



somewhat
different

Welcome to Hannover Re's Analysts' Conference

Annual Results 2017

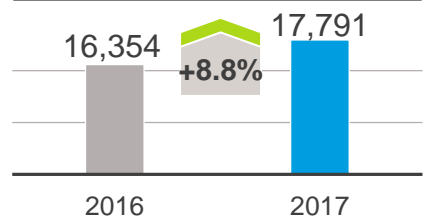
Frankfurt, 13 March 2018

hannover **re**[®]

Satisfactory result despite exceptionally high NatCat losses

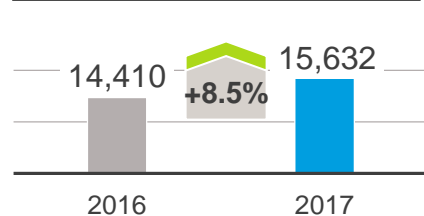
RoE at 10.9% exceeds target

GWP in m.



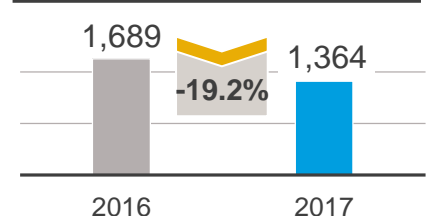
In line with guidance
(f/x-adjusted: +11.2%)

NPE in m.



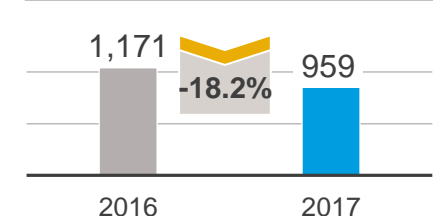
F/x-adjusted: +10.8%

EBIT in m.



Impacted by high frequency of NatCat losses but aided by strong investment income

Group net income in m.



Return on Equity

10.9%

Well above minimum target of 9.8%

Book value per share

EUR 70.72

-5.2% due to capital mgmt. & EUR strengthening

Dividend proposal

EUR 5.00

Incl. EUR 1.50 special dividend

Solvency II ratio

260%

2016: 230%

P&C R/I EBIT: 1,120 m.

- ▶ Very satisfying EBIT margin (12.2%) driven by strong investment income
- ▶ C/R of 99.8% stays <100% despite heavy burden of major losses
- ▶ Strong premium growth (f/x-adj. +18.7%) driven by new business in Structured R/I

L&H R/I EBIT: 245 m.

- ▶ Consistently higher-than-expected claims from legacy US mortality biz
- ▶ Strong earnings growth from Financial solutions business
- ▶ F/x-adj. GWP +1.4% in line with expectations

Investments Nil: 1,774 m.

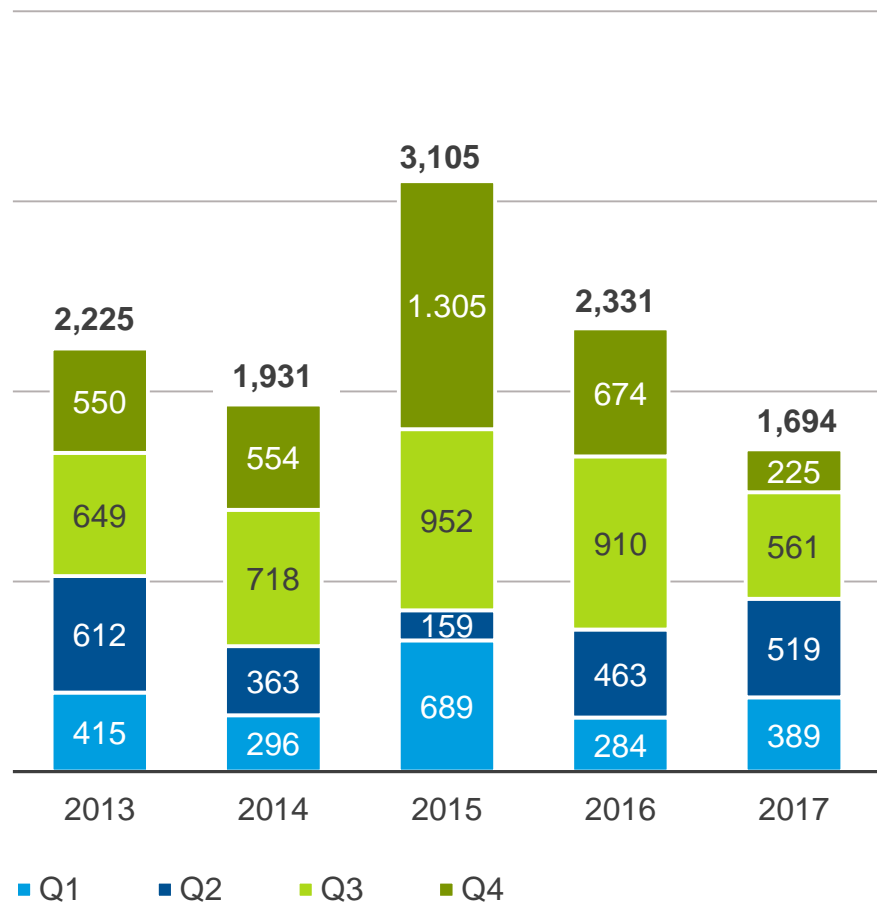
- ▶ Rol from AuM: 3.8%
- ▶ Rol significantly exceeds target (>2.7%)
- ▶ Strong increase in ordinary income
- ▶ Higher realised gains from disposal of listed equity in Q3

Figures in EUR

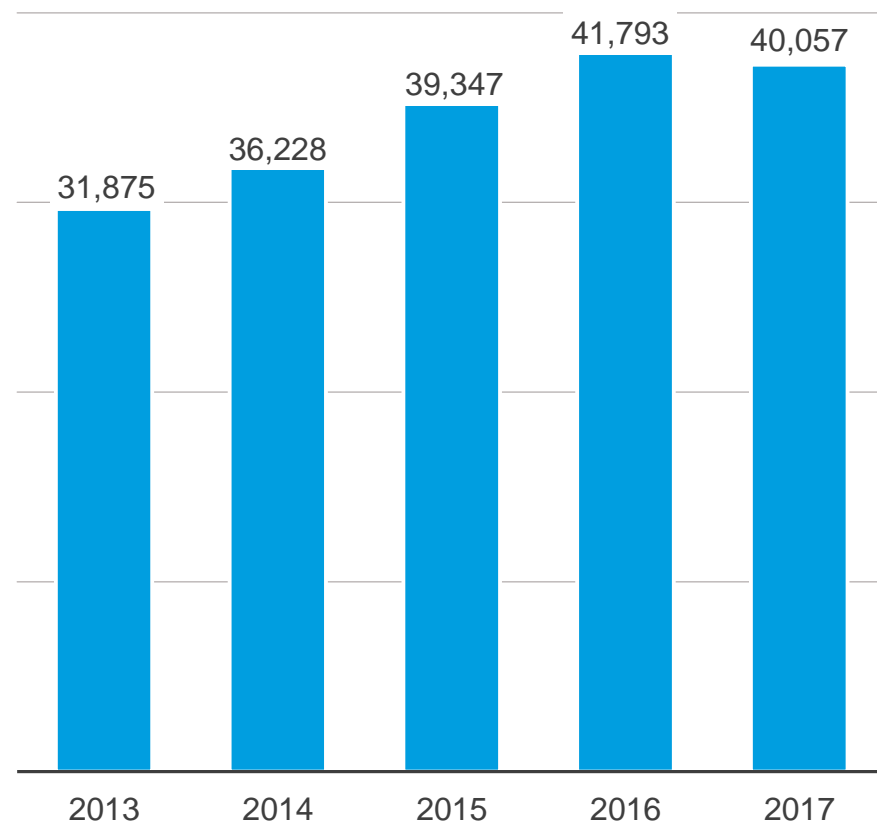
Continued positive operating cash flow

AuM -4.2% driven by strengthening of the Euro and higher dividend payment

Operating cash flow in m. EUR

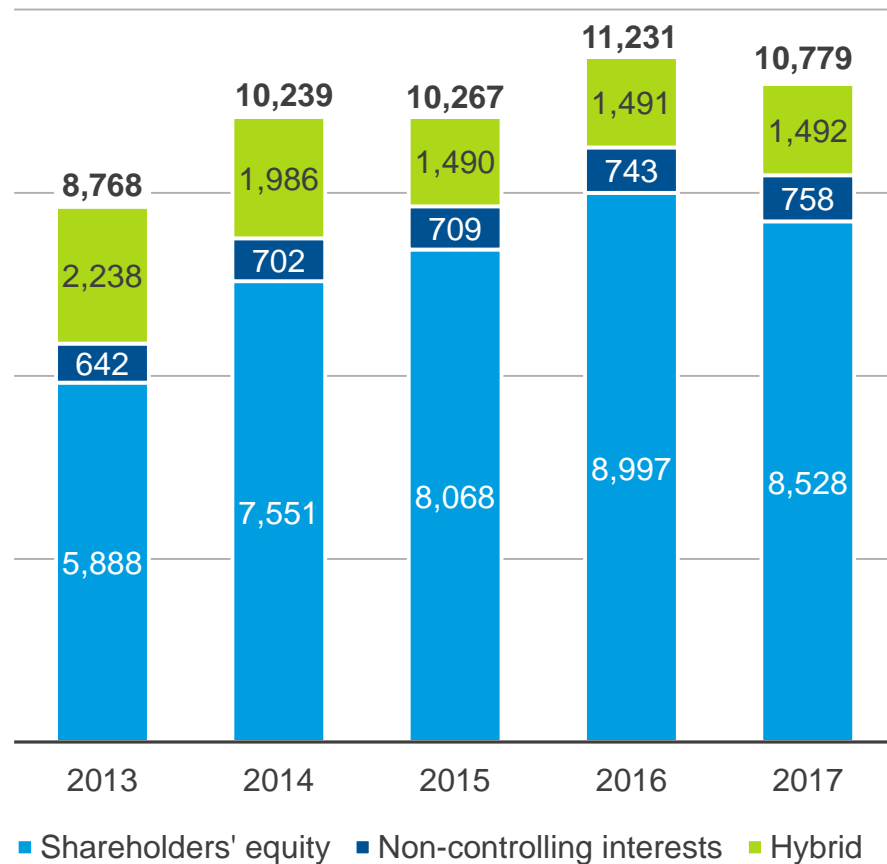


Assets under own management (AuM) in m. EUR

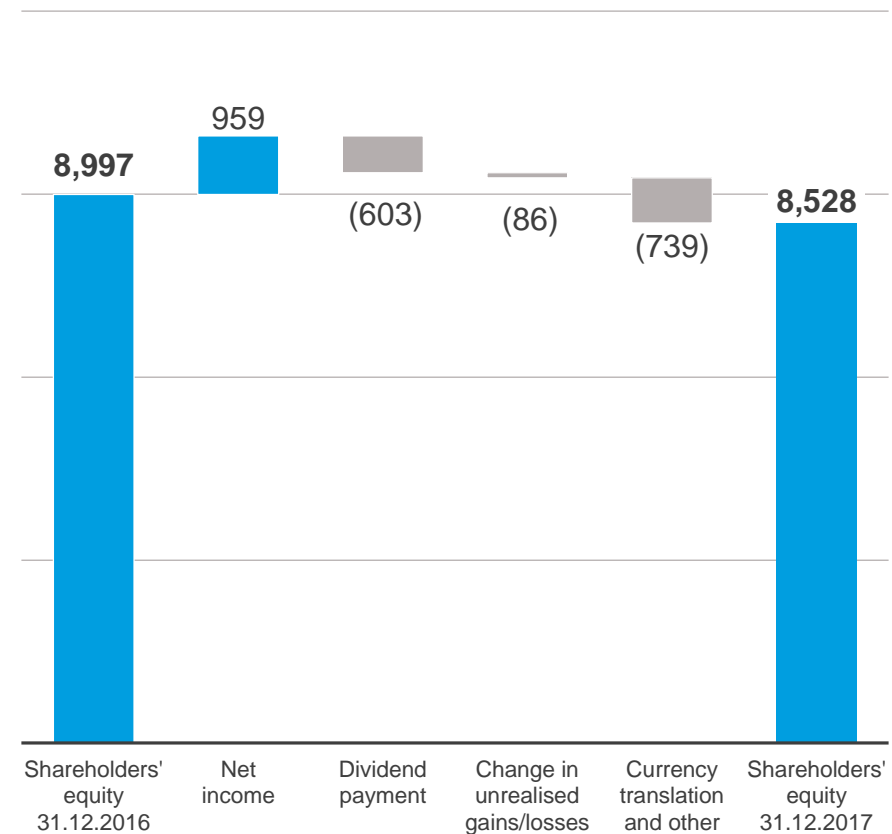


Shareholders' equity down reflecting strong Euro and increased dividend payout

Policyholders' surplus in m. EUR



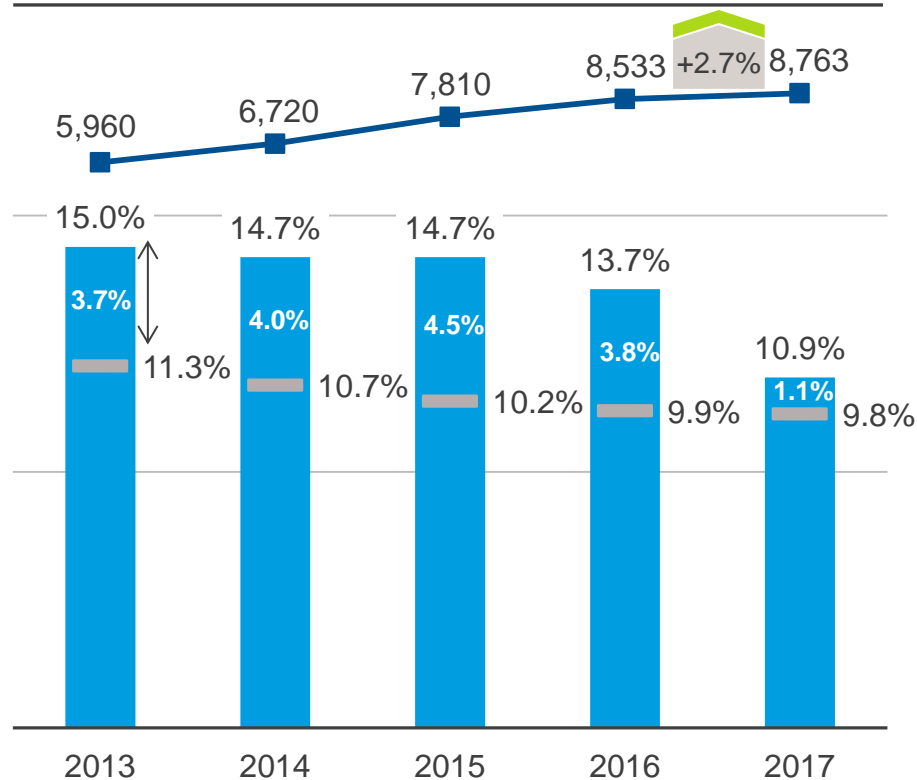
Change in shareholders' equity in m. EUR



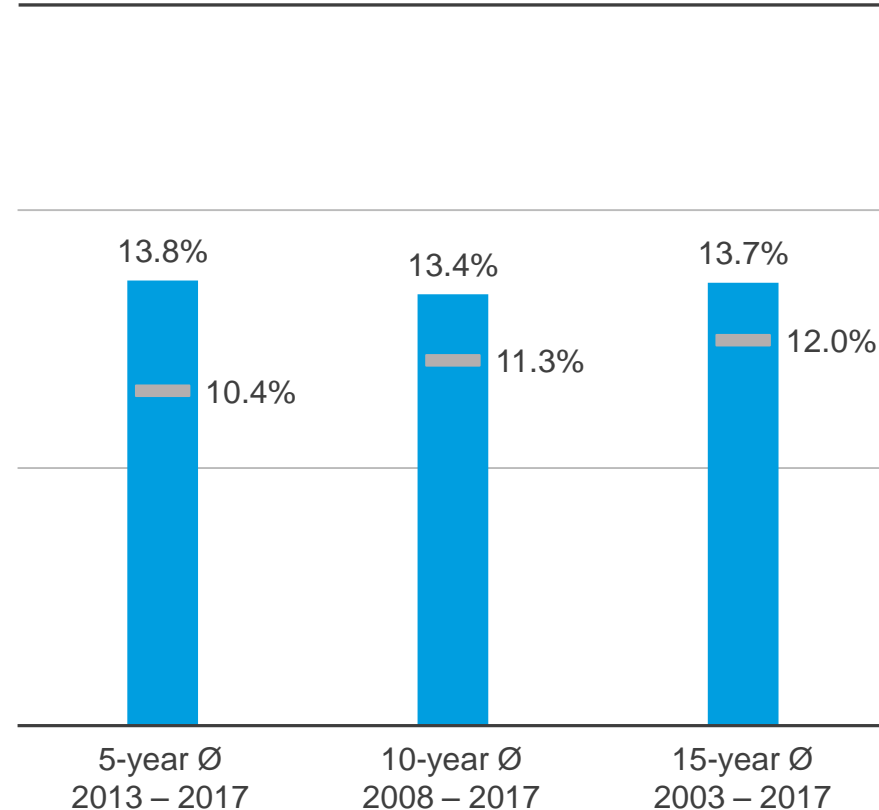
RoE target outperformed again ...

... in a year with sizeable insured market losses

Return on Equity: yearly



Return on Equity: average



- Actual
- Minimum target*
- Average shareholders' equity
- ↕ Spread over minimum target

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

Increased payout ratio allows stable dividends

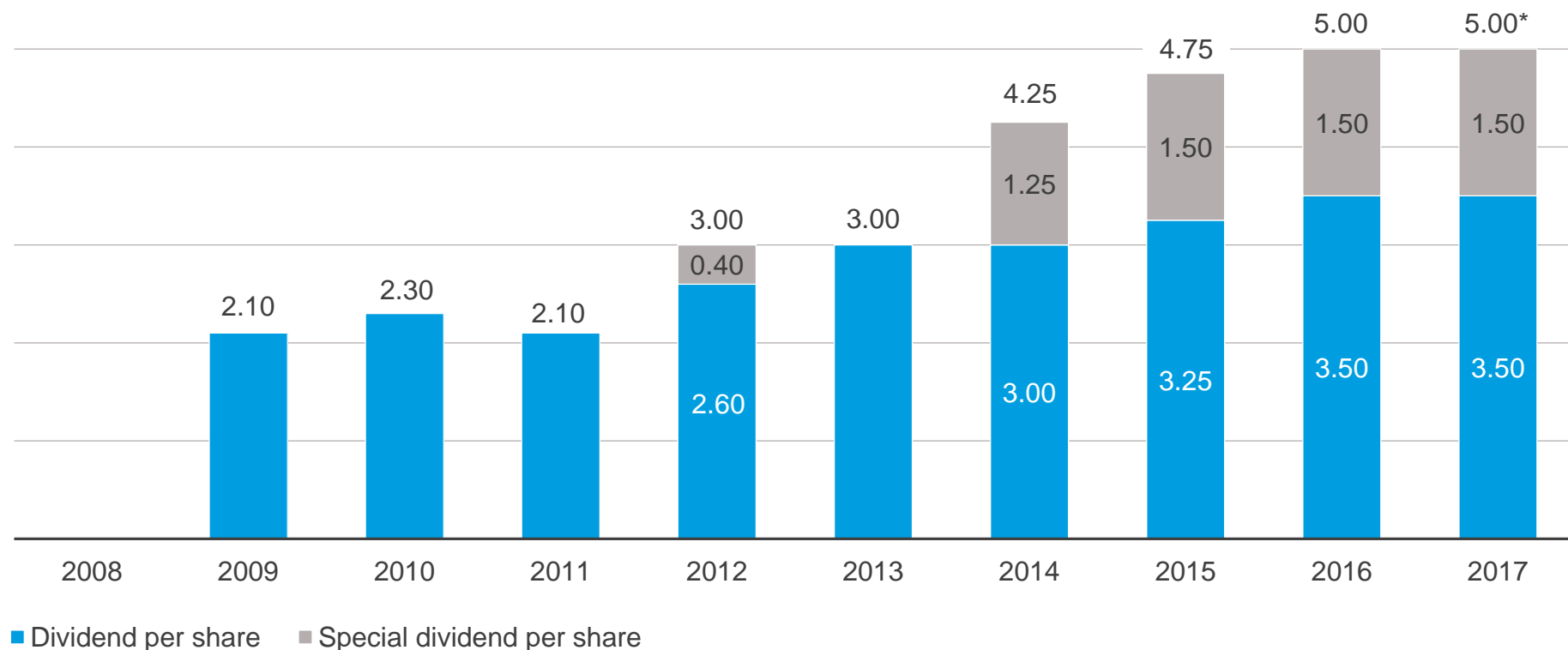
Payout: EUR 3.50 ordinary dividend + EUR 1.50 special dividend per share

Dividend per share

in EUR

Payout ratio:

[0%] [35%] [37%] [42%] [43%] [40%] [52%] [50%] [51%] [63%]



* Subject to consent of AGM

Hannover Re is one of the most profitable reinsurers

No.1 position regained

Company	2013		2014		2015		2016		2017		2013 - 2017	
	RoE	Rank	RoE	Rank	RoE	Rank	RoE	Rank	RoE	Rank	avg. RoE	Rank
Hannover Re	15.0%	3	14.7%	2	14.7%	1	13.7%	1	10.9%	2	13.8%	1
Peer 4, Bermuda, Property & Casualty	17.1%	2	16.6%	1	13.0%	3	12.7%	2	5.7%	3	13.0%	2
Peer 3, US, Life & Health	6.5%	10	10.6%	7	7.6%	9	10.6%	4	24.1%	1	11.9%	3
Peer 2, Switzerland, Composite	13.7%	5	10.5%	8	13.7%	2	10.6%	3	1.0%	7	9.9%	4
Peer 8, Bermuda Property & Casualty	18.0%	1	13.7%	3	9.5%	8	10.0%	5	-5.3%	9	9.2%	5
Peer 7, Bermuda Property & Casualty	13.8%	4	13.2%	5	10.4%	5	9.6%	6	-1.6%	8	9.1%	6
Peer 6, France, Composite	11.2%	8	9.6%	9	10.7%	4	9.3%	7	4.4%	4	9.0%	7
Peer 1, Germany, Composite	12.5%	6	11.3%	6	10.2%	7	8.3%	8	1.3%	5	8.7%	8
Peer 9, Bermuda Property & Casualty	11.8%	7	13.2%	4	10.3%	6	7.7%	9	-7.2%	9	7.2%	9
Peer 5, US, Property & Casualty	9.4%	9	9.4%	10	7.5%	10	5.9%	10	1.1%	6	6.7%	10

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

Pleasing Group net income despite exceptional NatCat events

Lower tax ratio due to nearly tax-free disposal of listed equities in Q3

Group figures in m. EUR	Q4/2016	Q4/2017	2016	2017
Gross written premium	3,900	4,307	16,354	17,791
Net premium earned	3,649	4,090	14,410	15,632
Net underwriting result	71	180	116	(489)
- Incl. funds withheld	154	235	448	(254)
Net investment income	404	391	1,550	1,774
- From assets under own mgmt.	322	337	1,218	1,539
- From funds withheld	82	55	332	235
Other income and expenses	23	(13)	23	79
Operating profit/loss (EBIT)	498	558	1,689	1,364
Interest on hybrid capital	(18)	(18)	(72)	(72)
Net income before taxes	480	540	1,618	1,293
Taxes	(84)	(105)	(391)	(248)
Net income	396	435	1,226	1,045
- Non-controlling interests	17	25	55	86
Group net income	379	410	1,171	959
Retention	88.2%	91.6%	89.3%	90.5%
EBIT margin (EBIT/Net premium earned)	13.7%	13.6%	11.7%	8.7%
Tax ratio	17.6%	19.5%	24.2%	19.2%
Earnings per share (in EUR)	3.15	3.40	9.71	7.95

EBIT margin of 12.2% despite high level of NatCat losses

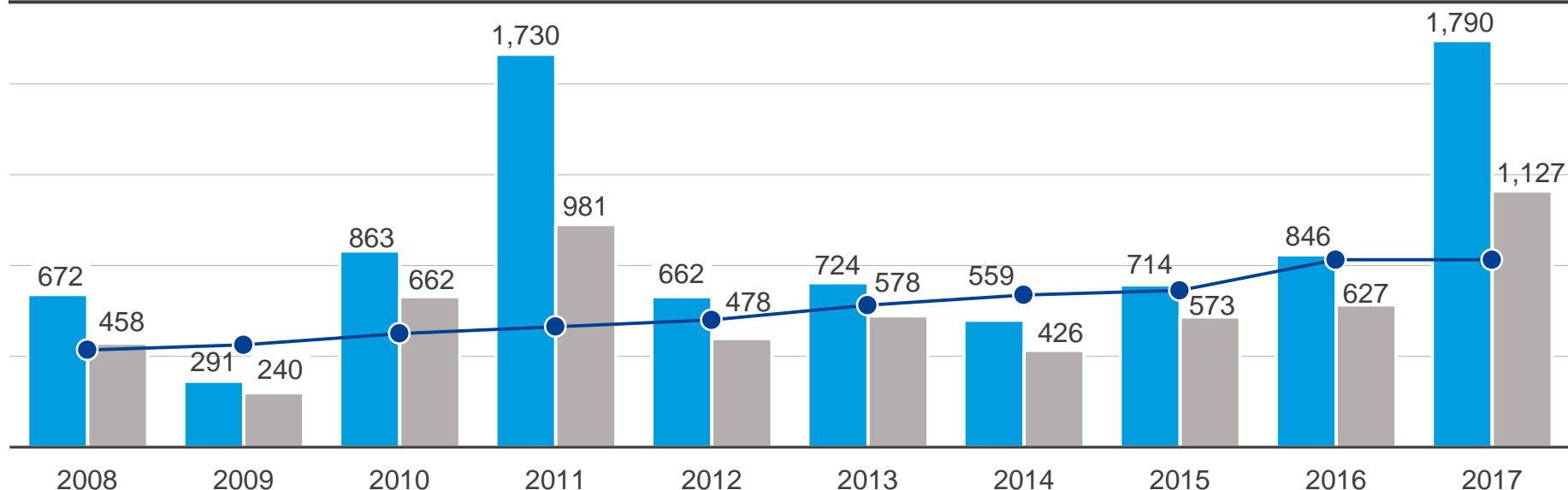
Aided by strong investment income and positive underwriting result

Property & Casualty R/I in m. EUR	Q4/2016	Q4/2017	2016	2017	YTD
Gross written premium	2,084	2,512	9,205	10,711	▶ GWP f/x-adjusted +18.7%; growth mainly from structured R/I; diversified growth in other areas
Net premium earned	2,060	2,406	7,985	9,159	▶ NPE f/x-adjusted +17.0%
Net underwriting result incl. interest on funds withheld	209	311	503	15	▶ Major losses of EUR 1,127 m. (Budget 825 m.) ▶ Higher run-off result due to initial conservative reserving; confidence level of loss reserves largely unchanged
Combined ratio incl. interest on funds withheld	89.9%	87.1%	93.7%	99.8%	
Net investment income from assets under own management	253	258	877	1,192	▶ Favourable ordinary investment income and realised gains from listed equity
Other income and expenses	(17)	(51)	(40)	(87)	▶ Other income and expenses within normal range, decreased f/x result, but still positive
Operating profit/loss (EBIT)	445	519	1,340	1,120	▶ EBIT margin of 12.2% (2016: 16.8%), well above target (10%)
Tax ratio	21.3%	20.5%	25.3%	18.1%	▶ Low tax ratio due to gains from disposal of listed equities almost tax-free
Group net income	334	389	950	837	
Earnings per share (in EUR)	2.77	3.22	7.88	6.94	

Major losses sharply in excess of large loss budget

Natural and man-made catastrophe losses*

in m. EUR



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

13%	5%	14%	25%	9%	9%	7%	8%	9%	17%
11%	5%	12%	16%	7%	8%	6%	7%	8%	12%

Expected large losses (net) in m. EUR

428	450	500	530	560	625	670	690	825	825
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■ Gross
 ■ Net
 —●— Expected large losses (net)

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

Accumulation of events led to losses ...

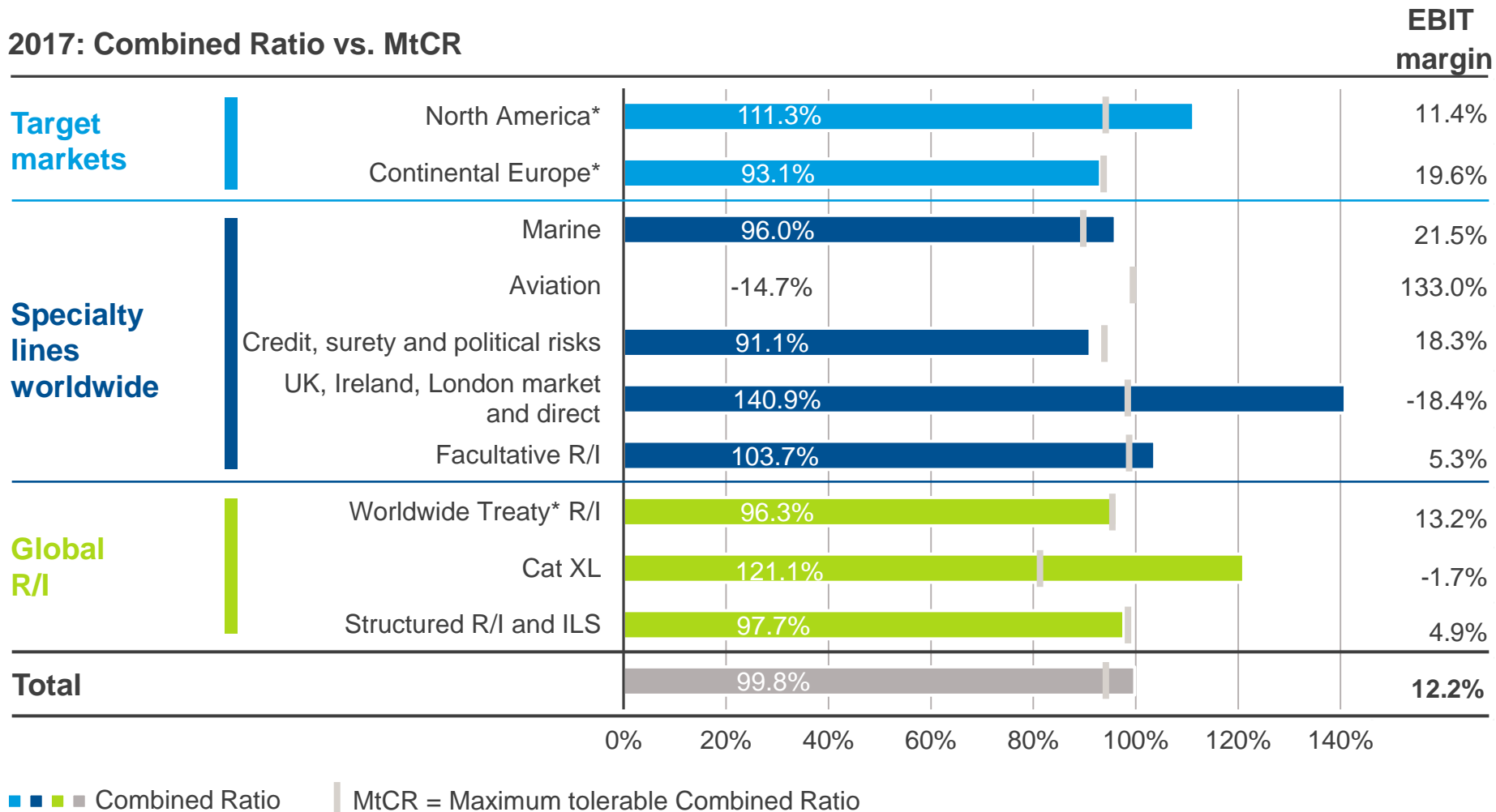
... about EUR 300 m. higher than large loss budget

Catastrophe losses* in m. EUR	Date	Gross	Net
Storm / Tornados, USA	18 - 21 Jan	12.4	9.9
Wildfires, Chile	21 Jan - 3 Feb	19.2	17.3
Cyclone "Debbie", Australia	27 - 28 Mar	63.0	47.8
Thunderstorms / Hail, USA	10 - 13 Jun	11.0	4.5
Typhoon "Hato", China	22 - 23 Aug	12.5	9.0
Hurricane "Harvey"	23 - 31 Aug	215.8	122.1
Hurricane "Irma"	5 - 13 Sep	597.9	342.6
Earthquake, Mexico	7 - 8 Sep	11.3	8.7
Hurricane "Maria"	18 - 21 Sep	413.8	284.7
Earthquake, Mexico	19 Sep	45.1	40.5
California Wildfire, USA	7 - 30 Oct	212.6	81.9
California Wildfire, USA	3 - 20 Dec	27.7	19.2
12 Natural catastrophes		1,642.2	988.2
4 Property claims		119.9	111.3
2 Credit claims		27.7	27.7
18 Major losses		1,789.9	1,127.3

* Natural catastrophes and other major losses in excess of EUR 10 m. gross

Combined Ratio slightly above MtCR

Positive development of reserves led to exceptional aviation result



* All lines of Property & Casualty reinsurance except those stated separately

Good underlying profitability in Life & Health

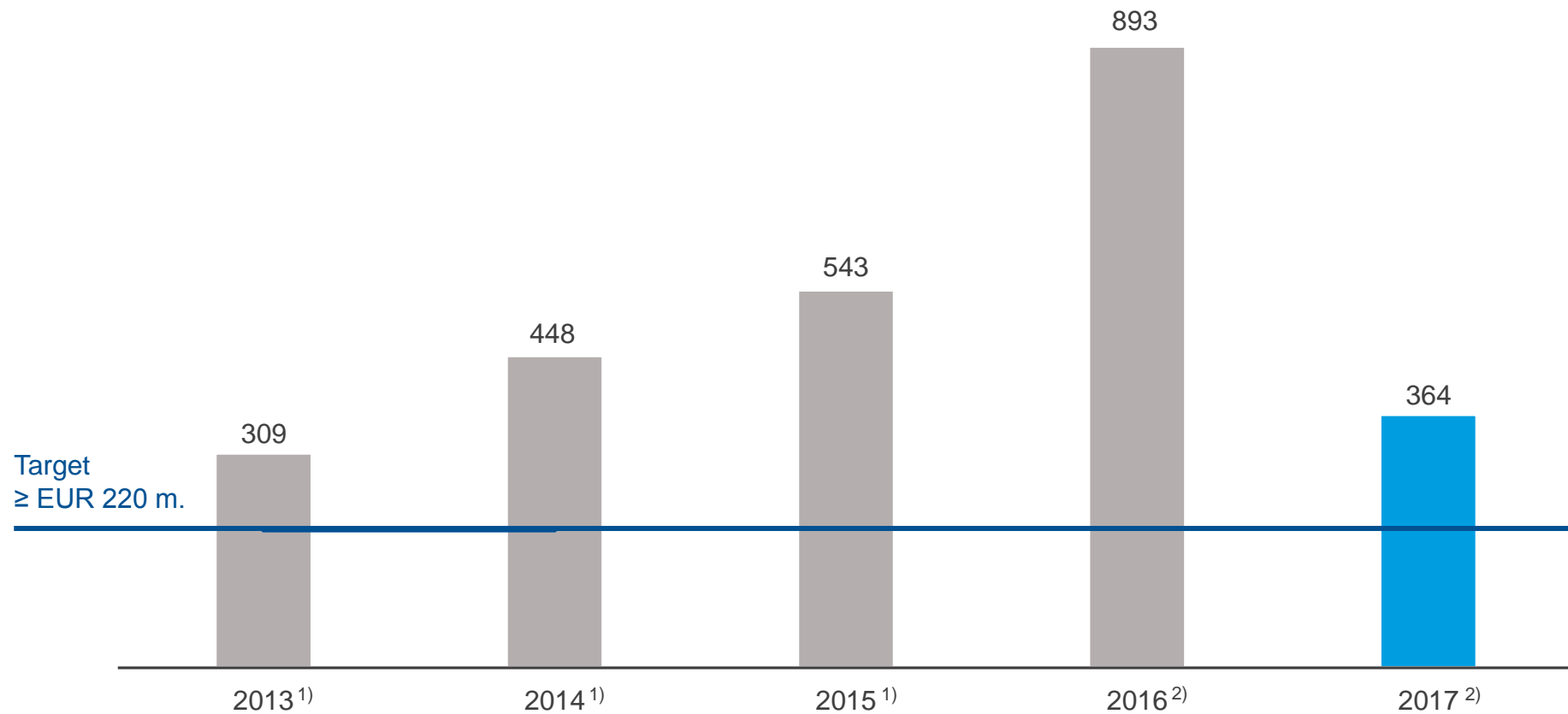
Result affected by legacy US mortality business

Life & Health R/I in m. EUR	Q4/2016	Q4/2017	2016	2017	YTD
Gross written premium	1,816	1,795	7,149	7,080	▶ GWP f/x-adj. +1.4%, reduced premium volume from large-volume treaties compensated by diversified growth
Net premium earned	1,589	1,684	6,425	6,473	▶ NPE f/x-adjusted growth +3.0%
Net underwriting result incl. interest on funds withheld	(55)	(76)	(55)	(269)	▶ Technical result impacted by legacy US mortality biz including recapture of EUR -45 m.
Net investment income from assets under own management	67	77	331	343	▶ Favourable ordinary investment income
Other income and expenses	41	38	67	171	▶ Other income increased due to strong contribution from deposit accounted treaties of EUR 184 m. (2016: EUR 64 m.)
Operating profit/loss (EBIT)	53	39	343	245	▶ EBIT margins:
EBIT margin	3.3%	2.3%	5.3%	3.8%	• Financial solutions: 25.4% (target: 2%)
Tax ratio	15.6%	1.5%	25.2%	27.0%	• Longevity: 2.1% (target: 2%)
Group net income	44	37	253	173	• Mortality/Morbidity 0.0% (target: 6%)
Earnings per share (in EUR)	0.37	0.31	2.10	1.43	

Value of New Business above target

Value of New Business development

in m. EUR



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

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

Ordinary investment income increased by 11.5%

Realisations boost strong result even further

in m. EUR	Q4/2016	Q4/2017	2016	2017	RoI	YTD
Ordinary investment income*	317	352	1,171	1,305	3.2%	<ul style="list-style-type: none"> ▶ Strong rise in ordinary income despite lower yielding fixed income portfolio mainly due to high - partially extraordinary - income from private equity and real estate funds
Realised gains/losses	53	34	206	377	0.9%	
Impairments/appreciations & depreciations	(15)	(37)	(76)	(71)	-0.2%	
Change in fair value of financial instruments (through P&L)	(3)	16	26	39	0.1%	
Investment expenses	(29)	(29)	(109)	(111)	-0.3%	
NII from assets under own mgmt.	322	337	1,218	1,539	3.8%	<ul style="list-style-type: none"> ▶ Realised gains/losses impacted by liquidation of listed equity. Gain from equity sale represents EUR 226 m. or 0.6 %-p.
NII from funds withheld	82	55	332	235		
Total net investment income	404	391	1,550	1,774		<ul style="list-style-type: none"> ▶ Impairments on real estate and participations; major portion still from regular depreciation on real estate ▶ Higher EUR- and GBP yields reduce reserves of (semi-) government bonds and covered; lower valuation reserves mostly due to disposal of listed equity
Unrealised gains/losses of investments			31 Dec 16	31 Dec 17		
On-balance sheet			1,355	1,159		
thereof Fixed income AFS			728	706		
Off-balance sheet			509	489		
thereof Fixed income HTM, L&R			370	315		
Total			1,864	1,648		

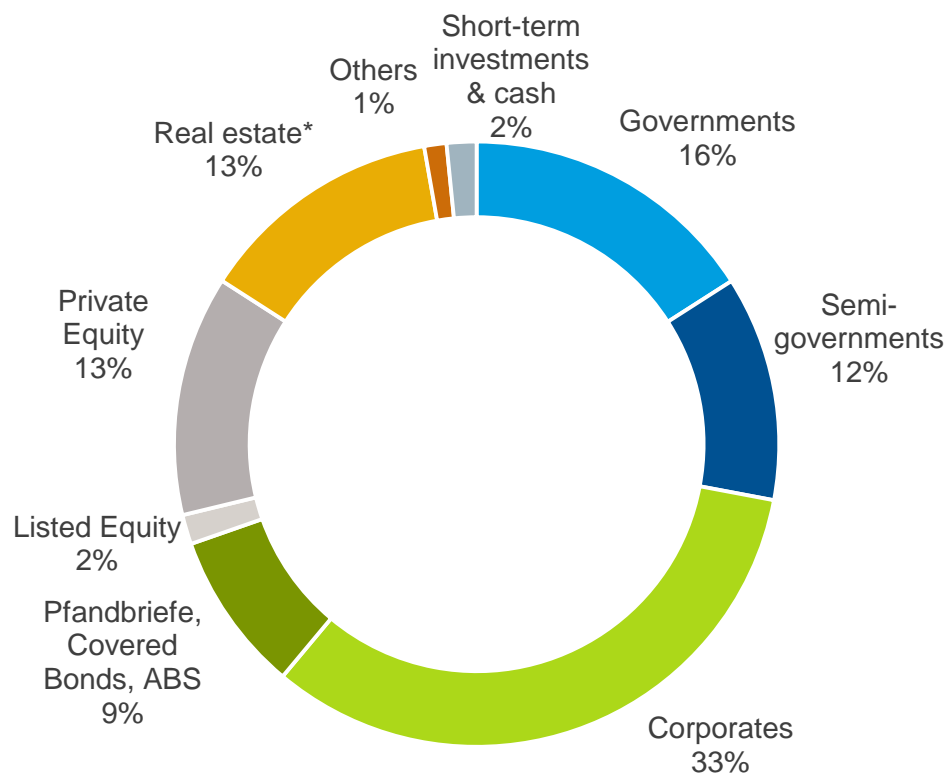
* Incl. results from associated companies

Ordinary income supported by less liquid asset classes

Real estate and Private Equity boost ordinary income beyond target return

Ordinary income split

EUR 1,305 m.



Asset allocation

Investment category	31 Dec 2017
Fixed-income securities	87%
- Governments	30%
- Semi-governments	17%
- Corporates	32%
Investment grade	27%
Non-investment grade	5%
- Pfandbriefe, Covered Bonds, ABS	8%
Equities	2%
- Listed Equity	<1%
- Private Equity	2%
Real estate/real estate funds	5%
Others	1%
Short-term investments & cash	4%
Total market values in bn. EUR	40.5

Economic view based on market values as at 31 December 2017

* Before real estate-specific costs

Barbell strategy targets achieved

Returns from liquidation of Listed Equity initially invested in government bonds

Asset allocation¹⁾

Investment category	2013	2014	2015	2016	2017
Fixed-income securities	90%	90%	87%	87%	87%
- Governments	19%	21%	26%	28%	30%
- Semi-governments	20%	19%	17%	18%	17%
- Corporates	36%	36%	34%	33%	32%
Investment grade	33%	33%	30%	28%	27%
Non-investment grade	3%	3%	4%	4%	5%
- Pfandbriefe, Covered bonds, ABS	15%	14%	10%	9%	8% ²⁾
Equities	2%	2%	3%	4%	2%
- Listed equity	<1%	<1%	1%	2%	<1%
- Private equity	2%	2%	2%	2%	2%
Real estate/real estate funds	4%	4%	4%	5%	5%
Others	1%	1%	1%	1%	1%
Short-term investments & cash	4%	4%	5%	4%	4%
Total market values in bn. EUR	32.2	36.8	39.8	42.3	40.5

1) Economic view based on market values without outstanding commitments for Private Equity and Alternative Real Estate as well as fixed-income investments of EUR 1,201.9 m. (EUR 1,036.8 m.) as at 31 December 2017

2) Of which Pfandbriefe and Covered Bonds = 72.5%

Solvency II reporting as at 31 December 2017

Capital position even more comfortable due to OpRisk approval

Capital adequacy above targets

in m. EUR	Internal Metrics 31.12.2017	Solvency II ¹⁾ 31.12.2017	Solvency II ²⁾ 31.12.2016	
Available Economic Capital / Eligible Own Funds	13,042	12,310	12,835	▶ Haircut (EUR 732 m.) for minority interests ³⁾
Confidence Level	99.5%	99.5%	99.5%	
Required Capital / Solvency Capital Requirements	4,729	4,729	5,586	▶ Approval of internal model for OpRisk
Excess Capital	8,313	7,581	7,249	
Capital Adequacy Ratio (CAR)	276%	260%	230%	
Minimum Target Ratio (Limit)	180%	180%	180%	
Minimum Target Ratio (Threshold)	200%	200%	200%	

1) Regulatory view (Solvency II): full internal model incl. operational risk (starting Q3/2017), confidence level at 99.5%; own funds based on the Solvency II reporting as of 31 December 2017, the related audits are at present not fully completed.

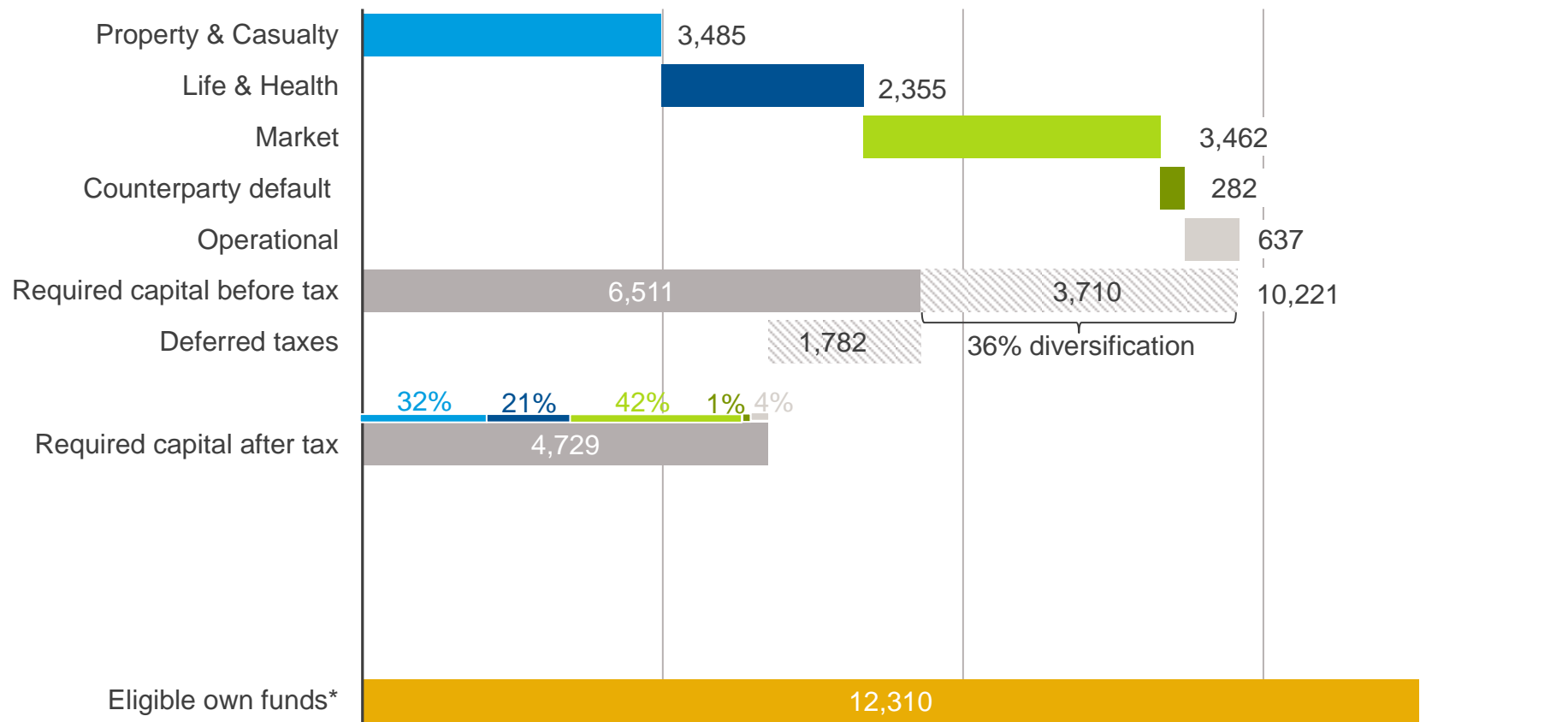
2) Regulatory view (Solvency II): partial internal model with standard formula for operational risk, confidence level at 99.5%; small deviations compared to annual report 2016 since the amounts are based on final Solvency II year end reporting as presented in the SFCR.

3) Non-available minority interests mostly consist of non-controlling interests in E+S Rückversicherung AG

Capital efficiency supported by high diversification

Details of Solvency II capital requirements

Risk capital for the 99.5% VaR (according to internal economic capital model) in m. EUR



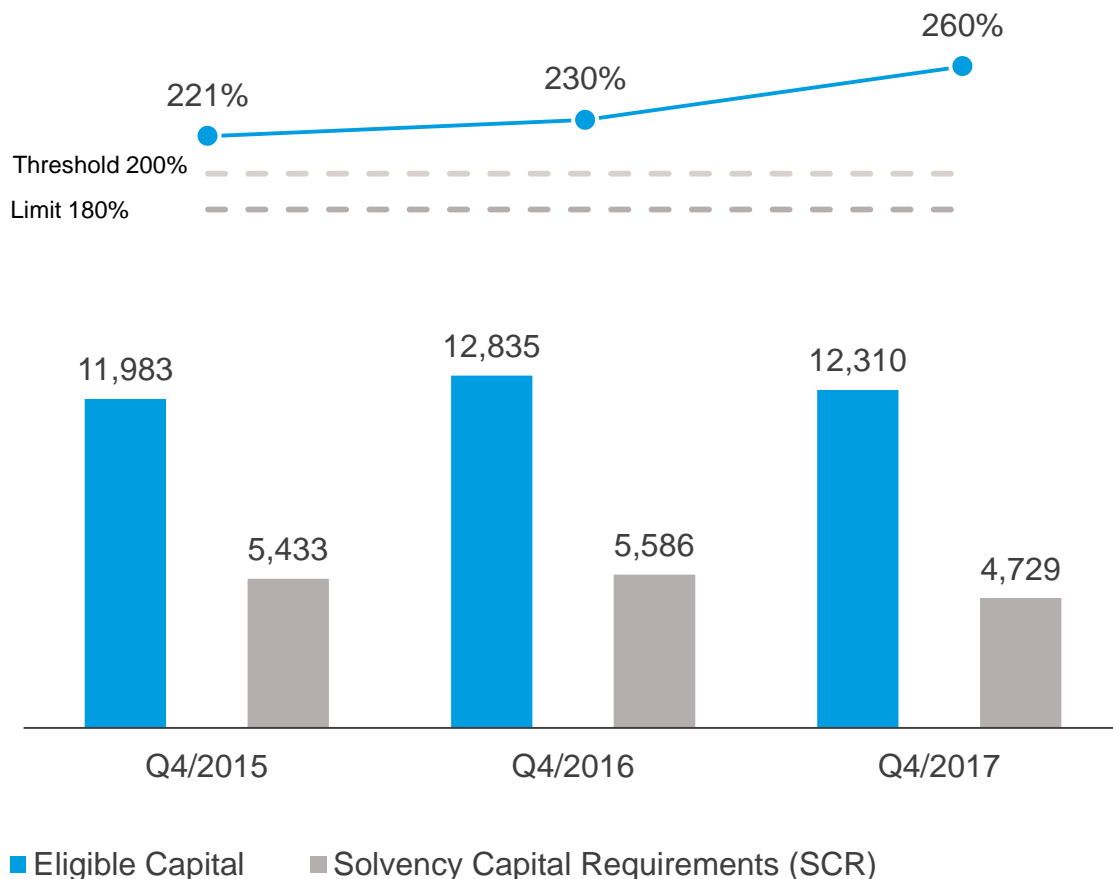
As at 31 December 2017

* According to the internal model (including haircut for minority interest)

Solvency II capital sufficiency further improved

Despite significant changes in economic environment

Development of the capital adequacy ratio (regulatory view)

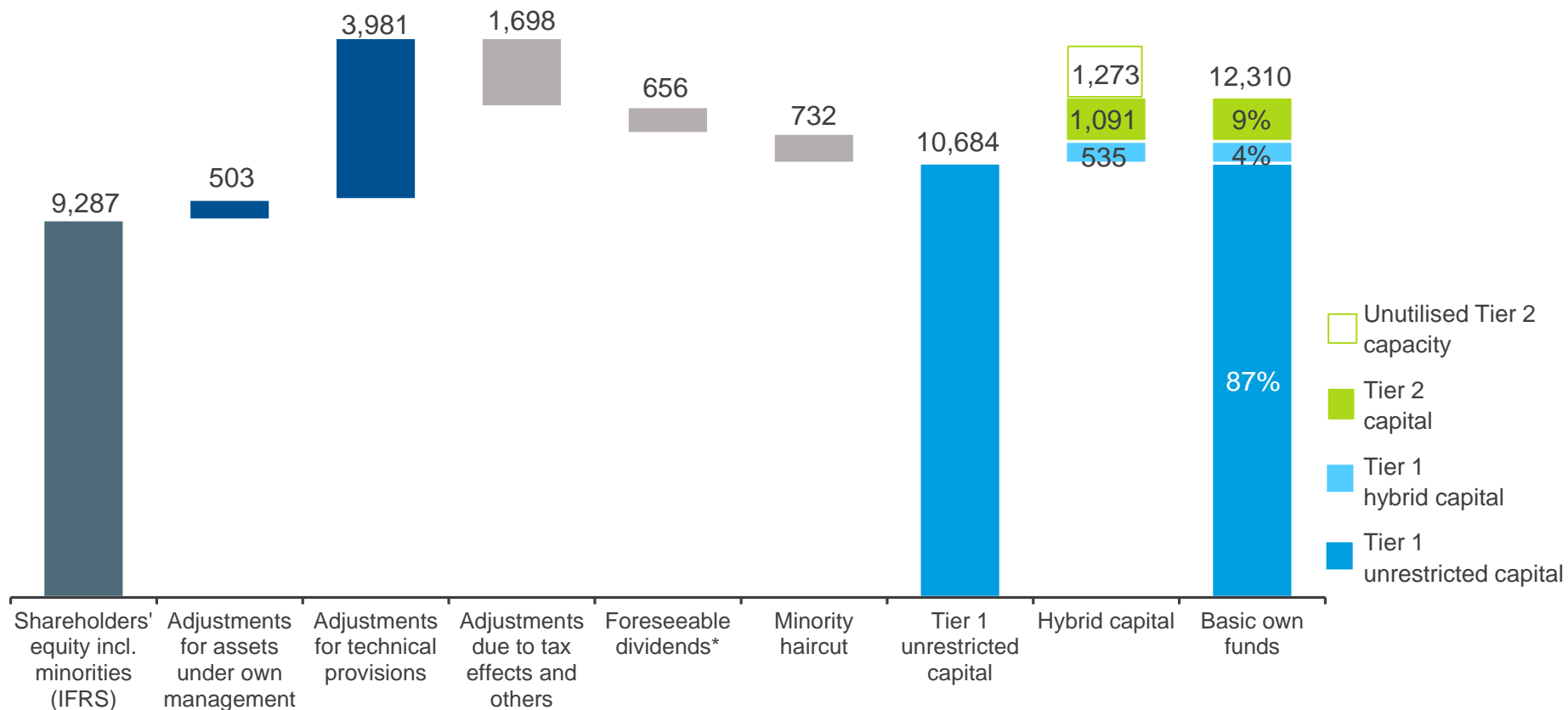


- ▶ **2016:** Overall increase in available capital due to positive results and favourable new business developments in line with increase in required capital
- ▶ **2017:** Increase in solvency ratio due to application of full internal model (including OpRisk), f/x-induced reduction in funds and capital requirements

High-quality capital base

Own funds largely dominated by Tier 1 capital supplemented by hybrid capital

Reconciliation (IFRS Shareholders' equity/Solvency II own funds) in m. EUR as at 31 Dec 17



The related audits are at present not fully completed

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

Target Matrix 2017

Achievement of profit targets impacted by high NatCat frequency

Business group	Key figures	Strategic targets for 2017	2017
Group	Return on investment ¹⁾	>2.7%	3.8%
	Return on equity ²⁾	≥9.8%	10.9%
	Earnings per share growth (y-o-y)	≥6.5%	-18.2%
	Value creation per share ³⁾	≥7.5%	1.5%
Property & Casualty R/I	Gross premium growth	3% - 5% ⁴⁾	18.7%
	Combined ratio	≤96% ⁵⁾	99.8%
	EBIT margin ⁶⁾	≥10%	12.2%
	xRoCA ⁷⁾	≥2%	1.1%
Life & Health R/I	Gross premium growth	5% - 7% ⁸⁾	1.4%
	Value of New Business (VNB) ⁹⁾	≥ EUR 220 m.	EUR 364 m.
	EBIT margin ⁶⁾ Financial solutions/Longevity	≥2%	13.2%
	EBIT margin ⁶⁾ Mortality/Morbidity	≥6%	0.0%
	xRoCA ⁷⁾	≥3%	-8.5%

1) Excl. effects from ModCo derivatives

3) Growth in book value per share + paid dividend

5) Incl. expected net major losses of EUR 825 m.

7) Excess return on allocated economic capital

9) Based on a cost of capital of 6% (until 2014: 4.5%)

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

4) On average throughout the R/I cycle; at unchanged f/x rates











6) EBIT/net premium earned

8) Organic growth only; annual average growth (5 years), at unchanged f/x rates

Outlook 2018

Overall profitability above margin requirements

Property & Casualty reinsurance: financial year 2018

	Lines of business	Volume ¹⁾	Profitability ²⁾
Target markets	North America ³⁾		+
	Continental Europe ³⁾		+
Specialty lines worldwide	Marine		+/-
	Aviation		-
	Credit, surety and political risks		+
	UK, Ireland, London market and direct		+/-
	Facultative reinsurance		+
Global reinsurance	Worldwide treaty ³⁾ reinsurance		+/-
	Cat XL		+/-
	Structured reinsurance and ILS		+/-

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

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

3) All lines of business except those stated separately

Good underlying profitability in L&H business

Further strains from legacy US mortality business expected in 2018

	Reporting categories	Volume ¹⁾	Profitability ²⁾
Financial solutions	Financial solutions	→	++
	Longevity	→	+/-
Risk solutions	Mortality	→	-
	Morbidity	↗	+/-

1) In EUR

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

Guidance for 2018

Hannover Re Group

- ▶ Gross written premium¹⁾ _____ single-digit percentage growth
- ▶ Return on investment^{2) 3)} _____ 2.7%
- ▶ Group net income²⁾ _____ more than EUR 1 bn.
- ▶ Dividend payout ratio⁴⁾ _____ 35% - 40%
(If comfortable level of capitalisation remains unchanged, this ratio will increase through payment of another special dividend)

1) At unchanged f/x rates

2) Subject to no major distortions in capital markets and/or major losses in 2018 not exceeding the large loss budget of EUR 825 m.

3) Excluding effects from ModCo derivatives

4) Relative to group net income according to IFRS

Rationale for our short- and medium-term outlook

Property & Casualty R/I: Positioned to outperform



- ▶ Improved rates should support C/R target $\leq 96\%$ without the need to reduce confidence level of the loss reserves
- ▶ Strong market position and financial strength enable us to outgrow the market

Life & Health R/I: Increasing profits (EBIT) in the medium term



- ▶ Attractive earnings contribution from US Financial solutions business
- ▶ Inforce management in US mortality business could impact EBIT contribution in 2018 due to recaptures
- ▶ EBIT expectation for 2018: ~EUR 200 m.
- ▶ Above-target VNB development and inforce management are the basis for IFRS profit growth from 2019 onwards

Investments: Stable RoI in low yield environment



- ▶ Normalised ordinary investment income expected at absolute level on average of past 5 years; medium-term growth expected due to increase in AuM supported by positive cash flow and increasing reinvestment yields

somewhat
different

Appendix

Our strategic business groups at a glance

2017 vs. 2016

in m. EUR	Property & Casualty R/I			Life & Health R/I			Total		
	2016	2017	Δ	2016	2017	Δ	2016	2017	Δ
Gross written premium	9,205	10,711	+16.4%	7,149	7,080	-1.0%	16,354	17,791	+8.8%
Net premium earned	7,985	9,159	+14.7%	6,425	6,473	+0.7%	14,410	15,632	+8.5%
Net underwriting result	479	(2)	-100.5%	(363)	(486)	+34.0%	116	(489)	-
Net underwriting result incl. funds withheld	503	15	-96.9%	(55)	(269)	-	448	(254)	-156.6%
Net investment income	901	1,209	+34.2%	639	561	-12.3%	1,550	1,774	+14.4%
From assets under own management	877	1,192	+35.9%	331	343	+3.8%	1,218	1,539	+26.3%
From funds withheld	24	18	-26.0%	308	217	-29.5%	332	235	-29.3%
Other income and expenses	(40)	(87)	+118.5%	67	171	+154.1%	23	79	-
Operating profit/loss (EBIT)	1,340	1,120	-16.4%	343	245	-28.6%	1,689	1,364	-19.2%
Interest on hybrid capital	(0)	(0)	-	0	0	-	(72)	(72)	+0.1%
Net income before taxes	1,340	1,120	-16.4%	343	245	-28.6%	1,618	1,293	-20.1%
Taxes	(339)	(203)	-40.1%	(87)	(66)	-23.4%	(391)	(248)	-36.6%
Net income	1,001	917	-8.4%	257	179	-30.3%	1,226	1,045	-14.8%
Non-controlling interest	51	80	+55.3%	4	6	+62.8%	55	86	+55.8%
Group net income	950	837	-11.8%	253	173	-31.7%	1,171	959	-18.2%
Retention	88.5%	89.7%		90.4%	91.7%		89.3%	90.5%	
Combined ratio (incl. interest on funds withheld)	93.7%	99.8%		100.9%	104.2%		96.9%	101.6%	
EBIT margin (EBIT / Net premium earned)	16.8%	12.2%		5.3%	3.8%		11.7%	8.7%	
Tax ratio	25.3%	18.1%		25.2%	27.0%		24.2%	19.2%	
Earnings per share (in EUR)	7.88	6.94		2.10	1.43		9.71	7.95	

Our strategic business groups at a glance

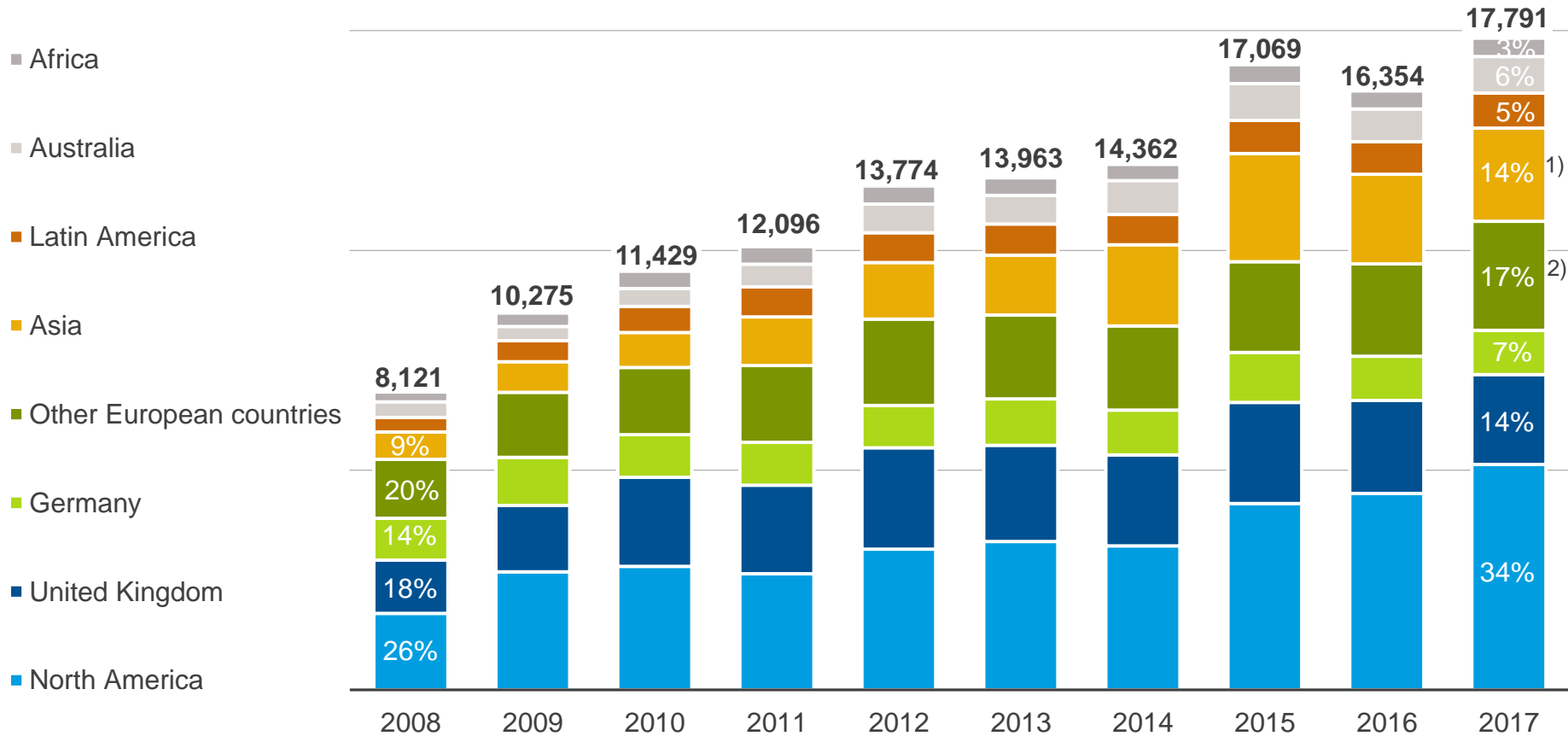
Q4 stand-alone

in m. EUR	Property & Casualty R/I			Life & Health R/I			Total		
	Q4/2016	Q4/2017	Δ	Q4/2016	Q4/2017	Δ	Q4/2016	Q4/2017	Δ
Gross written premium	2,084	2,512	+20.5%	1,816	1,795	-1.1%	3,900	4,307	+10.4%
Net premium earned	2,060	2,406	+16.8%	1,589	1,684	+6.0%	3,649	4,090	+12.1%
Net underwriting result	204	307	+50.7%	(132)	(126)	-	71	180	-
Net underwriting result incl. funds withheld	209	311	+48.9%	(55)	(76)	-	154	235	-
Net investment income	258	263	+1.6%	144	128	-11.3%	404	391	-3.1%
From assets under own management	253	258	+2.0%	67	77	+15.1%	322	337	+4.6%
From funds withheld	5	4	-19.2%	77	50	-34.4%	82	55	-33.4%
Other income and expenses	(17)	(51)	-	41	38	-	23	(13)	-
Operating profit/loss (EBIT)	445	519	+16.4%	53	39	-	498	558	+12.0%
Interest on hybrid capital	(0)	(0)	-	(0)	0	-	(18)	(18)	+0.4%
Net income before taxes	445	519	+16.4%	53	39	-	480	540	+12.4%
Taxes	(95)	(106)	-	(8)	(1)	-	(84)	(105)	-
Net income	351	412	+17.5%	45	39	-13.3%	396	435	+9.8%
Non-controlling interest	16	23	+45.3%	1	2	+205.7%	17	25	+50.9%
Group net income	334	389	+16.2%	44	37	-16.2%	379	410	+8.0%
Retention	89.1%	91.1%		87.2%	92.3%		88.2%	91.6%	
Combined ratio (incl. interest on funds withheld)	89.9%	87.1%		103.5%	104.5%		95.8%	94.3%	
EBIT margin (EBIT / Net premium earned)	21.6%	21.5%		3.3%	2.3%		13.7%	13.6%	
Tax ratio	21.3%	20.5%		15.6%	1.5%		17.6%	19.5%	
Earnings per share (in EUR)	2.77	3.22		0.37	0.31		3.15	3.40	

Well balanced international portfolio growth

Gross written premium (Group)

in m. EUR



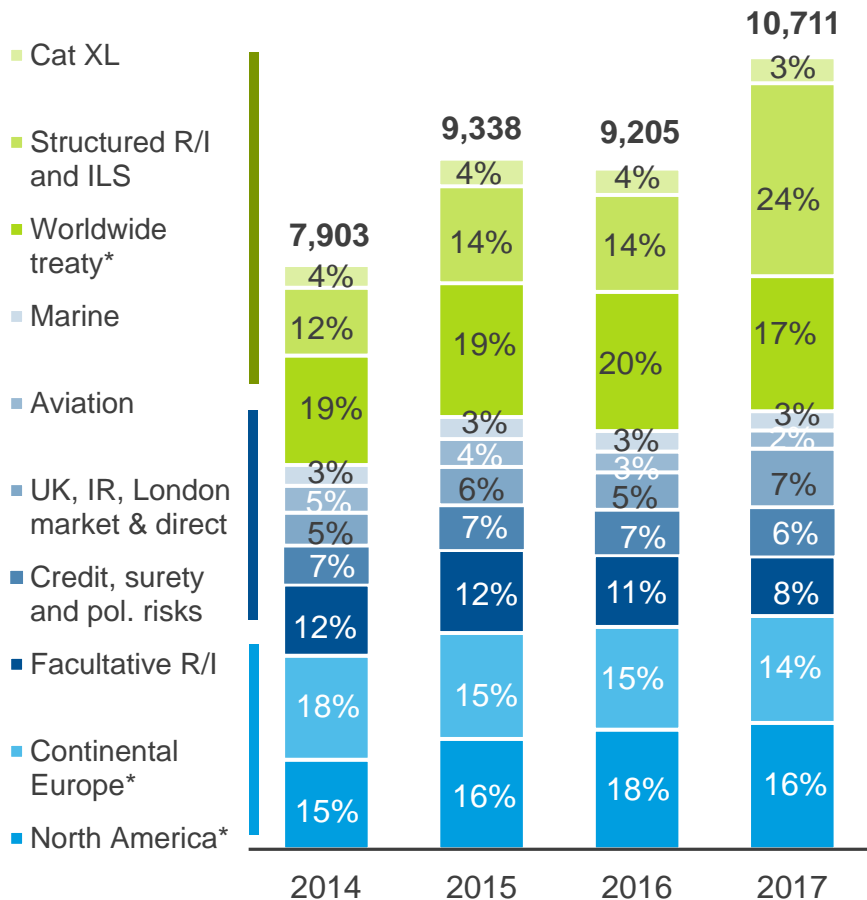
1) Japan 1%
2) CEE and Russia 3%

Property & Casualty reinsurance: selective growth

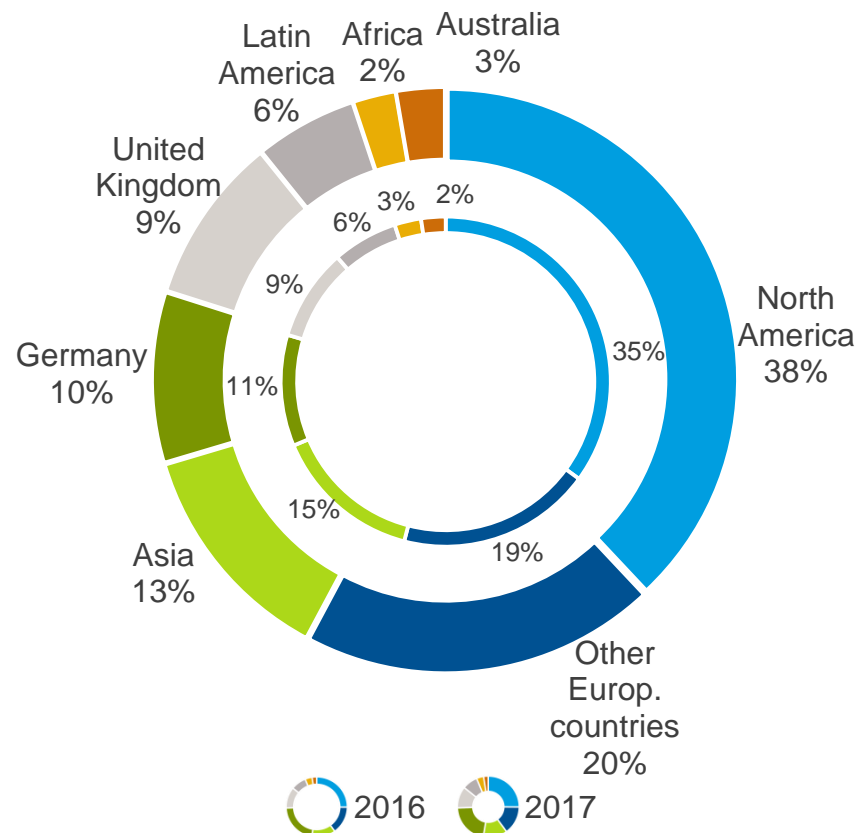
3-year CAGR: +10.7%

GWP split by line of business

in m. EUR



GWP split by regions

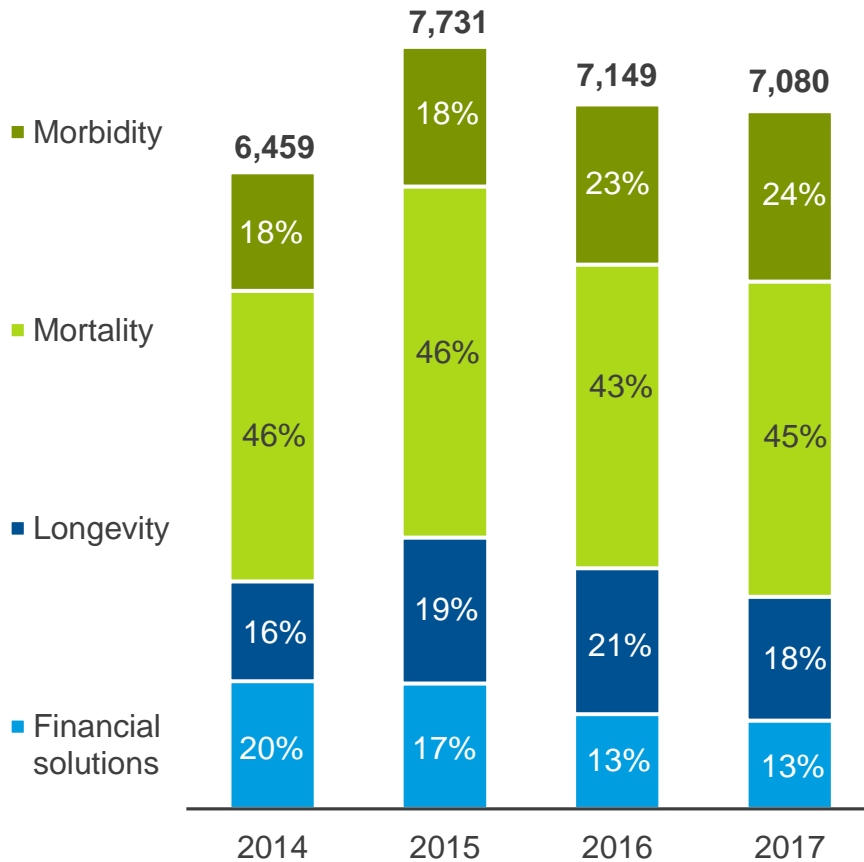


* All lines of business except those stated separately

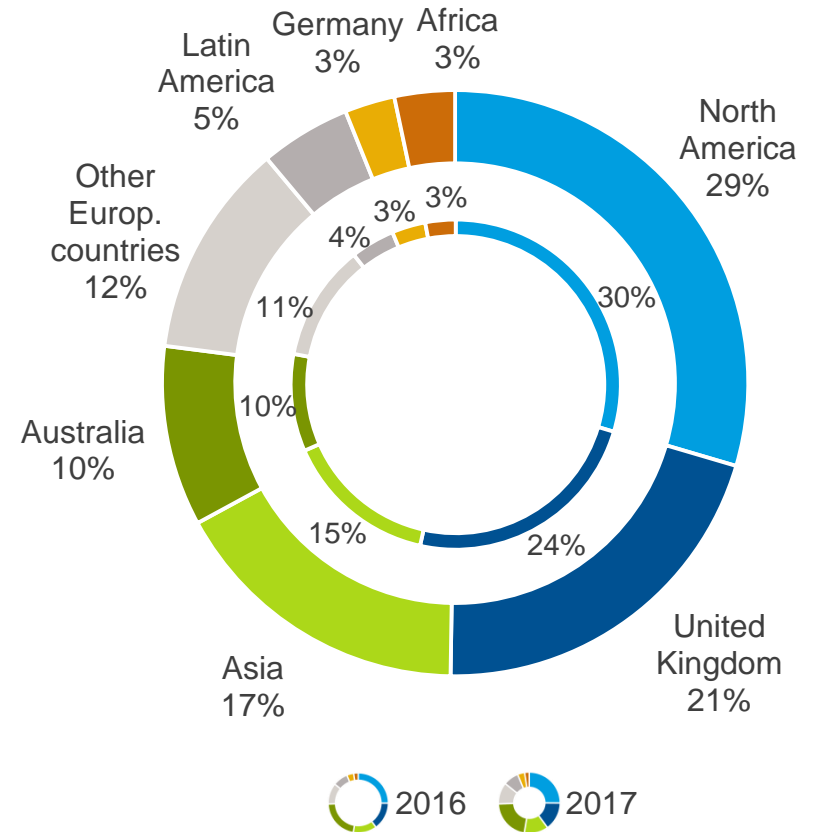
Life & Health reinsurance: a well diversified portfolio

3-year CAGR: 3.1%

GWP split by reporting categories in m. EUR



GWP split by regions



Stress tests on assets under own management

Unchanged focus on yields and spreads; reduced relevance of Equity investments

Portfolio	Scenario	Change in market value in m. EUR	Change in OCI before tax in m. EUR
Equity (listed and private equity)	-10%	-81	-81
	-20%	-163	-163
Fixed-income securities	+50 bps	-848	-765
	+100 bps	-1,652	-1,490
Credit spreads	+50%	-679	-658
Real estate	-10%	-214	-113

As at 31 December 2017

Fixed-income book well balanced

Geographical allocation mainly in accordance with our business diversification

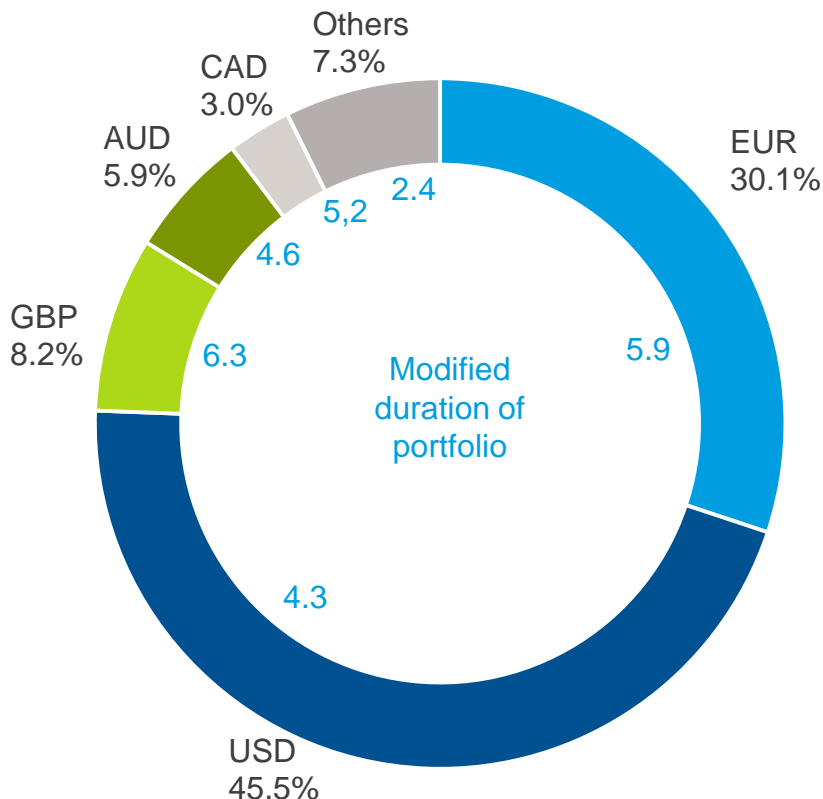
	Governments	Semi-governments	Corporates	Pfandbriefe, Covered bonds, ABS	Short-term investments, cash	Total
AAA	75.1%	65.0%	1.1%	62.8%	-	45.8%
AA	13.6%	23.3%	12.8%	14.3%	-	15.3%
A	5.9%	6.3%	32.6%	7.2%	-	15.5%
BBB	2.6%	1.4%	44.4%	10.5%	-	17.9%
<BBB	2.8%	4.1%	9.2%	5.2%	-	5.6%
Total	100.0%	100.0%	100.0%	100.0%	-	100.0%
Germany	10.7%	48.6%	4.0%	24.8%	31.0%	17.9%
UK	9.6%	2.4%	8.5%	9.9%	7.9%	7.8%
France	1.3%	1.4%	8.0%	5.6%	0.6%	3.9%
GIIPS	1.2%	1.0%	4.6%	4.4%	0.0%	2.5%
Rest of Europe	3.5%	14.3%	16.3%	24.0%	2.5%	11.7%
USA	58.0%	7.2%	34.8%	8.7%	11.6%	33.8%
Australia	4.2%	7.7%	8.1%	10.5%	8.1%	6.9%
Asia	6.6%	5.8%	5.2%	0.2%	21.9%	6.2%
Rest of World	4.9%	11.6%	10.5%	12.1%	16.3%	9.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total b/s values in m. EUR	12,101	6,851	12,095	3,238	1,794	36,080

IFRS figures as at 31 December 2017

Currency allocation matches liability profile of balance sheet

Duration-neutral strategy applied

Currency split of investments



- ▶ Modified duration of fixed-income mainly congruent with liabilities
- ▶ GBP's higher modified duration predominantly due to life business

Modified duration

2016	5.0
2015	4.4
2014	4.6
2013	4.4
2012	4.5

Modified duration as at 31 December 2017: 4.8

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