Investment income

The write-ups result from the reversal of write-downs because the reasons for these write-downs for impairment no longer apply.

### 16 Investment expenses

Of the write-downs, €711m is for impairments as per Section 253(3), sentence 5 of the German Commercial Code (HGB).

### 17 Tax accounting influences

There are no tax accounting influences.

### 18 Mid-Term Incentive Plan

Since 1 January 2009, Munich Reinsurance Company has set up medium-term incentive plans, each with a term of three years. Eligible for participation in these cash-settled share-based remuneration plans are senior management in Munich. The participants receive performance share units (PSUs). In the fourth year after plan commencement, participants are entitled to a bonus payment dependent on the achievement of value-based performance targets and the increase in the total shareholder return (TSR).

The value-based performance targets are set in the form of an average target to be achieved over the following three years of the plan and are allocated according to responsibilities.

The basis for the full and partial allocation of the PSUs is the first plan year.

The final number of PSUs is calculated by multiplying the number of PSUs at plan commencement by the percentage achievement of the performance target at plan termination. The number of PSUs may fluctuate between 0 and 1.5 times the initially allocated number. Payment is capped if the TSR doubles. The maximum amount payable is thus limited to 300%.

The Mid-Term Incentive Plan at the reporting date is valued indirectly at the fair value of the liabilities. The fair value takes account of the value-based performance target and the total shareholder return (TSR) during the performance period. To this end, the TSR index value observable in the market is updated with the current dividend yield of Munich Re shares at the termination date and discounted with appropriate market interest rates.

## Munich Reinsurance Company's Mid-Term Incentive Plans 2015–2018

	Incentive Plan 2015	Incentive Plan 2016	Incentive Plan 2017	Incentive Plan 2018
Plan commencement	1.1.2015	1.1.2016	1.1.2017	1.1.2018
Plan end	31.12.2017	31.12.2018	31.12.2019	31.12.2020
Fair value 2018 for one right	0.00 €	481.83 €	500.94 €	519.30 €
Number of rights (for 100% achievement of objectives) on 1 January 2015	0	0	0	0
Number of rights (for 100% achievement of objectives) on 31 December 2015	38,217	0	0	0
Number of rights (for 100% achievement of objectives) on 1 January 2016	38,217	0	0	0
Additions	0	32,525	0	0
Forfeited	213	0	0	0
Number of rights (for 100% achievement of objectives) on 31 December 2016	38,004	32,525	0	0
Number of rights (for 100% achievement of objectives) on 1 January 2017	38,004	32,525	0	0
Additions	0	120	30,814	0
Forfeited	1,322	1,136	0	0
Number of rights (for 100% achievement of objectives) on 31 December 2017	36,682	31,509	30,814	0
Number of rights (for 100% achievement of objectives) on 1 January 2018	36,682	31,509	30,814	0
Additions	0	0	0	27,390
Exercised	36,682	0	0	0
Forfeited	0	0	0	0
Number of rights (for 100% achievement of objectives) on 31 December 2018	0	31,509	30,814	27,390

In the 2018 financial year, expenses of €21m were recognised for the Mid-Term Incentive Plans. As at 31 December 2018, the provision amounted to €36m.

## 19 Income and expenses from currency translation

Income of €203m from currency translation has been recognised in other income, and expenses of €524m in other expenses.

## 20 Income and expenses from the discounting of provisions

“Other expenses” includes €8m from reversing the discounting of the tax reserves.

## 21 Remuneration report

The members of Munich Reinsurance Company's Board of Management received remuneration totalling €18.2m. The total remuneration of Munich Reinsurance Company's Supervisory Board amounted to €2.8m; included in this figure is €0.2m for membership of supervisory boards at other Group companies.

Payments to retired members of the Board of Management or their surviving dependants totalled €10.9m. Included in this amount is compensation in the amount of €2.3m paid to a former member of the Board of Management for a post-contractual non-competition agreement.

Former members of the Board of Management did not accrue any further pension entitlements with an impact on personnel expenses. After deducting plan assets for existing pension commitments held by a separate entity (under a contractual trust agreement), there were no surplus pension provisions or provisions for comparable benefits for retired members of the Board of Management or their surviving dependants. The amount of the liability is €152.8m.

There are no pension commitments for former members of the Supervisory Board or their surviving dependants.

The members of the Supervisory Board and Board of Management did not receive any cash advances or loans in the year under review.

## 22 Governing bodies of Munich Re

### Responsibilities and seats held by the Board of Management

Board of Management	Responsibilities	Seats <sup>1</sup>
Dr. oec. publ. Joachim Wenning Chairman of the Board of Management Chairman of the - Group Committee - Strategy Committee - Group Investment Committee	Group Holdings Group Strategy and M&A Group Communications Group Audit Economics, Sustainability & Public Affairs <sup>3</sup> Group Human Resources Group Executive Affairs Group Compliance and Legal (since 1 January 2019)	ERGO Group AG, Düsseldorf <sup>2</sup> (Chair)
Dr. rer. pol. Thomas Blunck	Life and Health Capital Partners Digital Partners Reinsurance Investments	Munich Re Digital Partners Ltd., United Kingdom <sup>2</sup> (Chair)
Dr. jur. Doris Höpke Labour Relations Director	Special and Financial Risks (until 31 July 2018) Europe and Latin America (since 1 August 2018) Human Resources	New Reinsurance Company Ltd., Switzerland <sup>2</sup> (President)
Dr. rer. nat. Torsten Jeworrek Chairman of the - Reinsurance Committee - Global Underwriting and Risk Committee - Board Committee IT Investments	Reinsurance Development Corporate Underwriting Claims Accounting, Controlling and Central Reserving for Reinsurance Information Technology	ERGO Digital Ventures AG, Düsseldorf <sup>2</sup> ERGO International AG, Düsseldorf <sup>2</sup>
Hermann Pohlchristoph	Germany, Asia Pacific and Africa (until 31 July 2018) Asia Pacific and Africa (since 1 August 2018) Central Procurement Services	ERGO International AG, Düsseldorf <sup>2</sup>
Dr. rer. pol. Markus Rieß	Primary insurance/ERGO Third-party asset management	ERGO Deutschland AG, Düsseldorf <sup>2</sup> (Chair) ERGO Digital Ventures AG, Düsseldorf <sup>2</sup> (Chair) ERGO International AG, Düsseldorf <sup>2</sup> (Chair) MEAG MUNICH ERGO Kapitalanlage- gesellschaft mbH, Munich <sup>2</sup> (Chair)
Dr. rer. pol. Peter Röder	Global Clients and North America Europe and Latin America (until 31 July 2018)	EXTREMUS Versicherungs-AG, Cologne Munich Re America Corporation, USA <sup>2</sup> (Chair) Munich Reinsurance America Inc., USA <sup>2</sup> (Chair)
Dr. jur. Jörg Schneider (until 31 December 2018) Chief Financial Officer Chairman of the Group Risk Committee  Successor from 1 January 2019: Dr. rer. nat. Christoph Jurecka	Financial and Regulatory Reporting Group Controlling Integrated Risk Management Group Compliance (until 31 October 2018) Group Legal (until 31 October 2018) Group Compliance and Legal (1 November 2018 to 31 December 2018) Group Taxation Investor and Rating Agency Relations	MEAG MUNICH ERGO Kapitalanlage- gesellschaft mbH, Munich <sup>2</sup>

<sup>1</sup> As at 31 December 2018; seats held on supervisory boards of German companies and memberships of comparable bodies of German and foreign business enterprises.

<sup>2</sup> Own Group company within the meaning of Section 18 of the German Stock Corporation Act (AktG).

<sup>3</sup> Including responsibility for environmental, social and governance (ESG) issues.



## Supervisory Board and seats held by members of the Supervisory Board

Supervisory Board <sup>1</sup>	Membership of committees	Seats <sup>2</sup>
<b>Dr. Ing. E.h. Dipl. Ing. Bernd Pischetsrieder</b> Chairman Member since 17 April 2002, last re-elected 30 April 2014	Standing Committee Personnel Committee Audit Committee Nomination Committee Conference Committee Remuneration Committee (since 1 January 2018)	Daimler AG, Stuttgart <sup>4</sup> Tetra Laval Group, Switzerland
<b>Marco Nörenberg</b> Deputy Chairman Employee of ERGO Group AG Member since 22 April 2009, last re-elected 30 April 2014	Standing Committee Conference Committee	ERGO Group AG, Düsseldorf <sup>3</sup>
<b>Prof. Dr. oec. Dr. iur. Dr. rer. pol. h.c. Ann-Kristin Achleitner</b> Scientific Co-Director of the Center for Entrepreneurial and Financial Studies (CEFS) at the Technical University of Munich Member since 3 January 2013, last re-elected 30 April 2014	Audit Committee Nomination Committee Remuneration Committee (since 1 January 2018)	Deutsche Börse AG, Frankfurt <sup>4</sup> (until 8 May 2019) Linde AG, Munich <sup>4,7</sup> (until conclusion of the envisaged squeeze-out of the company) Linde plc, Ireland <sup>4,7</sup> Engie S.A. (formerly GDF SUEZ S.A.), France <sup>4</sup>
<b>Dr. rer. pol. Kurt Wilhelm Bock</b> Chairman of the Board of Management of BASF SE (until 4 May 2018) Member of the Supervisory Board of Munich Reinsurance Company Member since 25 April 2018		Fresenius Management SE, Bad Homburg Bayerische Motorenwerke AG, Munich <sup>4</sup>
<b>Clement B. Booth</b> Member of the Board of Directors of Hyperion Insurance Group, United Kingdom Member since 27 April 2016		Euroassekuranz Versicherungsmakler AG, Regensburg (Chair) Hyperion Insurance Group Ltd., United Kingdom
<b>Frank Fassin</b> Regional Section Head Financial Services, ver.di North Rhine-Westphalia Member since 22 April 2009, last re-elected 30 April 2014		ERGO Group AG, Düsseldorf <sup>3</sup> Provinzial NordWest Holding AG, Münster
<b>Dr. jur. Benita Ferrero-Waldner</b> Partner in the law firm of Cremades & Calvo Sotelo, Spain Member since 12 February 2010, last re-elected 30 April 2014		
<b>Christian Fuhrmann</b> Head of Divisional Unit, Munich Reinsurance Company Member since 22 April 2009, last re-elected 30 April 2014	Audit Committee	
<b>Prof. Dr. rer. nat. Dr. h.c. Ursula Gather</b> Rector of TU Dortmund University Member since 30 April 2014		thyssenkrupp AG, Essen <sup>4</sup>

See table on next page for footnotes



Supervisory Board <sup>1</sup>	Membership of committees	Seats <sup>2</sup>
<b>Gerd Häusler</b> Member of the Supervisory Board of Auto1 Group SE, Munich Member since 30 April 2014	Standing Committee	Auto1 Group S.E., Munich
<b>Dr. iur. Anne Horstmann</b> Employee of ERGO Group AG Member since 30 April 2014	Audit Committee	ERGO Group AG, Düsseldorf <sup>3</sup>
<b>Ina Hosenfelder</b> Employee of ERGO Group AG Member since 30 April 2014		
<b>Renata Jungo Brüngger</b> Member of the Board of Management of Daimler AG Member since 3 January 2017		
<b>Prof. Dr. rer. nat. Dr. Ing. E.h. Henning Kagermann</b> Chair of the Board of Trustees of acatech – German Academy of Science and Engineering Member since 22 July 1999, last re-elected 30 April 2014	Standing Committee Personnel Committee Audit Committee Nomination Committee Conference Committee	Deutsche Post AG, Bonn <sup>4</sup> KUKA AG, Augsburg <sup>4</sup>
<b>Beate Mensch</b> Trades Union Secretary, ver.di, Hessen Member since 30 April 2014		
<b>Ulrich Plottke</b> Employee of ERGO Group AG Member since 30 April 2014		ERGO Group AG, Düsseldorf <sup>3</sup>
<b>Andrés Ruiz Feger</b> Employee of Munich Re, Sucursal en España, Spain Member since 22 April 2009, last re-elected 30 April 2014	Standing Committee	
<b>Gabriele Sinz-Toporzysek</b> Employee of ERGO Beratung und Vertrieb AG Member since 30 April 2014		ERGO Beratung und Vertrieb AG, Düsseldorf <sup>3</sup>
<b>Dr. phil. Ron Sommer</b> Chairman of the Supervisory Board of MTS OJSC, Russia Member from 5 November 1998 until 25 April 2018		PrJSC MTS, Ukraine (Chair) <sup>5</sup> Sistema PJSFC, Russia <sup>4,5</sup> Tata Consultancy Services Ltd., India <sup>4,5</sup>
<b>Angelika Wirtz</b> Employee of Munich Reinsurance Company Member since 30 April 2014	Personnel Committee Conference Committee Remuneration Committee (since 1 January 2018)	
<b>Dr. iur. Maximilian Zimmerer</b> Member of the Supervisory Board of Munich Reinsurance Company Member since 4 July 2017		Investmentaktiengesellschaft für langfris- tige Investoren TGV, Bonn (Chair) Möller & Förster GmbH & Co. KG, Hamburg (Chair of Advisory Council) <sup>6</sup>

1 As at 31 December 2018.

2 Seats held on supervisory boards of German companies and memberships of comparable bodies of German and foreign business enterprises.

3 Own Group company within the meaning of Section 18 of the German Stock Corporation Act (AktG).

4 Listed on the stock exchange.

5 As at the date of departure.

6 Membership of a non-statutory supervisory board.

7 Belong to the same corporate group (Linde group).

## 23 Number of staff

The number of staff employed by the Company in Munich and at its offices abroad in the 2018 financial year averaged 4,086, of whom an average of 3,633 were employed in Germany and 454 in other countries.

## 24 Auditor's fees

The auditor's fees mainly relate to the audits of the consolidated financial statements and the annual financial statements of Munich Reinsurance Company, and to various audits of our subsidiaries' annual financial statements, including statutory extensions of the audit assignment (in particular the audit of the solvency balance sheet). In addition, reviews of interim financial statements and project-related IT audits, and contractual reviews of the effectiveness of a service company's controls, were carried out.

Other assurance and appraisal services concern statutory or contractual audit services, voluntary audit services – in particular, audits of compliance management systems pursuant to accounting standard 980 of the Institute of Public Auditors in Germany (IDW), and mandatory assurance and appraisal services for submission to the competent authorities.

Other services essentially relate to quality assurance support and consulting services in connection with accounting issues, the introduction of regulatory requirements or of new accounting standards based on solutions and concepts produced by us. The auditor also provided administrative support and data storage services on a small scale.

Further information on the auditor's fees can be found in Munich Re's Group Annual Report 2018.

## 25 Contingent liabilities and other financial commitments

The Company has assumed a guarantee for certain reinsurance liabilities of Munich American Reassurance Company (MARC Life).

Munich Reinsurance Company has also assumed liability in case of default for payments arising with respect to certain insurance commitments of two non-German subsidiaries.

For three non-German subsidiaries and one branch, a guarantee for office rents has been assumed for a total amount equivalent to just under €6m per annum.

We have given time-limited guarantees concerning the correctness of individual items warranted in the sales contract when buying or selling investments. An obligation to pay compensation for disadvantages is included in some of these guarantees.

Munich Reinsurance Company has provided guarantees equivalent to around €33m for the financial obligations of three subsidiaries.

As a member of the German Pharma Reinsurance Community and the German Nuclear Reactor Insurance Association, we are committed – to the extent of our proportional share – to assuming the payment obligations of another pool member if the latter is not able to meet these obligations.

Munich Reinsurance Company has guaranteed adequate capitalisation of a subsidiary, in case of a demand to repay public funding totalling much less than €1m; for other subsidiaries, Munich Reinsurance Company has provided payment guarantees to secure repayment claims of just over €11m.

For one subsidiary's contingent contractual liabilities to compensate losses at other Group companies, the Company has assumed joint and several liability from three contracts (up to a maximum amount of €300m per claim in the first one, and €100m per claim in the second and third one).

In addition, the Company has assumed a payment obligation equivalent to around €29m for a participating interest.

In none of the cases mentioned is there an increased risk of the guarantees being utilised.

Beyond this, there are no off-balance-sheet transactions which are material for the assessment of the Company's financial position.

Other financial commitments amounted to €1,449m (€1,174m of these to affiliated companies). They result mainly from commitments to inject capital into various investment funds and subsidiaries, agency and leasing agreements, loans and initiated investment projects.

Information on open forward transactions can be found on page 20 of this Annual Report.

## 26 Declaration of Conformity with the German Corporate Governance Code in accordance with Section 161 of the German Stock Corporation Act (AktG)

In November 2018, the Board of Management and Supervisory Board of Munich Reinsurance Company published an updated Declaration of Conformity with the German Corporate Governance Code in accordance with Section 161 of the Stock Corporation Act (AktG) and made this Declaration permanently available to shareholders on its website at [www.munichre.com/cg-en](http://www.munichre.com/cg-en).

## 27 Events after the balance sheet date

Under the share buy-back programme decided on by Munich Reinsurance Company's Board of Management in March 2018, we repurchased a further 0.7 million Munich Re shares with a volume of €138m from the balance sheet date to the end of February 2019.

## 28 Proposal for appropriation of profit

The net retained profits available to the Annual General Meeting for allocation amount to €1,383,230,912.25. The Board of Management will propose that these net retained profits be used for payment of a dividend of €9.25 per dividend-bearing share, with the remaining amount being carried forward to new account.

## List of shareholdings as at 31 December 2018 in accordance with Section 285 Nos. 11, 11a and 11b of the German Commercial Code (HGB)

The following disclosures relate to our aggregated directly and indirectly held shareholdings (pursuant to Section 16 (2) and (4) of the German Stock Corporation Act – AktG) in participating interests (as defined in Section 271(1) of the German Commercial Code).

The figures for equity and the result for the year are taken from the most recent local GAAP annual financial statements, mainly those at 31 December 2017. If such financial statements are not available, the IFRS figures produced for consolidation purposes have been used.

Company and registered seat	% share of capital	Equity €k	Result for the year €k
<b>Shareholdings exceeding 5% of the voting rights of large companies</b>			
1818 Acquisition LLC, Dover, Delaware	20.6400	831,816	-11,682
Admiral Group plc, Cardiff	10.1030	140,494	322,825
American Alternative Insurance Corporation, Wilmington, Delaware	100.0000	176,419	27,197
American Family Home Insurance Company, Jacksonville, Florida	100.0000	156,032	-2,150
American Modern Home Insurance Company, Amelia, Ohio	100.0000	331,328	-7,068
American Modern Insurance Company of Florida Inc., Jacksonville, Florida	100.0000	9,497	-634
American Modern Lloyds Insurance Company, Dallas, Texas	100.0000	3,642	62
American Modern Property & Casualty Insurance Company, Cincinnati, Ohio	100.0000	14,819	108
American Modern Select Insurance Company, Amelia, Ohio	100.0000	52,016	2,333
American Modern Surplus Lines Insurance Company, Amelia, Ohio	100.0000	24,848	-851
American Southern Home Insurance Company, Jacksonville, Florida	100.0000	41,382	15
American Western Home Insurance Company, Oklahoma City, Oklahoma	100.0000	62,238	-838
Apollo Munich Health Insurance Co. Ltd., Hyderabad	48.6157	39,515	-11,518
Beaufort Dedicated No.2 Ltd., London	100.0000	-17,546	-60,771
carexpert Kfz-Sachverständigen GmbH, Walluf	25.0000	4,158	-448
Closed Joint Stock Company «ERGO» Insurance Company, Minsk	92.3114	4,587	48
D.A.S. Defensa del Automovilista y de Siniestros - Internacional S.A. de Seguros y Reaseguros, Barcelona	100.0000	8,621	1,467
D.A.S. Difesa Automobilistica Sinistri S.p.A. di Assicurazione, Verona	49.9920	40,001	8,396
D.A.S. Hellas Insurance Company of Legal Protection S.A., Athens	100.0000	4,795	-71
D.A.S. Jogvédelmi Biztosító Részvénytársaság, Budapest	100.0000	5,755	407
D.A.S. Rechtsschutz Aktiengesellschaft, Vienna	100.0000	69,396	3,273
D.A.S. Société anonyme belge d'assurances de Protection Juridique, Brussels	100.0000	33,958	3,380
D.A.S. Towarzystwo Ubezpieczen Ochrony Prawnej S.A., Warsaw	100.0000	3,757	-95
DAMAN - National Health Insurance Company, Abu Dhabi <sup>3</sup>	20.0000	-	-
Daman Health Insurance - Qatar LLC, Doha	100.0000	13,663	-1,591
DAS Legal Expenses Insurance Co., Ltd., Seoul	100.0000	1,050	-681
DAS Legal Expenses Insurance Company Limited, Bristol	100.0000	42,940	-5,888
DAS Nederlandse Rechtsbijstand Verzekeringmaatschappij N.V., Amsterdam	100.0000	130,003	23,705
DAS Services Limited, Bristol	100.0000	-9,381	1,632
DKV BELGIUM S.A., Brussels	100.0000	172,345	36,490
DKV Deutsche Krankenversicherung Aktiengesellschaft, Cologne <sup>1</sup>	100.0000	469,534	0
DKV Seguros y Reaseguros S.A. Española, Zaragoza	100.0000	192,849	12,283
ERGO ASIGURARI DE VIATA S.A., Bucharest	100.0000	5,958	450
ERGO ASIGURARI S.A., Bucharest	100.0000	6,634	58
ERGO Beratung und Vertrieb AG, Düsseldorf <sup>1</sup>	100.0000	17,000	0
ERGO China Life Insurance Co., Ltd., Jinan, Shandong Province	50.0000	69,164	-24,699
ERGO Direkt Krankenversicherung AG, Fürth <sup>1</sup>	100.0000	79,515	0
ERGO Direkt Lebensversicherung AG, Fürth <sup>1</sup>	100.0000	92,789	0
ERGO Direkt Versicherung AG, Fürth <sup>1</sup>	100.0000	31,138	0

Company and registered seat	% share of capital	Equity €k	Result for the year €k
ERGO Életbiztosító Zrt, Budapest	100.0000	5,966	-422
ERGO Generales Seguros y Reaseguros S.A., Madrid	100.0000	33,134	2,564
ERGO Group AG, Düsseldorf	100.0000	3,081,839	198,198
ERGO Insurance Company S.A., Athens	100.0000	124,531	26,652
ERGO Insurance Company, Moscow	100.0000	30,790	4,568
ERGO Insurance N.V., Brussels	100.0000	418,469	57,656
ERGO Insurance Pte. Ltd., Singapore	100.0000	17,706	-7,779
ERGO Insurance SE, Tallinn	100.0000	48,083	5,014
ERGO Lebensversicherung Aktiengesellschaft, Hamburg <sup>1</sup>	100.0000	743,362	0
ERGO Life Insurance SE, Vilnius	100.0000	63,788	3,717
ERGO Life S.A., Grevenmacher	100.0000	26,266	519
ERGO osiguranje d.d., Zagreb	100.0000	5,777	-1,769
ERGO Pensionsfonds Aktiengesellschaft, Düsseldorf	100.0000	4,533	0
ERGO Pensionskasse AG, Düsseldorf <sup>1</sup>	100.0000	89,738	0
ERGO Poist'ovna a.s., Bratislava	100.0000	8,170	6,351
ERGO pojišť'ovna, a.s., Prague	100.0000	17,546	296
ERGO Sigorta A.Ş., Istanbul	100.0000	35,862	-13,152
ERGO Versicherung Aktiengesellschaft, Düsseldorf <sup>1</sup>	100.0000	489,220	0
ERGO Versicherung Aktiengesellschaft, Vienna	100.0000	378,180	505
ERGO Vida Seguros y Reaseguros S.A., Zaragoza	100.0000	38,011	-224
ERGO Vorsorge Lebensversicherung AG, Düsseldorf <sup>1</sup>	100.0000	30,716	0
ERGO Zivotno osiguranje d.d., Zagreb	100.0000	4,440	-295
ERV Evropská pojišť'ovna, a.s., Prague	90.0000	10,655	1,350
Europaeiske Rejseforsikring A/S, Copenhagen	100.0000	44,472	1,462
Europai Utazasi Biztosito Rt, Budapest	26.0000	6,152	0
EUROPÄISCHE Reiseversicherung Aktiengesellschaft, Munich <sup>1</sup>	100.0000	62,806	0
Europäische Reiseversicherungs-Aktiengesellschaft, Vienna	25.0100	31,385	6,940
Extremus Versicherungs-Aktiengesellschaft, Cologne	16.0000	63,940	200
FREE MOUNTAIN SYSTEMS S.L., Barcelona	100.0000	23,047	0
Global Aerospace Underwriting Managers Ltd., London	51.0000	37,442	3,114
Global Insurance Corporation, Ho Chi Minh City	43.7500	19,450	1,085
Globality S.A., Munsbach	100.0000	22,766	-4,084
Great Lakes Insurance SE, Munich	100.0000	395,840	0
HDFC ERGO General Insurance Company Ltd., Mumbai	48.2642	186,049	0
HSB Engineering Insurance Limited, London	100.0000	106,278	4,406
HSB Specialty Insurance Company, Hartford, Connecticut	100.0000	43,275	16
ITERGO Informationstechnologie GmbH, Düsseldorf <sup>1</sup>	100.0000	23,123	0
JSC "ERV Travel Insurance", Moscow	100.0000	6,508	2,881
Marchwood Power Limited, Southampton	50.0000	140,491	29,390
Marina Salud S.A., Alicante	65.0000	13,925	3,329
MEAG MUNICH ERGO AssetManagement GmbH, Munich	100.0000	142,854	53,788
MEAG MUNICH ERGO Kapitalanlagegesellschaft mbH, Munich <sup>1</sup>	100.0000	19,665	0
MEDICLIN Aktiengesellschaft, Offenburg	35.0042	303,802	8,151
Midland-Guardian Co., Amelia, Ohio	100.0000	87,559	21,382
Munich American Holding Corporation, Wilmington, Delaware	100.0000	10,337,309	127,894
Munich American Life Reinsurance Company, Atlanta, Georgia	100.0000	27,586	1,804
Munich American Reassurance Company, Atlanta, Georgia	100.0000	628,554	-41,008
Munich Holdings Ltd., Toronto, Ontario	100.0000	258,335	34,914
Munich Holdings of Australasia Pty Ltd, Sydney	100.0000	1,643,349	248,927
Munich Life Management Corporation Ltd., Toronto, Ontario	100.0000	-2,563	1,631
Munich Mauritius Reinsurance Co. Ltd., Port Louis	100.0000	3,335	-100
Munich Re America Corporation, Wilmington, Delaware	100.0000	3,002,911	-349,348
Munich Re Capital Limited, London	100.0000	78,538	26,818
Munich Re do Brasil Resseguradora SA, São Paulo	100.0000	100,816	17,326
Munich Re Life Insurance Company of Vermont, Burlington, Vermont	100.0000	451	-171
Munich Re of Bermuda Ltd., Hamilton, Bermuda <sup>3</sup>	100.0000	-	-
Munich Re of Malta Holding Limited, Ta' Xbiex	100.0000	894,422	219,661
Munich Re of Malta p.l.c., Ta' Xbiex	100.0000	1,045,925	152,332

Company and registered seat	% share of capital	Equity €k	Result for the year €k
Munich Re UK Services Limited, London	100.0000	67,240	7,067
Munich Re US Life Corporation, Minneapolis, Minnesota	100.0000	7,483	438
Munich Reinsurance America Inc., Wilmington, Delaware	100.0000	3,515,871	-522,652
Munich Reinsurance Company of Africa Ltd, Johannesburg	100.0000	174,969	-1,018
Munich Reinsurance Company of Australasia Ltd, Sydney	100.0000	835,211	-23,182
Munich Reinsurance Company of Canada, Toronto, Ontario	100.0000	182,569	34,870
New Reinsurance Company Ltd., Zurich	100.0000	740,395	110,798
nexible Versicherung AG, Nuremberg	100.0000	12,179	3,315
Protektor Lebensversicherungs-AG, Berlin	10.7631	105,796	384
Saudi Enaya Cooperative Insurance Company, Jeddah	15.0000	36,128	-3,278
SNIC Insurance B.S.C. (c), Manama	22.5000	41,193	3,870
Sopockie Towarzystwo Ubezpieczen Ergo Hestia Spolka Akcyjna, Sopot	100.0000	383,776	44,762
Sopockie Towarzystwo Ubezpieczen na Zycie Ergo Hestia Spolka Akcyjna, Sopot	100.0000	49,726	289
Storebrand Helseforsikring AS, Oslo	50.0000	24,629	8,329
Suramericana S.A., Medellin	18.8672	1,209,601	144,760
Temple Insurance Company, Toronto, Ontario	100.0000	118,430	3,804
Thaisri Insurance Public Company Limited, Bangkok	40.2576	31,469	3,525
The Boiler Inspection and Insurance Company of Canada, Toronto, Ontario	100.0000	56,785	6,645
The Hartford Steam Boiler Inspection and Insurance Company of Connecticut, Hartford, Connecticut	100.0000	11,294	-344
The Hartford Steam Boiler Inspection and Insurance Company, Hartford, Connecticut	100.0000	755,272	89,620
The Princeton Excess and Surplus Lines Insurance Company, Wilmington, Delaware	100.0000	57,057	6,216
Unión Médica La Fuencisla S.A., Compañía de Seguros, Zaragoza	100.0000	9,001	558
Victoria Lebensversicherung Aktiengesellschaft, Düsseldorf <sup>1</sup>	100.0000	669,713	0
Wataniya Insurance Company, Jeddah	10.0000	54,586	10,093
<b>Other shareholdings</b>			
"PORT ELISABETH" GmbH & Co. KG, Bramstedt	31.9660	1,532	28
"PORT LOUIS" GmbH & Co. KG, Bramstedt	26.0495	0	-168
13th & F Associates Limited Partnership, Washington, D.C.	98.0000	192,508	11,981
1440 New York Ave. Associates LP, Dover, Delaware	100.0000	226,212	0
40, Rue Courcelles SAS, Paris	100.0000	57,364	3,371
Adelfa Servicios a Instalaciones Fotovoltaicas S.L., Santa Cruz de Tenerife	100.0000	18,419	831
AGRA Gesellschaft für landwirtschaftliche Entwicklung und Beteiligung mbH, Vienna	100.0000	37,249	34,249
Agricultural Management Services S.r.l., Verona	33.3333	78	-49
Aleama 150015 S.L., Valencia	100.0000	-203	-19
ALICE GmbH, Düsseldorf	100.0000	96,963	2,878
ALLYSCA Assistance GmbH, Munich <sup>1</sup>	100.0000	2,984	0
American Modern Home Service Company, Amelia, Ohio	100.0000	2,220	39
American Modern Insurance Group Inc., Amelia, Ohio	100.0000	103,786	21,666
Amicus Legal Ltd., Bristol	100.0000	103	-67
ANOVA GmbH, Rostock	100.0000	232	33
Arridabra 130013 S.L., Valencia	100.0000	-205	-19
ARTES Assekuranzservice GmbH, Düsseldorf	100.0000	181	-51
ArztPartner almeda AG, Munich	100.0000	32,059	1,004
Asia Property Fund II GmbH & Co. KG, Munich	5.8889	109,164	7,370
Assistance Partner GmbH & Co. KG, Munich	21.6600	1,246	246
Atena Usługi Informatyczne i Finansowe S.A., Sopot	100.0000	233	0
ATU Landbau GmbH & Co. KG, Munich	94.9000	35,494	654
Augury Inc., Wilmington, Delaware	12.7500	7,816	-7,031
Autobahn T&R Management GmbH, Bonn	10.0020	25	1
Autobahn Tank & Rast Gruppe GmbH & Co. KG, Bonn	9.9980	371,387	-106,819
B&D Business Solutions B.V., Utrecht	100.0000	698	423
B3i Services AG, Zurich	7.9400	6,300	0
Backpack Insurance Agency Inc., Dover, Delaware	100.0000	72	0
Badozoc 1001 S.L., Valencia	100.0000	-126	-3
Bagmoor Holdings Limited, London	100.0000	10,713	394
Bagmoor Wind Limited, London	100.0000	2,599	1,652
Bank Austria Creditanstalt Versicherungsdienst GmbH, Vienna	100.0000	376	205
Baqueda 7007 S.L., Valencia	100.0000	-203	-18

Company and registered seat	% share of capital	Equity €k	Result for the year €k
Bazos CIV L.P., Dover, Delaware	100.0000	121,807	0
Beaufort Dedicated No.1 Ltd., London <sup>2</sup>	100.0000	75	0
Beaufort Dedicated No.3 Ltd., London <sup>2</sup>	100.0000	17	0
Beaufort Dedicated No.4 Ltd., London <sup>2</sup>	100.0000	5	0
Beaufort Dedicated No.5 Ltd., London <sup>2</sup>	100.0000	300	-1
Beaufort Dedicated No.6 Ltd., London <sup>2</sup>	100.0000	0	0
Beaufort Underwriting Agency Limited, London	100.0000	27,242	1,666
Beaufort Underwriting Services Limited, London <sup>2</sup>	100.0000	1	0
Bell & Clements (Bermuda) Ltd., Hamilton, Bermuda	100.0000	2,340	24
Bell & Clements (London) Ltd., London	100.0000	277	-149
Bell & Clements (USA) Inc., Reston, Virginia	100.0000	70	0
Bell & Clements Inc., Reston, Virginia	100.0000	633	8
Bell & Clements Ltd., London	100.0000	4,219	932
Bobasbe 6006 S.L., Valencia	100.0000	-206	-19
Botedazo 8008 S.L., Valencia	100.0000	-177	-19
Bought by Many Limited "BBM", London	11.4000	5,756	-3,952
Callopio 5005 S.L., Valencia	100.0000	-206	-20
Camcichu 9009 S.L., Valencia	100.0000	-177	-19
Cannock Chase B.V., Leidschendam	100.0000	154	-873
Cannock Chase Holding B.V., Amsterdam	100.0000	15,973	-3,711
Cannock Chase Incasso II B.V., The Hague	100.0000	-38	-18
Cannock Chase Purchase B.V., The Hague	100.0000	23	-123
Cannock Connect Center B.V., Brouwershaven	100.0000	-67	-211
CAPITAL PLAZA Holding GmbH, Düsseldorf	100.0000	72	1
Caracuel Solar Catorce S.L., Valencia	100.0000	-146	-18
Caracuel Solar Cinco S.L., Valencia	100.0000	-137	-19
Caracuel Solar Cuatro S.L., Valencia	100.0000	-136	-18
Caracuel Solar Dieciocho S.L., Valencia	100.0000	-117	-14
Caracuel Solar Dieciseis S.L., Valencia	100.0000	-136	-18
Caracuel Solar Diecisiete S.L., Valencia	100.0000	-116	-13
Caracuel Solar Diez S.L., Valencia	100.0000	-137	-20
Caracuel Solar Doce S.L., Valencia	100.0000	-138	-20
Caracuel Solar Dos S.L., Valencia	100.0000	-138	-18
Caracuel Solar Nueve S.L., Valencia	100.0000	-139	-19
Caracuel Solar Ocho S.L., Valencia	100.0000	-135	-19
Caracuel Solar Once S.L., Valencia	100.0000	-138	-20
Caracuel Solar Quince S.L., Valencia	100.0000	-135	-18
Caracuel Solar Seis S.L., Valencia	100.0000	-138	-19
Caracuel Solar Siete S.L., Valencia	100.0000	-138	-20
Caracuel Solar Trece S.L., Valencia	100.0000	-135	-18
Caracuel Solar Tres S.L., Valencia	100.0000	-137	-19
Caracuel Solar Uno S.L., Valencia	100.0000	-98	-20
CBRE U.S. Core Partners Parallel Limited Partnership, Wilmington, Delaware	99.9000	28,603	2,334
Centrum Pomocy Osobom Poszkodowanym Sp.z.o.o., Gdansk	100.0000	303	-881
Ceres Demetra GmbH, Munich	100.0000	43,271	4,148
Comino Beteiligungen GmbH, Grünwald	100.0000	624,498	20,098
Consorcio Internacional de Aseguradores de Crédito S.A., Madrid	15.0353	23,579	-1,658
Consortia Versicherungs-Beteiligungsgesellschaft mbH, Nuremberg	33.7027	53,203	8,484
Consumer Loan Underlying Bond (CLUB) Certificate Issuer Trust I Series 2018-17, San Francisco, California	95.0000	4,128	0
Consumer Loan Underlying Bond (CLUB) Certificate Issuer Trust I Series 2018-24, San Francisco, California	95.0000	26,139	0
Consumer Loan Underlying Bond (CLUB) Certificate Issuer Trust I Series 2018-31, San Francisco, California	95.0000	26,753	0
Copper Leaf Research, Bingham Farms, Michigan <sup>2</sup>	100.0000	0	0
Corion Pty Ltd, Sydney	100.0000	890,880	-1,804
Cornwall Power (Polmaugan) Limited, London	100.0000	7,147	187
Cotatrillo 100010 S.L., Valencia	100.0000	-175	-19



Company and registered seat	% share of capital	Equity €k	Result for the year €k
Countryside Renewables (Forest Heath) Limited, London	100.0000	4,803	138
D.A.S. Prawo i Finanse Sp.z.o.o., Warsaw	100.0000	15	-1
D.A.S. Rechtsschutz Leistungs-GmbH, Munich <sup>1</sup>	100.0000	333	0
D.A.S., Tomasz Niedzinski Kancelaria Prawna Spolka komandytowa, Warsaw	95.0000	39	-1
Dansk Demetra ApS, Frederiksberg C	100.0000	9,388	0
DAS Assistance Limited, Bristol	100.0000	-1	210
DAS Holding N.V., Amsterdam	51.0000	238,275	1,421
DAS Incasso Arnhem B.V., Elst	100.0000	-534	-108
DAS Incasso Eindhoven B.V., 's-Hertogenbosch	100.0000	-811	3
DAS Incasso Rotterdam B.V., Rotterdam	100.0000	5,929	244
DAS Law Limited, Bristol	100.0000	-7,786	-2,018
DAS Legal Finance B.V., Amsterdam	100.0000	61,933	-22,335
DAS Legal Protection Inc., Toronto, Ontario	100.0000	640	0
DAS Legal Services B.V., Amsterdam	100.0000	-2,273	-809
DAS Lex Assistance S.L., L'Hospitalet de Llobregat	100.0000	54	-40
DAS MEDICAL ASSIST LIMITED, Bristol	100.0000	457	-79
DAS UK Holdings Limited, Bristol	100.0000	52,539	-1,926
DB Platinum IV SICAV (Subfonds Institutional Fixed Income, Inhaber-Anteile I4D), Luxembourg	100.0000	1,125,351	-53,191
DB Platinum IV SICAV (Subfonds Institutional Fixed Income, Inhaber-Anteile I5D), Luxembourg	100.0000	1,125,351	-53,191
DB Platinum IV SICAV (Subfonds Institutional Fixed Income, Inhaber-Anteile I6D o.N.), Luxembourg	100.0000	1,125,351	-53,191
DB Platinum IV SICAV (Subfonds Institutional Fixed Income, Inhaber-Anteile I7D o.N.), Luxembourg	100.0000	1,125,351	-53,191
DB Platinum IV SICAV (Subfonds Institutional Fixed Income, Inhaber-Anteile I8D o.N.), Luxembourg	100.0000	1,125,351	-53,191
DEAX Õigusbüroo OÜ, Tallinn	100.0000	59	9
Digital Advantage Insurance Company, Providence, Rhode Island	100.0000	7,723	-98
Digital Affect Insurance Company, New York City, New York	100.0000	9,465	-845
Digital Edge Insurance Company, Wilmington, Delaware	100.0000	0	0
Digital Porte Inc., Toronto, Ontario	100.0000	1,106	-2,678
DKV Beteiligungs- und Vermögensverwaltungs GmbH & Co. KG, Cologne	100.0000	0	-51
DKV Erste Beteiligungsgesellschaft mbH, Cologne	100.0000	111	-6
DKV Pflegedienste & Residenzen GmbH, Cologne	100.0000	6,448	358
DKV Servicios S.A., Zaragoza	100.0000	2,584	871
DKV-Residenz am Tibusplatz gGmbH, Münster	100.0000	1,424	294
DKV-Residenz in der Contrescarpe GmbH, Bremen	100.0000	-944	245
DMS QIAIF Platform ICAV (FIVE LABS Subfonds), Dublin	100.0000	100,000	0
DRA Debt Recovery Agency B.V., The Hague	100.0000	7,563	955
E&S Claims Management Inc., Reston, Virginia	100.0000	-11	8
Economic Data Resources B.V., The Hague	100.0000	2,431	-546
EGM Wind SAS, Paris	40.0000	4,984	-1,662
EIG Co., Wilmington, Delaware	100.0000	121,041	26,246
Equidate Inc., Wilmington, Delaware	4.9400	4,000	3,591
ERGO (China) Consulting Ltd., Beijing	100.0000	4,966	1,065
ERGO Alpha GmbH, Düsseldorf	100.0000	26	-1
ERGO Asia Management Pte. Ltd. (In Member's Voluntary Liquidation), Singapore	100.0000	511	0
ERGO Austria International AG, Vienna	100.0000	235,420	62,943
ERGO Deutschland AG, Düsseldorf <sup>1</sup>	100.0000	685	0
ERGO Digital IT GmbH, Berlin <sup>1</sup>	100.0000	25	0
ERGO Digital Ventures AG, Düsseldorf <sup>1</sup>	100.0000	400,692	0
ERGO Direkt AG, Fürth	100.0000	50	0
ERGO Elfte Beteiligungsgesellschaft mbH, Düsseldorf	100.0000	1,007	-5
ERGO Fund I LP, Dover, Delaware	100.0000	14,094	0
ERGO Fünfzehnte Beteiligungs AG, Düsseldorf	100.0000	50	0
ERGO Gourmet GmbH, Düsseldorf	100.0000	284	59
ERGO Grubu Holding A.Ş., Istanbul	100.0000	97,531	569
ERGO Grundstücksverwaltung GbR, Düsseldorf	100.0000	181,118	4,034
ERGO Infrastructure Investment Gesundheit GmbH, Düsseldorf	100.0000	10,982	-13
ERGO Infrastructure Investment Komposit GmbH, Düsseldorf	100.0000	4,676	-9
ERGO Infrastructure Investment Leben GmbH, Düsseldorf	100.0000	23	-1
ERGO Infrastructure Investment Pensionskasse GmbH, Düsseldorf	100.0000	23	-1



Company and registered seat	% share of capital	Equity €k	Result for the year €k
ERGO Infrastructure Investment Victoria Leben GmbH, Düsseldorf	100.0000	23	-1
ERGO International Aktiengesellschaft, Düsseldorf <sup>1</sup>	100.0000	1,949,060	0
ERGO International Services GmbH, Düsseldorf <sup>1</sup>	100.0000	25	0
ERGO Invest SIA, Riga	100.0000	6,283	499
ERGO LatAm S.A.S., Bogota	100.0000	28	29
ERGO Leben Asien Verwaltungs GmbH, Munich	100.0000	31	1
ERGO Mobility Solutions GmbH, Düsseldorf <sup>1</sup>	100.0000	25	0
ERGO Neunte Beteiligungsgesellschaft mbH, Düsseldorf <sup>1</sup>	100.0000	483,295	0
ERGO Partners N.V., Brussels	100.0000	5,672	13,072
ERGO Private Capital Dritte GmbH & Co. KG, Düsseldorf	100.0000	75,455	5,136
ERGO Private Capital Gesundheit GmbH & Co. KG, Düsseldorf	100.0000	288,953	85,844
ERGO Private Capital GmbH, Düsseldorf	100.0000	28	3
ERGO Private Capital Komposit GmbH & Co. KG, Düsseldorf	100.0000	139,745	30,004
ERGO Private Capital Leben GmbH & Co. KG, Düsseldorf	100.0000	100,488	17,120
ERGO Private Capital Vierte GmbH & Co. KG, Düsseldorf	100.0000	24,355	2,072
ERGO Private Capital Zweite GmbH & Co. KG, Düsseldorf	100.0000	18,581	1,595
ERGO PRO S.r.l., Verona	100.0000	-116	-131
ERGO Pro Sp.z.o.o., Warsaw	100.0000	1,213	244
ERGO Pro, spol.s.r.o., Prague	100.0000	217	-6
ERGO Versicherungs- und Finanzierungs-Vermittlung GmbH, Hamburg	100.0000	1,468	395
ERGO Vorsorgemanagement GmbH, Vienna	100.0000	198	-236
ERGO Zehnte Beteiligungsgesellschaft mbH, Düsseldorf	100.0000	93	-50
ERGO Zwölfte Beteiligungsgesellschaft mbH, Munich	100.0000	65	-4
ERV Services Ltd., London	100.0000	334	0
ERV Sigorta Aracılık Hizmetleri Ltd. Şti., Istanbul	99.9980	116	31
Etics, s.r.o., Prague	100.0000	79	2
Etoblete 160016 S.L., Valencia	100.0000	-203	-18
Euro-Center (Cyprus) Ltd., Larnaca	100.0000	328	8
Euro-Center (Thailand) Co., Ltd., Bangkok	100.0000	546	30
Euro-Center Cape Town (Pty) Ltd, Cape Town	100.0000	93	7
Euro-Center Holding North Asia (HK) Pte. Ltd., Hong Kong	100.0000	53	2
Euro-Center Holding SE, Prague	83.3332	5,236	893
Euro-Center Ltda, São Paulo	100.0000	28	-5
Euro-Center North Asia Consulting Services (Beijing) Co., Ltd., Beijing	100.0000	317	31
Euro-Center Prague, s.r.o., Prague	100.0000	674	262
EUROCENTER S.A., Palma de Mallorca	100.0000	612	69
Euro-Center USA, Inc., New York City, New York	100.0000	1,015	45
Euro-Center Yerel Yardim Hizmetleri Ltd. Şti., Istanbul	100.0000	223	37
European Assistance Holding GmbH, Munich	100.0000	17	-1
Evaluación Médica TUW S.L., Barcelona	100.0000	227	-727
Everything Legal Ltd., Bristol	100.0000	227	16
Exolvo GmbH, Hamburg	100.0000	41	-32
FAIRANCE GmbH, Düsseldorf <sup>1</sup>	100.0000	62,880	0
Faunus Silva LLC, Wilmington, Delaware	100.0000	390,019	0
Fernkälte Geschäftsstadt Nord Gesellschaft bürgerlichen Rechts, Hamburg	36.5609	1,917	0
FIA Timber Partners II LP, Wilmington, Delaware	39.0800	148,385	1,893
Finsure Investments (Private) Limited, Harare	24.5000	7,788	186
Flexitel Telefonservice GmbH, Berlin	100.0000	3,545	420
Forst Ebnath AG, Ebnath	100.0000	11,962	1,547
FOTOUNO S.r.l., Brixen	100.0000	50,748	3,961
FOTOWATIO ITALIA GALATINA S.r.l., Brixen	100.0000	27,323	1,664
Fraugster Limited, London	5.7300	469	-2,551
FS Louisiana I LLC, Wilmington, Delaware	100.0000	191,017	0
FS Louisiana II LLC, Wilmington, Delaware	100.0000	190,730	0
FS San Augustine LLC, Wilmington, Delaware	100.0000	197,229	0
Gamaponti 140014 S.L., Valencia	100.0000	-204	-19
GBG Vogelsanger Straße GmbH, Cologne	94.7826	-500	10
Gebäude Service Gesellschaft Überseering 35 mbH, Hamburg	100.0000	346	176

Company and registered seat	% share of capital	Equity €k	Result for the year €k
GIG City Nord GmbH, Hamburg	20.0000	99	25
Global Standards LLC, Dover, Delaware	100.0000	57,786	159
goDentis – Gesellschaft für Innovation in der Zahnheilkunde mbH, Cologne	100.0000	871	132
Great Lakes (Gibraltar) Plc, Gibraltar <sup>2</sup>	100.0000	111	0
Green Acre LLC, Wilmington, Delaware	31.9361	216,466	31,761
Group Health Group Holdings Inc., Surrey, British Columbia	40.0000	7,970	3,613
Groves, John & Westrup Limited, Liverpool	100.0000	20	0
Guanzu 2002 S.L., Valencia	100.0000	-203	-18
Hamburger Hof Management GmbH, Hamburg <sup>2</sup>	100.0000	29	-1
Hamburg-Mannheimer ForsikringService A/S, Copenhagen	100.0000	30	14
Hancock Timberland XII LP, Wilmington, Delaware	15.1500	315,349	1,841
Hansekuranz Kontor GmbH, Münster	51.0000	947	-718
Hartford Research LLC, Lewes, Delaware <sup>2</sup>	41.7500	0	0
Hartford Steam Boiler (M) SDN BHD, Kuala Lumpur	100.0000	-170	-136
Hartford Steam Boiler (Singapore) Pte. Ltd., Singapore	100.0000	-53	-51
Hartford Steam Boiler Colombia Ltda, Bogota	100.0000	331	22
Hartford Steam Boiler International GmbH, Rheine	100.0000	-718	-512
Hartford Steam Boiler UK Limited, Salford	100.0000	34	7
Helium Systems Inc., Dover, Delaware	5.4600	12,201	-4,366
Hestia Loss Control Sp.z.o.o., Sopot	100.0000	103	-18
Hines India Fund LP, Houston, Texas	11.8333	40,961	-142
Hippo Analytics Inc., Wilmington, Delaware	2.1000	25,454	-6,393
HMV GFKL Beteiligungs GmbH, Düsseldorf	100.0000	33,872	501
Horbach GmbH Versicherungsvermittlung und Finanzdienstleistungen, Düsseldorf	70.1000	305	216
HSB Associates Inc., New York City, New York	100.0000	994	-3
HSB Brasil Servicos de Engenharia e Inspecao Ltda, São Paulo	100.0000	133	-27
HSB Engineering Finance Corporation, Dover, Delaware	100.0000	-15,200	-1
HSB Engineering Insurance Services Limited, London	100.0000	6,170	335
HSB Fund I LP, Dover, Delaware	100.0000	19,592	0
HSB Group Inc., Dover, Delaware	100.0000	834,808	23,857
HSB International (India) Private Limited, Gujarat	100.0000	350	-10
HSB Japan K.K., Minato-KU, Tokyo	100.0000	1,107	-2
HSB Secure Services Inc., Hartford, Connecticut	100.0000	2,101	-1,523
HSB Solomon Associates Canada Ltd., Saint John, New Brunswick	100.0000	988	-190
HSB Solomon Associates LLC, Dover, Delaware	100.0000	12,722	75
HSB Technical Consulting & Service (Shanghai) Co. Ltd., Shanghai	100.0000	1,690	699
HSB Ventures Inc., Dover, Delaware <sup>2</sup>	100.0000	0	0
IDEENKAPITAL Anlagebetreuungs GmbH, Düsseldorf <sup>1</sup>	100.0000	37	0
Ideenkapital Client Service GmbH, Düsseldorf <sup>1</sup>	100.0000	26	0
Ideenkapital erste Investoren Service GmbH, Düsseldorf	100.0000	25	-1
IDEENKAPITAL Financial Engineering GmbH, Düsseldorf	100.0000	734	41
IDEENKAPITAL Financial Service GmbH i. L., Düsseldorf	100.0000	357	-16
Ideenkapital Fonds Treuhand GmbH, Düsseldorf	100.0000	56	6
IDEENKAPITAL GmbH, Düsseldorf	100.0000	21,445	1,208
IDEENKAPITAL Media Finance GmbH, Düsseldorf	50.1000	274	-161
Ideenkapital Media Treuhand GmbH, Düsseldorf	100.0000	517	56
IDEENKAPITAL Metropolen Europa GmbH & Co. KG, Düsseldorf	72.3477	42,416	1,742
IDEENKAPITAL Metropolen Europa Verwaltungsgesellschaft mbH, Düsseldorf	100.0000	46	6
IDEENKAPITAL PRORENDITA EINS Treuhandgesellschaft mbH, Düsseldorf	100.0000	1	1
IDEENKAPITAL Schiffsfonds Treuhand GmbH, Düsseldorf	100.0000	112	61
IDEENKAPITAL Treuhand US Real Estate eins GmbH, Düsseldorf	100.0000	33	-10
IK Australia Property Eins GmbH & Co. KG, Hamburg	10.6438	4,830	-1,240
IK Einkauf Objekt Eins GmbH & Co. KG, Düsseldorf	100.0000	7,341	411
IK Einkauf Objektmanagement GmbH, Düsseldorf	100.0000	21	2
IK Einkauf Objektverwaltungsgesellschaft mbH, Düsseldorf	100.0000	38	3
IK Einkaufsmärkte Deutschland GmbH & Co. KG, Düsseldorf	52.0387	7,642	357
IK Einkaufsmärkte Deutschland Verwaltungsgesellschaft mbH, Düsseldorf	100.0000	37	3
IK FE Fonds Management GmbH, Düsseldorf	100.0000	-90	6

Company and registered seat	% share of capital	Equity €k	Result for the year €k
IK Komp GmbH, Düsseldorf	100.0000	968	-1
IK Objekt Bensheim GmbH, Düsseldorf	100.0000	38	3
IK Objekt Bensheim Immobilienfonds GmbH & Co. KG, Düsseldorf	16.2445	17,655	3,416
IK Objekt Frankfurt Theodor-Heuss-Allee GmbH i. L., Düsseldorf	100.0000	8	-2
IK Objektgesellschaft Frankfurt Theodor-Heuss-Allee GmbH & Co. KG, Düsseldorf	47.4000	670	-19
IK Pflegezentrum Uelzen Verwaltungs-GmbH, Düsseldorf	100.0000	33	1
IK Premium Fonds GmbH & Co. KG, Düsseldorf	100.0000	0	-1,478
IK Premium Fonds zwei GmbH & Co. KG, Düsseldorf	100.0000	2,693	-276
IK Property Eins Verwaltungsgesellschaft mbH, Hamburg	100.0000	33	2
IK Property Treuhand GmbH, Düsseldorf	100.0000	25	-3
IK US PORTFOLIO INVEST Drei GmbH & Co. KG, Düsseldorf	0.0024	3,301	-693
IK US Portfolio Invest DREI Verwaltungs-GmbH i. L., Düsseldorf	100.0000	322	84
IK US Portfolio Invest GmbH & Co. KG, Düsseldorf	0.0026	8,132	-1,987
IK US Portfolio Invest Verwaltungs-GmbH i. L., Düsseldorf	100.0000	27	20
IK US Portfolio Invest ZWEI GmbH & Co. KG i.L., Düsseldorf	0.0016	6,200	-2,664
IK US Portfolio Invest ZWEI Verwaltungs-GmbH i. L., Düsseldorf	100.0000	391	96
IKFE Properties I AG, Zurich	63.5708	15,843	592
Inshur Holdings Corp, Wilmington, Delaware	16.0400	65	0
ITERGO Service GmbH, Düsseldorf	100.0000	24	0
Jasper Services Limited, London	18.0700	3,968	0
Jogszerviz Kft, Budapest	100.0000	22	-4
Junos Verwaltungs GmbH, Munich <sup>2</sup>	100.0000	28	0
K & P Objekt Hamburg Hamburger Straße GmbH, Düsseldorf	100.0000	34	2
K & P Objekt Hamburg Hamburger Straße Immobilienfonds GmbH & Co. KG, Düsseldorf	36.6889	116	-98
K & P Objekt München Hufelandstraße GmbH i. L., Düsseldorf	100.0000	34	2
K & P Objekt München Hufelandstraße Immobilienfonds GmbH & Co. KG, Düsseldorf	0.0489	7,848	1,536
K & P Pflegezentrum Uelzen IMMAC Renditefonds GmbH & Co. KG, Düsseldorf	84.8445	2,801	516
KA Köln.Assekuranz Agentur GmbH, Cologne <sup>1</sup>	100.0000	25	0
Kapdom-Invest GmbH, Moscow	100.0000	2,803	-1
KarstadtQuelle Finanz Service GmbH i. L., Düsseldorf	50.0000	1,605	-8
King Price Financial Services (Pty) Ltd, Pretoria	15.0000	93,059	19,272
KQV Solarpark Franken 1 GmbH & Co. KG, Düsseldorf	100.0000	249	149
KS SPV 23 Limited, London	100.0000	18,868	450
Larus Vermögensverwaltungsgesellschaft mbH, Munich <sup>2</sup>	100.0000	36	1
LCM Logistic Center Management GmbH, Hamburg	50.0000	169	144
Legal Net GmbH, Munich	100.0000	525	73
Leggle B.V., Amsterdam	100.0000	584	203
LEGIAG AG, Munich	100.0000	8,858	1,774
Lietuva Demetra GmbH, Munich <sup>1</sup>	100.0000	30,600	0
Lloyds Modern Corporation, Dallas, Texas	100.0000	0	0
Longial GmbH, Düsseldorf	100.0000	1,606	776
Lynt Farm Solar Limited, London	100.0000	32,226	575
M 31 Beteiligungsgesellschaft mbH & Co. Energie KG, Düsseldorf	18.6246	1,089,549	71,307
m:editerran Power S.a.s. di welivit Solar Italia S.r.l., Bolzano	100.0000	6,488	304
m:solarPOWER GmbH & Co. KG, Düsseldorf	0.0000	430	145
MAGAZ FOTOVOLTAICA S.L.U., Alcobendas	100.0000	19,910	900
Mandaat B.V., Druten	100.0000	1,037	-134
Marbury Agency Inc., Amelia, Ohio <sup>2</sup>	100.0000	0	0
Marina Sp.z.o.o., Sopot	100.0000	26,938	39
MAYFAIR Financing GmbH, Munich	100.0000	136	-1
MAYFAIR Holding GmbH i. L., Düsseldorf	100.0000	32	-2
MCAF Management GmbH i. L., Düsseldorf	50.0000	39	-1
MEAG Cash Management GmbH, Munich	100.0000	59	-1
MEAG Hong Kong Limited, Hong Kong	100.0000	9,488	1,042
MEAG Luxembourg S.à r.l., Luxembourg	100.0000	739	-162
MEAG New York Corporation, Wilmington, Delaware	100.0000	12,431	7,357
MEAG Pacific Star Holdings Ltd., Hong Kong	50.0000	1,197	-53
MEAG Real Estate Erste Beteiligungsgesellschaft mbH i.L., Munich	100.0000	34	-1

Company and registered seat	% share of capital	Equity €k	Result for the year €k
Mediastream Consulting GmbH, Grünwald	100.0000	34	-2
Mediastream Dritte Film GmbH i. L., Grünwald	100.0000	103	-16
Mediastream Film GmbH, Grünwald	100.0000	18	-2
Mediastream Zweite Film GmbH, Grünwald	100.0000	84	-34
MedNet Bahrain W.L.L., Manama	100.0000	1,728	-14
MedNet Egypt LLC, Cairo	100.0000	-1,767	-1,886
MedNet Europa GmbH, Munich	100.0000	3	-1
MedNet Global Healthcare Solutions LLC, Dubai	100.0000	2,454	1,067
MedNet Greece S.A., Athens	78.1419	1,192	-244
MedNet Holding GmbH, Munich	100.0000	16,757	-89
Mednet Jordan Co. W.L.L., Amman	100.0000	1,675	102
MedNet Saudi Arabia LLC, Jeddah	100.0000	1,187	67
MedNet UAE FZ LLC, Dubai	100.0000	3,721	-142
MedWell Gesundheits-AG, Cologne	100.0000	90,366	1,002
Merkur Grundstücks- und Beteiligungs-Gesellschaft mit beschränkter Haftung, Düsseldorf <sup>1</sup>	100.0000	2,997	0
Meshify Inc., Dover, Delaware	100.0000	-274	-1,795
MFI Munich Finance and Investment Holding Ltd., Ta' Xbiex	100.0000	624,212	-27
MFI Munich Finance and Investment Ltd., Ta' Xbiex	100.0000	544,038	-73,372
miCura Pflegedienste Berlin GmbH, Berlin	100.0000	-523	-27
miCura Pflegedienste Bremen GmbH, Bremen <sup>1</sup>	100.0000	99	0
miCura Pflegedienste Düsseldorf GmbH, Düsseldorf <sup>1</sup>	100.0000	174	0
miCura Pflegedienste GmbH, Cologne	100.0000	-510	-8
miCura Pflegedienste Hamburg GmbH, Hamburg	100.0000	-155	-18
miCura Pflegedienste Krefeld GmbH, Krefeld <sup>1</sup>	100.0000	191	0
miCura Pflegedienste München/Dachau GmbH, Dachau	51.0000	436	64
miCura Pflegedienste München GmbH i. L., Munich	100.0000	-265	-7
miCura Pflegedienste München Ost GmbH, Munich	65.0000	281	32
miCura Pflegedienste Münster GmbH, Münster <sup>1</sup>	100.0000	144	0
miCura Pflegedienste Nürnberg GmbH, Nuremberg	51.0000	492	106
Midwest Enterprises Inc., Miami, Florida	100.0000	10,410	-24
Mnubo Inc., Montreal, Quebec	15.5800	1,913	-2,598
MR Bazos LP, Dover, Delaware	100.0000	123,573	0
MR Beteiligungen 1. GmbH, Munich <sup>1</sup>	100.0000	327,464	0
MR Beteiligungen 2. EUR AG & Co. KG, Grünwald	100.0000	1,425,205	80,663
MR Beteiligungen 2. GmbH, Munich <sup>1, 2</sup>	100.0000	25	0
MR Beteiligungen 3. EUR AG & Co. KG, Grünwald	100.0000	758,812	7,002
MR Beteiligungen 3. GmbH, Munich <sup>1, 2</sup>	100.0000	25	0
MR Beteiligungen 15. GmbH, Munich <sup>1, 2</sup>	100.0000	25	0
MR Beteiligungen 16. GmbH, Munich <sup>1</sup>	100.0000	594,655	0
MR Beteiligungen 17. GmbH, Munich <sup>2</sup>	100.0000	254	65
MR Beteiligungen 18. GmbH & Co. Immobilien KG, Grünwald	100.0000	61,031	2,243
MR Beteiligungen 18. GmbH & Co. Real Estate KG, Grünwald	100.0000	516,110	0
MR Beteiligungen 18. GmbH, Grünwald	100.0000	32	1
MR Beteiligungen 19. GmbH, Munich	100.0000	32,805	472
MR Beteiligungen AG, Grünwald	100.0000	969	46
MR Beteiligungen EUR AG & Co. KG, Grünwald	100.0000	2,067,383	139,078
MR Beteiligungen GBP AG & Co. KG, Grünwald	100.0000	964,154	71,237
MR Beteiligungen USD AG & Co. KG, Grünwald	100.0000	3,455,997	502,097
MR Debt Finance GmbH, Munich	100.0000	43,249	879
MR Electra LP, Dover, Delaware	100.0000	120,634	322
MR ERGO Beteiligungen GmbH, Grünwald	100.0000	389,650	2,156
MR Financial Group GmbH, Munich	100.0000	147	-1
MR Forest GmbH, Munich <sup>1, 2</sup>	100.0000	75	0
MR HealthTech Ltd., Nicosia	100.0000	871	-4,309
MR Infrastructure Inc., Dover, Delaware	100.0000	1,809	81
MR Infrastructure Investment GmbH, Munich <sup>1</sup>	100.0000	662,673	0
MR Investment Inc., Dover, Delaware	100.0000	738,679	-7,552
MR Jordan LP, Dover, Delaware	100.0000	171,496	-3,064

Company and registered seat	% share of capital	Equity €k	Result for the year €k
MR RENT UK Investment Limited, London	100.0000	52,699	-8
MR RENT-Investment GmbH, Munich <sup>1</sup>	100.0000	540,876	0
MR RENT-Management GmbH, Munich	100.0000	63	4
MR Solar GmbH & Co. KG, Düsseldorf	100.0000	30,030	2,240
MR SOLAR SAS DER WELIVIT SOLAR ITALIA S.r.l., Bolzano	100.0000	11,546	381
MRHCUK Dormant No.1 Limited, London <sup>2</sup>	100.0000	1	0
MSP Underwriting Ltd., London	100.0000	33,852	1
Münchener Consultora Internacional SRL, Santiago de Chile	100.0000	946	53
Münchener de Argentina Servicios Técnicos S.R.L., Buenos Aires	100.0000	54	3
Münchener de Mexico S.A., Mexico	100.0000	2,292	207
Münchener de Venezuela C.A. Intermediaria de Reaseguros, Caracas	100.0000	1	1
Münchener Finanzgruppe AG Beteiligungen, Munich <sup>2</sup>	100.0000	50	-1
Münchener Vermögensverwaltung GmbH, Munich <sup>2</sup>	100.0000	25	-1
Münchener, ESCRITÓRIO DE REPRESENTACAO DO BRASIL Ltda, São Paulo	100.0000	3	-5
Munich Atlanta Financial Corporation, Atlanta, Georgia	100.0000	551	-7,136
Munich Canada Systems Corporation, Toronto, Ontario <sup>2</sup>	100.0000	1	0
Munich Columbia Square Corp., Wilmington, Delaware	100.0000	53	1
Munich Health Alpha GmbH, Munich <sup>1</sup>	100.0000	129,231	0
Munich Health Daman Holding Ltd., Abu Dhabi	51.0000	74,616	107
Munich Health Holding AG, Munich <sup>1</sup>	100.0000	610,155	0
Munich Life Holding Corporation, Wilmington, Delaware	100.0000	829	-78
Munich Management Pte. Ltd., Singapore	100.0000	3,250	2,762
Munich Re America Brokers Inc., Wilmington, Delaware	100.0000	755	-377
Munich Re America Management Ltd., London	100.0000	10,407	114
Munich Re America Services Inc., Wilmington, Delaware	100.0000	34,428	1,362
Munich Re Automation Solutions GmbH, Munich	100.0000	79	8
Munich Re Automation Solutions Inc., Wilmington, Delaware	100.0000	223	122
Munich Re Automation Solutions K.K., Tokyo	100.0000	143	41
Munich Re Automation Solutions Limited, Dublin	100.0000	12,873	6,812
Munich Re Automation Solutions Pte. Ltd., Singapore	100.0000	124	31
Munich Re Automation Solutions Pty Ltd, Sydney	100.0000	189	43
Munich Re Capital Markets GmbH, Munich	100.0000	2,007	307
Munich Re Capital No.2 Limited, London	100.0000	758	-913
Munich Re CVC Investment Corp., Dover, Delaware	100.0000	97,489	0
Munich Re Digital Partners Limited, London	100.0000	91	-10
Munich Re Digital Partners US Holding Corporation, Dover, Delaware	100.0000	-12	-4,654
Munich Re Fund I LP, Dover, Delaware	100.0000	76,051	0
Munich Re India Services Private Limited, Mumbai <sup>2</sup>	100.0000	1,640	300
Munich Re Innovation Systems Inc., Toronto, Ontario	100.0000	1	0
Munich Re New Ventures Inc., Toronto, Ontario	100.0000	33,338	80
Munich Re PCC Limited, Ta' Xbiex	100.0000	5,249	-251
Munich Re Reserve Risk Financing Inc., Dover, Delaware	100.0000	23,092	-37,823
Munich Re Risk Solution Ireland Limited, Dublin	100.0000	1	0
Munich Re Service GmbH, Munich	100.0000	125	0
Munich Re Specialty Group Ltd., London	100.0000	77,359	32,351
Munich Re Syndicate Labuan Limited, Labuan	100.0000	149	0
Munich Re Syndicate Limited, London	100.0000	1,712	211
Munich Re Syndicate Middle East Ltd., Dubai	100.0000	410	92
Munich Re Syndicate Singapore Ltd., Singapore	100.0000	193	0
Munich Re Trading LLC, Wilmington, Delaware	100.0000	42,440	6,847
Munich Re Underwriting Agents (DIFC) Ltd., Dubai	100.0000	6,724	1,518
Munich Re Ventures Inc., Dover, Delaware	100.0000	53	0
Munich Re Ventures LLC, Dover, Delaware	100.0000	0	0
Munich Re Weather & Commodity Risk Holding Inc., Wilmington, Delaware	100.0000	172,655	233
Munich ReThink GmbH, Munich	100.0000	25	0
Munich-American Risk Partners GmbH, Munich <sup>2</sup>	100.0000	59	-1
Munich-Canada Management Corp. Ltd., Toronto, Ontario <sup>2</sup>	100.0000	3	0
MunichFinancialGroup AG Holding, Munich <sup>2</sup>	100.0000	50	-1

Company and registered seat	% share of capital	Equity €k	Result for the year €k
MunichFinancialGroup GmbH, Munich	100.0000	1,487	608
MunichFinancialServices AG Holding, Munich <sup>2</sup>	100.0000	50	-1
Munichre New Zealand Service Ltd., Auckland	100.0000	1,166	145,222
Munichre Service Limited, Hong Kong	100.0000	329	163
Naretoblera 170017 S.L., Valencia	100.0000	-202	-18
Neokami GmbH, Munich	100.0000	-1,044	11
Neokami Inc., Wilmington, Delaware	100.0000	2,756	-410
Neos Ventures Limited, London	9.7800	4,759	375
Nerruze 120012 S.L., Valencia	100.0000	-203	-19
nexible GmbH, Düsseldorf <sup>1</sup>	100.0000	5,025	0
Next Insurance Inc., Wilmington, Delaware	6.7400	35,487	-7,854
Nightingale Legal Services Ltd., Bristol	100.0000	0	0
NMU Specialty Ltd., Leeds	100.0000	161	0
Orrazipo 110011 S.L., Valencia	100.0000	-208	-18
P.A.N. Verwaltungs GmbH, Grünwald <sup>2</sup>	100.0000	58	-1
Pan Estates LLC, Wilmington, Delaware	100.0000	36,981	37
Pegasos Holding GmbH, Munich	100.0000	25	0
PERILS AG, Zurich	10.0000	9,026	857
Picus Silva Inc., Wilmington, Delaware	100.0000	0	0
PLATINIA Verwaltungs-GmbH, Munich	100.0000	34	1
POOL Sp.z.o.o., Warsaw <sup>2</sup>	33.7500	1	0
PRORENDITA DREI GmbH & Co. KG, Hamburg	0.0260	4,024	43
PRORENDITA DREI Verwaltungsgesellschaft mbH, Hamburg	100.0000	46	5
PRORENDITA EINS GmbH & Co. KG, Hamburg	0.0590	6,986	-232
PRORENDITA EINS Verwaltungsgesellschaft mbH, Hamburg	100.0000	38	2
PRORENDITA FÜNF GmbH & Co. KG, Hamburg	0.0384	12,991	-196
PRORENDITA FÜNF Verwaltungsgesellschaft mbH, Hamburg	100.0000	44	5
PRORENDITA VIER GmbH & Co. KG, Hamburg	0.0029	8,682	88
PRORENDITA VIER Verwaltungsgesellschaft mbH, Hamburg	100.0000	44	6
PRORENDITA Zwei GmbH & Co. KG, Hamburg	0.0100	4,449	-436
PRORENDITA ZWEI Verwaltungsgesellschaft mbH, Hamburg	100.0000	45	5
Prosper Pass-Thru Trust I Series 2018-1, Wilmington, North Carolina	95.0000	18,045	0
Prosper Pass-Thru Trust I Series 2018-2, Wilmington, North Carolina	95.0000	26,238	0
Proximity LLC, Wilmington, Delaware	100.0000	15,016	-908
Proximity Poland Sp. Z o.o., Katowice	100.0000	-896	-128
PS Louisiana I LLC, Wilmington, Delaware	100.0000	11,487	0
PS Louisiana II LLC, Wilmington, Delaware	100.0000	12,058	0
Reaseguradora de las Américas S.A., Havana <sup>2</sup>	100.0000	35	-1
Relayr GmbH, Pullach i. Isartal	100.0000	-2,857	246
Relayr Inc., Wilmington, Delaware	100.0000	32,353	-14,221
Relayr Limited, Watford	100.0000	-948	-625
Renaissance Hotel Realbesitz GmbH, Vienna	60.0000	2,939	497
Rendite Partner Gesellschaft für Vermögensverwaltung mbH i. L., Frankfurt am Main <sup>2</sup>	33.3333	0	0
Residential Builders Underwriting Agency Pty Ltd, Sydney	20.0000	429	1,737
Ridecell Inc., Wilmington, Delaware	3.2300	12,879	0
RMS Forest Growth International L.P., Grand Cayman, Cayman Islands	43.4700	85,291	-4,816
Roanoke Group Inc., Schaumburg, Illinois	100.0000	11,032	-3
Roanoke Insurance Group Inc., Schaumburg, Illinois	100.0000	5,832	262
Roanoke International Brokers Limited, London	100.0000	7,206	1,486
Roanoke Trade Insurance Inc., Schaumburg, Illinois <sup>2</sup>	100.0000	1	0
RP Vilbeler Fondsgesellschaft mbH i. L., Frankfurt am Main <sup>2</sup>	40.0000	2,314	-113
SAINT LEON ENERGIE S.A.R.L., Sarreguemines	100.0000	106	97
Sana Kliniken AG, Munich	22.4904	444,725	59,032
Schloss Hohenkammer GmbH, Hohenkammer <sup>1</sup>	100.0000	4,288	0
Schrömbgens & Stephan GmbH Versicherungsmakler, Düsseldorf	100.0000	1,936	426
Scout Moor Group Limited, London	100.0000	10,667	44
Scout Moor Holdings (No. 1) Limited, London	100.0000	2,541	715
Scout Moor Holdings (No. 2) Limited, London	100.0000	545	2,317



Company and registered seat	% share of capital	Equity €k	Result for the year €k
Scout Moor Wind Farm (No. 2) Limited, London	100.0000	20	-3
Scout Moor Wind Farm Limited, London	100.0000	33,978	5,437
SEBA Beteiligungsgesellschaft mbH, Nuremberg	48.9966	120,268	9,117
SEIF II Texas Wind Holdings 1 LLC, Dover, Delaware	49.0000	103,325	-3,893
Silvanus Vermögensverwaltungsges. mbH, Munich <sup>1</sup>	100.0000	404,282	0
SIP Social Impact Partners GmbH, Munich	50.0000	88	-40
Slice Labs Inc., Ottawa, Ontario	9.0400	3,953	-6,295
Smart Thinking Consulting (Beijing) Co. Ltd., Beijing	100.0000	127	0
Solarfonds Götterborn 2 GmbH & Co. KG, Düsseldorf	34.4234	260	536
Solarpark 1000 Jahre Fürth GmbH & Co. KG, Düsseldorf	0.9091	662	107
Solarpark Fusion 3 GmbH, Düsseldorf	100.0000	9,031	392
Solomon Associates Limited, Farnborough	100.0000	870	27
Sopockie Towarzystwo Doradcze Sp.z.o.o., Sopot	100.0000	27	3
Specialty Insurance Services Corp., Amelia, Ohio	100.0000	1,612	691
Spruce Holdings Inc., Wilmington, Delaware	11.9500	2,362	-1,384
STEAG Fernwärme GmbH, Essen	49.0000	20,500	0
Stichting Aandelen Beheer D.A.S. Holding, Amsterdam	100.0000	284	0
SunEnergy & Partners S.r.l., Brixen	100.0000	55,995	3,098
Super Home Inc., Wilmington, Delaware	17.0100	1,286	-3,235
Sustainable Finance Risk Consulting GmbH, Munich	100.0000	4	-418
Sydney Euro-Center Pty Ltd, Sydney	100.0000	149	16
T&R MLP GmbH, Bonn	10.0020	24	-2
T&R Real Estate GmbH, Bonn	10.0020	140,827	-15
TAS Assekuranz Service GmbH i. L., Frankfurt am Main	100.0000	33	-1
TAS Touristik Assekuranz-Service GmbH, Frankfurt am Main <sup>1</sup>	100.0000	256	0
Taunus Holding B.V., Rotterdam	23.1913	80	56
Team8 Partners II L.P., George Town, Grand Cayman, the Cayman Islands	8.5300	2,539	0
Teko - Technisches Kontor für Versicherungen Gesellschaft mit beschränkter Haftung, Düsseldorf	30.0000	81	30
The Atlas Insurance Agency Inc., Amelia, Ohio	100.0000	419	-37
The Midland Company, Cincinnati, Ohio	100.0000	65,230	24,943
The Polytechnic Club Inc., Hartford, Connecticut <sup>2</sup>	100.0000	0	0
Three Lions Underwriting Ltd., London	100.0000	1,229	-355
TIERdirekt GmbH, Munich	75.0000	1,050	0
Tillobesta 180018 S.L., Valencia	100.0000	-202	-18
Tir Mostyn and Foel Goch Limited, London	100.0000	-5,223	927
Triple IP B.V., Culemborg	100.0000	178	99
Trov Inc., Dover, Delaware	4.7359	34,929	-18,305
T-Solar Global Operating Assets S.L., Madrid	37.0000	128,591	-41,628
T-Solar Luxembourg GP S.à.r.l., Luxembourg	37.0000	12	0
UAB Agra Aurata, Vilnius	100.0000	81	-19
UAB Agra Corp., Vilnius	100.0000	9,801	3
UAB Agra Optima, Vilnius	100.0000	108	-28
UAB Agrofondas, Vilnius	100.0000	233	43
UAB Agrolaukai, Vilnius	100.0000	449	50
UAB Agrora, Vilnius	100.0000	17	-11
UAB Agrovalda, Vilnius	100.0000	1,640	101
UAB Agrovesta, Vilnius	100.0000	713	58
UAB G.Q.F., Vilnius	100.0000	322	39
UAB Lila, Vilnius	100.0000	790	4
UAB Sietuve, Vilnius	100.0000	2,440	369
UAB Terra Culta, Vilnius	100.0000	1,460	-90
UAB Ukelis, Vilnius	100.0000	634	56
UAB Vasaros Brizas, Vilnius	100.0000	565	84
UAB VL Investment Vilnius 1, Vilnius	100.0000	1,263	86
UAB VL Investment Vilnius 2, Vilnius	100.0000	1,074	81
UAB VL Investment Vilnius 3, Vilnius	100.0000	1,288	83
UAB VL Investment Vilnius 4, Vilnius	100.0000	1,370	72
UAB VL Investment Vilnius 5, Vilnius	100.0000	1,766	84

Company and registered seat	% share of capital	Equity €k	Result for the year €k
UAB VL Investment Vilnius 6, Vilnius	100.0000	1,132	85
UAB VL Investment Vilnius 7, Vilnius	100.0000	1,129	85
UAB VL Investment Vilnius 8, Vilnius	100.0000	1,264	84
UAB VL Investment Vilnius 9, Vilnius	100.0000	1,509	89
UAB VL Investment Vilnius 10, Vilnius	100.0000	1,043	75
UAB VL Investment Vilnius, Vilnius	100.0000	12,252	572
UK Wind Holdings Ltd., London	100.0000	13	-4
Umspannwerk Hellberge GmbH & Co. KG, Treuenbrietzen	6.9000	0	-132
US PROPERTIES VA GmbH & Co. KG i.L., Düsseldorf	46.0939	15,520	-1,535
US PROPERTIES VA Verwaltungs-GmbH, Düsseldorf	100.0000	82	30
Vectis Claims Services Ltd., Tel Aviv	75.0000	218	112
vers.diagnose GmbH, Hanover	49.0000	4	-57
Verwaltungsgesellschaft "PORT ELISABETH" mbH, Bramstedt	50.0000	29	3
Verwaltungsgesellschaft "PORT KELANG" mbH, Bramstedt	50.0000	25	3
Verwaltungsgesellschaft "PORT LOUIS" mbH, Bramstedt	50.0000	40	3
Verwaltungsgesellschaft "PORT MAUBERT" mbH, Bramstedt	50.0000	22	3
Verwaltungsgesellschaft "PORT MELBOURNE" mbH, Bramstedt	50.0000	22	2
Verwaltungsgesellschaft "PORT MENIER" mbH, Bramstedt	50.0000	38	3
Verwaltungsgesellschaft "PORT MOODY" mbH, Bramstedt	50.0000	19	2
Verwaltungsgesellschaft "PORT MORESBY" mbH, Bramstedt	50.0000	22	2
Verwaltungsgesellschaft "PORT MOUTON" mbH, Bramstedt	50.0000	44	-1
Verwaltungsgesellschaft "PORT NELSON" mbH, Bramstedt	50.0000	23	2
Verwaltungsgesellschaft "PORT RUSSEL" mbH, Bramstedt	50.0000	43	2
Verwaltungsgesellschaft "PORT SAID" mbH, Bramstedt	50.0000	19	2
Verwaltungsgesellschaft "PORT STANLEY" mbH, Bramstedt	50.0000	22	2
Verwaltungsgesellschaft "PORT STEWART" mbH, Bramstedt	50.0000	36	4
Verwaltungsgesellschaft "PORT UNION" mbH, Bramstedt	50.0000	23	2
VHDK Beteiligungsgesellschaft mbH, Düsseldorf	100.0000	1,522	363
VICTORIA Asien Immobilienbeteiligungs GmbH & Co. KG, Munich	100.0000	69	-115
VICTORIA Immobilien Management GmbH, Munich	100.0000	186	-1
Victoria Immobilien-Fonds GmbH, Düsseldorf	100.0000	6,549	67
Victoria Italy Property GmbH, Düsseldorf	100.0000	9,675	85
Victoria US Property Investment GmbH, Düsseldorf	100.0000	94	-6
VICTORIA US Property Zwei GmbH i. L., Munich <sup>2</sup>	100.0000	76	-25
Victoria Vierte Beteiligungsgesellschaft mbH, Düsseldorf	100.0000	191,780	5,629
Victoria Vierter Bauabschnitt GmbH & Co. KG, Düsseldorf	100.0000	66,050	4,436
Victoria Vierter Bauabschnitt Management GmbH, Düsseldorf	100.0000	29	1
Vier Gas Investments S.à r.l., Luxembourg	43.7516	469,112	71,665
VisEq GmbH, Grünwald	34.0000	66	-69
Viwis GmbH, Munich <sup>1</sup>	100.0000	1,013	0
Volksbanken-Versicherungsdienst GmbH, Vienna	25.2319	4,167	293
Vorsorge Service GmbH, Düsseldorf	100.0000	20,031	217
VV Immobilien Verwaltungs GmbH i.L., Munich	30.0000	372	-11
VV Immobilien Verwaltungs und Beteiligungs GmbH, Munich	30.0000	1,850	-53
VV-Consulting Gesellschaft für Risikoanalyse, Vorsorgeberatung und Versicherungsvermittlung GmbH, Vienna	100.0000	556	106
VV-Consulting Többesügnöki Kft, Budapest	100.0000	62	-5
We Predict Limited, Swansea	17.5900	1,600	-3,406
welivit GmbH, Düsseldorf	100.0000	1,364	310
welivit New Energy GmbH, Düsseldorf	100.0000	330	258
welivit Solar España GmbH, Düsseldorf	100.0000	91	42
welivit Solar Italia s.r.l., Bolzano	100.0000	333	101
welivit Solarfonds GmbH & Co. KG, Düsseldorf	100.0000	25,181	2,045
welivit Solarfonds S.a.s. di welivit Solar Italia S.r.l., Bolzano	100.0000	18,641	974
welivit TOP SOLAR GmbH & Co. KG, Düsseldorf	0.0000	71	49
WFB Stockholm Management AB, Stockholm	50.0000	52,096	2,401
Wind Farm Jenasen AB, Hässleholm	100.0000	5,273	0
Wind Farms Götaland Svealand AB, Hässleholm	100.0000	28,046	-230



Company and registered seat	% share of capital	Equity €k	Result for the year €k
Windpark Langengrassau Infrastruktur GbR, Bremen <sup>2</sup>	83.3300	0	0
Windpark MR-B GmbH & Co. KG, Bremen	100.0000	8,323	512
Windpark MR-D GmbH & Co. KG, Bremen	100.0000	4,972	1,304
Windpark MR-N GmbH & Co. KG, Bremen	100.0000	772	568
Windpark MR-S GmbH & Co. KG, Bremen	100.0000	1,283	571
Windpark MR-T GmbH & Co. KG, Bremen	100.0000	979	362
Windpark Osterhausen-Mittelhausen Infrastruktur GbR, Bremen	58.9400	247	-22
WISMA ATRIA Holding GmbH i. L., Düsseldorf	50.0000	35	-2
WNE Solarfonds Süddeutschland 2 GmbH & Co. KG, Düsseldorf	100.0000	495	1,008
Wohnungsgesellschaft Brela mbH, Hamburg <sup>1</sup>	100.0000	102	0
WP Kladrum/Dargelütz GbR, Bremen	55.0000	22	22
wse Solarpark Spanien 1 GmbH & Co. KG, Düsseldorf	75.1243	5,500	65
X-Pact B.V., The Hague	62.5000	585	361
Zacubu 110011 S.L., Valencia	100.0000	-110	-15
Zacuba 6006 S.L., Valencia	100.0000	-111	-15
Zacubacon 150015 S.L., Valencia	100.0000	-108	-15
Zafacesbe 120012 S.L., Valencia	100.0000	-106	-15
Zapacubi 8008 S.L., Valencia	100.0000	-114	-14
Zarzucolumbu 100010 S.L., Valencia	100.0000	-107	-16
Zeguro Inc., Wilmington, Delaware	4.5000	-730	0
Zetaza 4004 S.L., Valencia	100.0000	-170	-19
Zicobucar 140014 S.L., Valencia	100.0000	-111	-15
Zucaelo 130013 S.L., Valencia	100.0000	-108	-16
Zucampobi 3003 S.L., Valencia	100.0000	-111	-15
Zucarrobiso 2002 S.L., Valencia	100.0000	-110	-15
Zucobaco 7007 S.L., Valencia	100.0000	-110	-15
Zulazor 3003 S.L., Valencia	100.0000	-165	-19
Zumbicobi 5005 S.L., Valencia	100.0000	-111	-15
Zumcasba 1001 S.L., Valencia	100.0000	-43	-18
Zuncabu 4004 S.L., Valencia	100.0000	-112	-16
Zuncolubo 9009 S.L., Valencia	100.0000	-110	-15

1 This company has a profit and loss transfer agreement.

2 No active business operations.

3 This company, over which Munich Reinsurance Company does not exercise control, is not required to prepare or disclose financial statements. Accordingly, we make use of the option to make this company exempt in accordance with Section 286(3) sentence 2 of the German Commercial Code, and forgo the disclosures on equity and the result for the year.

Drawn up and released for publication, 6 March 2019.

The Board of Management

## Independent auditor's report

To Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München, Munich

### Report on the audit of the annual financial statements and of the combined management report

#### Opinions

We have audited the annual financial statements of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München, Munich, which comprise the balance sheet as at 31 December 2018, the income statement for the financial year from 1 January to 31 December 2018, and the Notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the combined management report of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München, Munich, for the financial year from 1 January to 31 December 2018.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to insurance companies and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2018 and of its financial performance for the financial year from 1 January to 31 December 2018 in compliance with German generally accepted accounting principles, and
- the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to Section 322(3) sentence 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

#### Basis for the opinions

We conducted our audit of the annual financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No. 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our

responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the annual financial statements and of the combined management report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10(2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5(1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the combined management report.

#### Key audit matters in the audit of the annual financial statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements for the financial year from 1 January to 31 December 2018. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

#### Valuation of the provision for outstanding claims in property-casualty business

For information on the accounting and valuation policies used, please see the Notes to the financial statements on page 17. Further information about the line items in the financial statements can be found on page 25. Information about risks can be found in the combined management report on pages 68–69.

#### The financial statement risk

The provision for outstanding claims in property-casualty business amounted to €34,934m at the reporting date, of which €12,969m refers to third-party liability. Major losses from natural catastrophes had an impact of €1,316m on the financial year.

The determination of the provision for outstanding claims results from the cedant's statements and from the application of actuarial processes in line with statistical methods, which require a sufficiently lengthy data history and stability of the observed data. The expected value takes account of assumptions about premium, ultimate loss ratios, run-off periods, factors and speed of settlement that are based on past experience. Management bases the final amount of the provision for outstanding claims on the results of actuarial procedures and after making allowance for calculating associated uncertainties. The provision for outstanding claims under German accounting rules is valued in accordance with the principle of prudence. Major losses are viewed separately when measuring provisions.

Estimation of the provision for outstanding claims is subject to uncertainty and depends on the exercise of judgement. Uncertainties in estimation arise in particular from the occurrence, amount and speed of settlement of large claims, long-term claims development (especially in third-party liability) and in relation to the estimation of special loss scenarios, such as provisions for asbestos and environmental claims. With major losses in particular it can take a long time before all claims notifications are received from cedants. Where no adequate claims notifications are available, provisions for these major losses are estimated on the basis of internal analyses of market loss and the company's own losses on the basis of cover it has provided.

### Our audit approach

In auditing the provision for outstanding claims, we engaged actuaries as part of the audit team. In particular, we carried out the following key audit procedures:

- We assessed the process for setting aside provisions, identified key controls, and tested their design and effectiveness. The controls include the completeness and accuracy of the data used, and the qualitative and quantitative aspects of valuation.
- We requested explanations on the derivation of key assumptions used – including loss ratios and assumptions about run-off patterns – and assessed those assumptions.
- Substantive audit procedures on major losses were mainly made on the basis of selected specific items, whereby we drew conclusions about the appropriateness of key assumptions used on the basis of available external information.
- We carried out our own reserve calculations for certain segments based on our assessment of risk considerations. We set a point estimate on the basis of best estimates and defined an appropriate range based on statistical probabilities, and compared these with the Company's calculations.
- We assessed the level of reserves at the reporting date with that in previous years. We assessed the appropriateness of the amendments to actuarial estimates made by management on the basis of prudent commercial sense, by inspecting the underlying calculations or qualitative reasoning and subjecting them to critical analysis. We also spoke to the Company's actuaries.
- We assessed the actual development of the provision for outstanding claims set for the previous year on the basis of run-off results in order to draw conclusions about the reliability of the estimates.
- We assessed the appropriateness of provisions for asbestos and environmental claims on the basis of statistics and key figures.

### Our observations

The valuation process for the provision for outstanding claims in property-casualty business is appropriate. The valuation assumptions used (including those for major losses) were derived appropriately.

### Valuation of provision for future policy benefits and the provision for outstanding claims in life and health

For information on the accounting and valuation policies used, please see the Notes to the financial statements on page 17. Further information about the line items in the financial statements can be found on page 25. Information about risks can be found in the combined management report on pages 68–69.

### The financial statement risk

Provisions in life and health mainly comprise the provision for future policy benefits of €9,333m and the provision for outstanding claims of €1,873m.

Valuation of the provision for future policy benefits is based on the principle of prudence, and is derived from the present values of future benefits and future premiums. The selection of actuarial assumptions used is made in accordance with accounting and supervisory regulations. Munich Reinsurance Company uses the values reported by cedants or carries out its own valuation if sufficient data is available. In cases where Munich Reinsurance Company thinks the technical provisions in accordance with German accounting rules (HGB) are insufficiently conservative, reserve strengthening is made on the basis of its own assumptions.

There is uncertainty in particular with respect to estimating valuation parameters, especially with respect to realistic biometric actuarial assumptions for mortality, mortality trends, or disability, and socio-economic factors such as assumed behaviour of policyholders (e.g. lapse).

In life reinsurance, the provision for outstanding claims is mainly accounted for on the basis of information from the cedant statements. Own valuations are carried out if there is insufficient data or lack of cedant statements. In health business, the provision for outstanding claims is calculated on the basis of claims experience and expert estimates.

Estimation of the provision for outstanding claims is subject to uncertainty and depends on the exercise of judgement. There is uncertainty about estimates in health business with respect to the number and volume of unreported claims.

### Our audit approach

In auditing the provisions in life and health business, we engaged actuaries as part of the audit team. In particular, we carried out the following key audit procedures:

- We assessed the process for setting aside provisions, identified key controls, and tested their design and effectiveness. We focused in particular on the process to check provisions and their appropriateness, and where the assumptions for any required reserve strengthening are decided.
- In particular for the foreign business, we assessed the appropriateness of key assumptions by assessing the actuarial methods used to derive those assumptions. We also examined whether there are adequate reserves from a German accounting (HGB) perspective.
- We compared forecast and actual results of individual operating entities with market developments, thus deriving assessments about the reliability of the estimates.
- We assessed development of the provision for future policy benefits and provision for outstanding claims compared to the previous year, and made an assessment taking into account current business developments and our expectations from market observations.
- If an own measurement was made for the provision for outstanding claims, we checked on the appropriateness by inspecting the underlying calculations or qualitative reasoning and subjecting them to critical analysis.

### Our observations

The valuation method used for the provision for future policy benefits and the provision for outstanding claims in life and health is appropriate. The valuation assumptions used were derived appropriately.

### Valuation of shares in affiliated companies

With regard to accounting methods, please see page 16 of the disclosures in the Notes to the financial statements; information on further breakdown of this line item can be found on page 19, and information about the presentation of present value and valuation reserves on page 22. See pages 34–47 of the Notes for information about the list of shareholdings. Information about risks can be found in the combined management report on pages 70–72.

### The financial statement risk

Investments in affiliated companies amounted to €32,703m at the reporting date and make up a significant part of the investments.

The shares in affiliated companies are valued at their cost of acquisition or a lower fair value. This fair value is normally determined on the basis of the discounted earnings method or the discounted cash flow method. If the fair value is enduringly above the value of the previous year, the investment can be written up to a maximum of the acquisition cost.

A range of judgemental parameters are determined for the valuation. Important factors influencing the valuation are the determination of cash flow projections, discount rates and growth rates. Both business performance and a sustainable return on investment need to be determined. Determining the discount rate requires particular judgement in determining the risk spread and the beta factor, and the same applies to the growth rate.

### Our audit approach

In auditing the investments in affiliated companies, we engaged valuation specialists as part of the audit team. In particular, we carried out the following key audit procedures:

- We assessed the adequacy of the internal controls set up for the valuations process and are convinced of their effectiveness after carrying out functional tests. Our focus was on quality assurance controls.
- Within the scope of a risk-based sample, we critically assessed the assumptions used for cash flow projections in the light of our understanding of the business and branches and the overall economic developments.
- In order to assess the quality of internal forecast processes, we compared with sampled projections with internal business plans, and compared previous planning forecasts with the realised results.
- In order to ensure that the valuation models used were correct, we recalculated the Company's calculations on the basis of risk-based samples.
- We compared the interest rates used for discounting with own assumptions, and checked observable market parameters against independent sources. We used our own valuation specialists for this purpose.
- In order to take account of existing forecast uncertainty, we also analysed the fair value (sensitivity analyses) of possible changes to the discount factor, long-term growth rates and the combined ratio by calculating alternative scenarios and comparing them with the Company's valuation results.
- We assessed whether the subsequent measurement based on the valuation results was correct.

### Our observations

The process underlying the impairment test for shares in affiliated companies is appropriate and is in line with valuation principles. The Company's assumptions and parameters are appropriate. Subsequent accounting measurements and determination of the impact on profit or loss are appropriate.

### Other information

Management is responsible for the other information. The other information comprises the remaining parts of the annual report, with the exception of the audited annual financial statements and combined management report and our auditor's report.

Our opinions on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the combined management report or our knowledge obtained in the audit, or

- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of management and the Supervisory Board for the annual financial statements and the combined management report

Management is responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to insurance companies, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German generally accepted accounting principles. In addition, management is responsible for such internal control as they, in accordance with German generally accepted accounting principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, management is responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, management is responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

### Auditor's responsibilities for the audit of the annual financial statements and of the combined management report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German generally accepted accounting principles.
- Evaluate the consistency of the combined management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by management in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## Other legal and regulatory requirements

### Further Information pursuant to Article 10 of the EU Audit Regulation

We were selected as Group auditor by the Supervisory Board on 14 March 2018. We were engaged by the Chair of the Audit Committee of the Supervisory Board on 3 August 2018. We have been the Group auditor of the Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München, Munich, for more than 25 consecutive years.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

## German public auditor responsible for the engagement

The German public auditor responsible for the engagement is Dr. Frank Ellenbürger.

Munich, 8 March 2019

### KPMG Bayerische Treuhandgesellschaft

Aktiengesellschaft  
Wirtschaftsprüfungsgesellschaft  
Steuerberatungsgesellschaft

#### Dr. Ellenbürger

Wirtschaftsprüfer  
[German Public Auditor]

#### Voß

Wirtschaftsprüferin  
[German Public Auditor]

## Responsibility statement

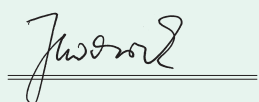
"To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and the combined management report for the Company and the Group includes a fair review of the development and performance of the business and the position of the Company, together with a description of the material opportunities and risks associated with the expected development of the Company."

Munich, 19 March 2019



Bleumich

Gutle



P. H. .



# Imprint/Service

© 2019

Münchener Rückversicherungs-Gesellschaft  
Königinstrasse 107  
80802 München  
Germany  
[www.munichre.com](http://www.munichre.com)

[www.twitter.com/munichre](https://www.twitter.com/munichre)  
[www.munichre.com/facebook](https://www.munichre.com/facebook)

Münchener Rückversicherungs-Gesellschaft (Munich Reinsurance Company) is a reinsurance company organised under the laws of Germany. In some countries, including the United States, Munich Reinsurance Company holds the status of an unauthorised reinsurer. Policies are underwritten by Munich Reinsurance Company or its affiliated insurance and reinsurance subsidiaries. Certain coverages are not available in all jurisdictions.

Any description in this document is for general information purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any product.

## Responsible for content

Financial and Regulatory Reporting

Editorial deadline:

1 March 2019

Online publication date:

20 March 2019

Print publication date:

3 April 2019

## Picture credits

Andreas Pohlmann

## Printed by

Gotteswinter und Aumaier GmbH  
Joseph-Dollinger-Bogen 22  
80807 München  
Germany

The official German original of this report is also available from the Company. In addition, you can find our Annual Report and interim reports, along with further information about Munich Re, on the internet at [www.munichre.com](http://www.munichre.com).

## Service for private investors

Alexander Rappl  
Tel.: +49 89 3891-2255  
Fax: +49 89 3891-4515  
[shareholder@munichre.com](mailto:shareholder@munichre.com)

## Service for investors and analysts

Christian Becker-Hussong  
Tel.: +49 89 3891-3910  
Fax: +49 89 3891-9888  
[ir@munichre.com](mailto:ir@munichre.com)

## Service for media

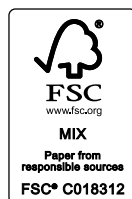
Dr. Jörg Allgäuer  
Tel.: +49 89 3891-8202  
Fax: +49 89 3891-3599  
[presse@munichre.com](mailto:presse@munichre.com)



[www.munichre.com/geschaeftsbericht2018](http://www.munichre.com/geschaeftsbericht2018)



[www.munichre.com/annualreport2018](http://www.munichre.com/annualreport2018)



Greenhouse gas emissions from paper production for this annual report are offset through Munich Re's carbon-neutral strategy.

## Important dates 2019

20 March 2019  
Balance sheet press conference  
for 2018 consolidated financial statements

30 April 2019  
Annual General Meeting

8 May 2019  
Quarterly Statement as at 31 March 2019

7 August 2019  
Half-Year Financial Report as at 30 June 2019

7 November 2019  
Quarterly Statement as at 30 September 2019

## Important dates 2020

18 March 2020  
Balance sheet press conference  
for 2019 consolidated financial statements

29 April 2020  
Annual General Meeting

7 May 2020  
Quarterly Statement as at 31 March 2020

6 August 2020  
Half-Year Financial Report as at 30 June 2020

5 November 2020  
Quarterly Statement as at 30 September 2020