

Overview

Hannover Re, with a gross premium of around 11 billion euro, is the third-largest reinsurer in the world. It transacts all lines of non-life and life and health reinsurance and is present on all continents with around 2,200 staff.

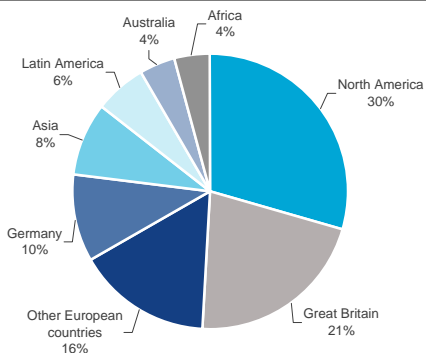
Quantitative strategic targets

Our foremost strategic target is to be one of the most profitable reinsurers in the world. This is why our actions are guided solely by considerations of profitability and concentrate on attractive segments of reinsurance business.

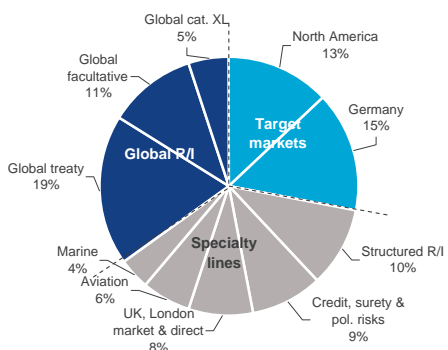
One of our strategic goals is to boost the following key ratios by a double-digit percentage every year (triple-10 target):

- operating profit (EBIT),
- earnings per share,
- book value per share.

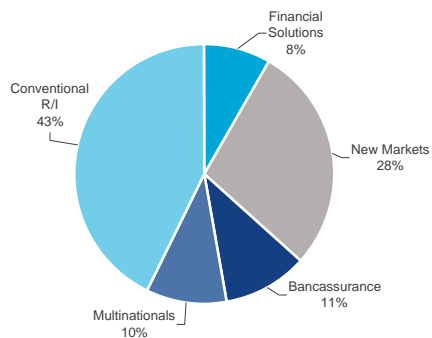
Gross written premium Group (as of 31 Dec 2010)



Gross written premium Non-life R/I (as of 31 Dec 2010)

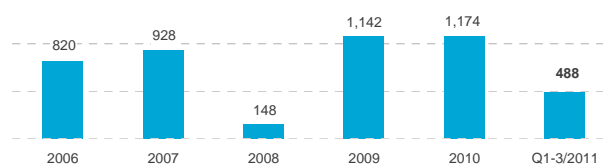


Gross written premium Life and health R/I (as of 31 Dec 2010)



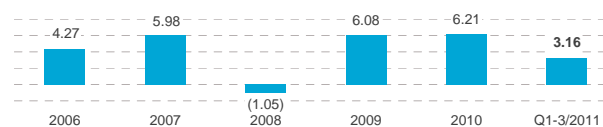
Operating profit (EBIT)

in m. EUR



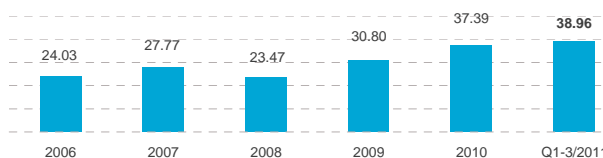
Earnings per share

in EUR



Book value per share

in EUR



Financial strength ratings (as of November 2011)

Standard & Poor's	AA- (Outlook: stable)
A.M. Best	A (Outlook: positive)

Profit forecast (as of 30 September 2011)

	2011	2012
Hannover Re guidance		
RoE target	n.a.	n.a.
Group net income (in m. EUR) ¹	> 500	n.a.
Consensus analysts' estimates		
Group net income (in m. EUR)	515	689
Earnings per share (in EUR)	4.24	5.64
Dividend per share (in EUR)	1.66	2.10

¹ Subject to no major distortions in capital markets and/or large losses in Q4/2011 not significantly exceeding the expected losses

Financial calendar 2012

• 1 February 2012	Conference Call on 1/1/2012 Renewals
• 14 March 2012	Press conference on 2011 Annual Results
• 15 March 2012	Analysts' Conferences Frankfurt, London
• 3 May 2012	Annual General Meeting
• 3 May 2012	Interim Report 1/2012
• 10 August 2012	Interim Report 2/2012
• 6 November 2012	Interim Report 3/2012

Key Figures (IFRS basis)

in m. EUR	2008	2009	2010		2011			
			31.12.	31.12.	31.12.	1.1.-30.9.	1.1.-30.6.	1.7.-30.9.
Hannover Re Group								
Results								
Gross written premium	8,120.9	10,274.8	11,428.7	8,554.6	6,044.8	3,019.9	9,064.7	+6.0%
Net premium earned	7,061.6	9,307.2	10,047.0	7,471.2	5,147.9	2,732.0	7,879.9	+5.5%
Net underwriting result	69.6	(100.4)	(185.1)	(153.0)	(446.3)	33.0	(413.3)	+170.2%
Net investment income	278.5	1,120.4	1,258.9	872.2	672.8	278.0	950.8	+9.0%
Operating profit (EBIT)	148.1	1,142.5	1,173.8	862.0	246.8	241.0	487.8	-43.4%
Group net income (loss)	(127.0)	733.7	748.9	582.0	218.5	163.2	381.7	-34.4%
Balance sheet								
Policyholders' surplus	4,708.4	5,621.6	6,987.0	6,926.1	6,656.7		7,046.5	+0.9%
Equity attributable to shareholders of Hannover Re	2,830.1	3,714.4	4,509.0	4,456.8	4,324.6		4,698.8	+4.2%
Non-controlling interests	501.4	542.1	608.9	601.4	599.1		613.7	+0.8%
Hybrid capital	1,376.9	1,365.1	1,869.1	1,867.9	1,733.1		1,734.0	-7.2%
Investments (excl. funds withheld by ceding companies)	20,137.2	22,507.0	25,411.1	25,499.1	25,330.6		27,062.8	+6.5%
Total assets	37,490.2	40,837.6	46,725.3	45,834.2	46,958.3		48,024.8	+2.8%
Ratios								
Retention	89.1%	92.6%	90.1%	91.0%	90.8%	90.3%	90.7%	-0.3%p
Return on investments (excl. funds withheld by ceding companies)	0.4%	4.0%	3.9%	3.6%	4.0%	2.9%	3.6%	-0.0%p
EBIT margin ¹	2.1%	12.3%	11.7%	11.5%	4.8%	8.8%	6.2%	-5.3%p
Return on equity (after tax)	(4.1%)	22.4%	18.2%	19.0%	9.9%	14.5%	11.1%	-7.9%p
Share key figures (ISIN: DE0008402215; Securities identification number: 840221; Ticker symbols: Bloomberg = HNR1, Thomson Reuters = HNRGn, ADR = HVRRY)								
Earnings per share (in EUR) ²	(1.05)	6.08	6.21	4.83	1.81	1.35	3.16	
Book value per share (in EUR) ³	23.47	30.80	37.39	36.96	35.86		38.96	
Share price at the end of the period/year end (in EUR)	22.50	32.71	40.14	33.74	35.97		34.04	
Price-to-book ratio ⁴	0.96	1.06	1.07	0.91	1.00		0.87	
Price-earnings ratio (P/E ratio) ⁵	-	5.38	6.46	6.64	8.69		8.03	
Share performance (year-to-date)	-28.7%	+45.4%	+22.7%	+3.1%	-10.4%		-15.2%	
Market capitalisation at the end of the period/year end ⁶	2,713.4	3,944.7	4,840.8	4,068.9	4,337.9		4,105.1	
Non-life reinsurance								
Gross written premium	4,987.8	5,746.6	6,339.3	4,824.9	3,544.5	1,676.0	5,220.5	+8.2%
Net premium earned	4,276.7	5,229.5	5,393.9	4,066.8	2,848.6	1,542.6	4,391.2	+8.0%
Net underwriting result	184.7	143.5	82.4	32.4	(299.4)	70.3	(229.2)	-
Operating profit (EBIT)	2.3	731.4	879.6	633.4	151.2	181.8	332.9	-47.4%
Group net income (loss)	(160.9)	472.6	581.0	437.7	164.1	130.9	295.0	-32.6%
Retention	88.9%	94.1%	88.9%	90.5%	90.0%	91.1%	90.3%	-0.2%p
Major losses as percentage of net premium earned ⁷	10.7%	4.6%	12.3%	13.6%	21.9%	7.6%	16.9%	+3.3%p
Combined ratio ⁸	95.4%	96.6%	98.2%	99.0%	110.3%	95.2%	105.0%	+6.0%p
EBIT margin ¹	0.1%	14.0%	16.3%	15.6%	5.3%	11.8%	7.6%	-8.0%p
Life and health reinsurance								
Gross written premium	3,134.4	4,529.3	5,090.1	3,730.4	2,499.8	1,343.8	3,843.6	+3.0%
Net premium earned	2,784.9	4,078.7	4,653.9	3,404.9	2,297.7	1,189.2	3,486.9	+2.4%
Operating profit (EBIT)	120.7	374.7	284.4	213.6	78.4	60.2	138.6	-35.1%
Group net income	78.3	298.1	219.6	170.2	73.9	39.2	113.1	-33.5%
Retention	89.3%	90.7%	91.7%	91.5%	92.1%	89.4%	91.1%	-0.4%p
EBIT margin ¹	4.3%	9.2%	6.1%	6.3%	3.4%	5.1%	4.0%	-2.3%p

¹ Operating profit (EBIT)/Net premium earned

² Group net income divided by the number of outstanding shares of the period

³ Total shareholders' equity divided by the number of outstanding shares

⁴ Calculated by dividing the share price at the end of the period/year end by the book value per share

⁵ Calculated by dividing the share price at the end of the period/year end by earnings per share (in the current year divided by the analysts' expectations for earnings per share)

⁶ Fair value of the Hannover Re Group at the end of the period/year end; market capitalisation = number of outstanding shares * share price

⁷ Natural catastrophes and other major losses in excess of EUR 5 million gross for the Hannover Re Group's share

⁸ Incl. funds withheld

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