

somewhat
different

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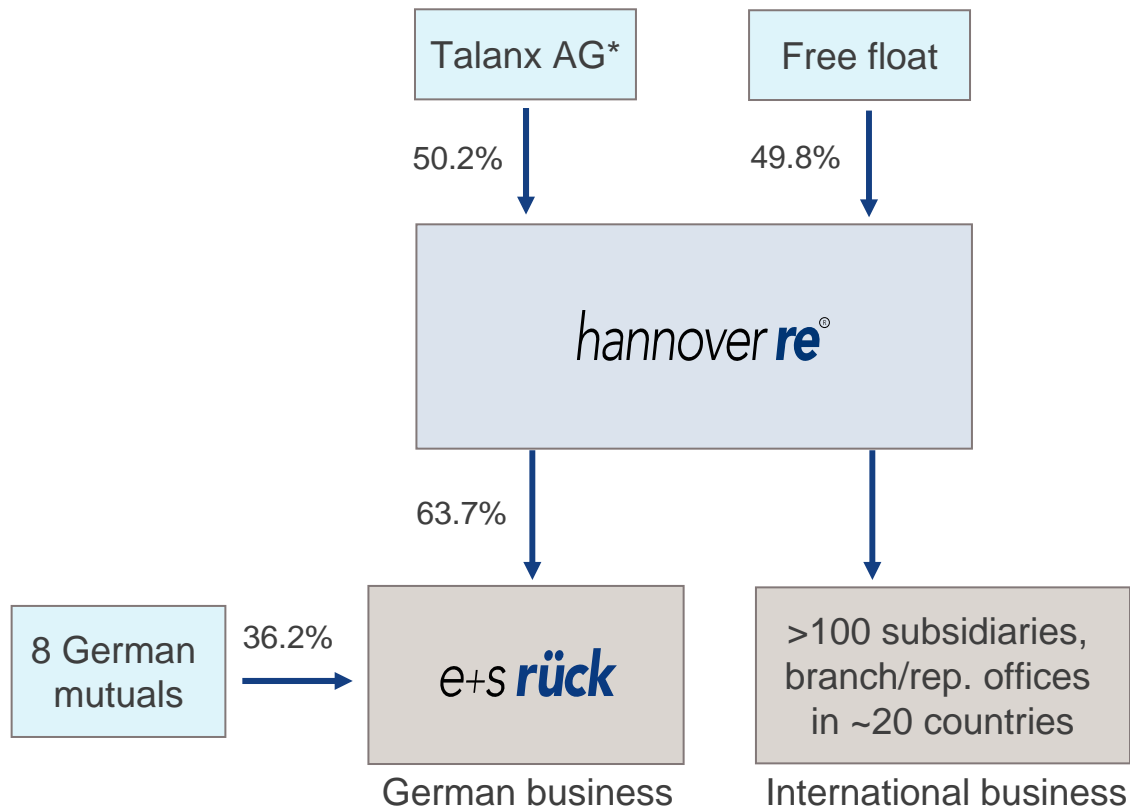
We are among the top reinsurers in the world

Premium ranking 2008 in m. USD				
Rank	Group	Country	GWP	NPW
1	Swiss Re	CH	29,212	24,296
2	Munich Re	D	28,820	27,199
3	Berkshire Hathaway Re	USA	12,827	12,123
4	Hannover Re	D	11,446	10,196
5	Lloyd's	GB	9,114	6,702
6	SCOR	F	8,185	7,500
7	RGA Re	USA	5,839	5,349
8	Transatlantic	USA	4,423	4,108
9	Partner Re	BDA	4,028	3,989
10	London Re	CDN	3,696	3,144
11	Everest Re	BDA	3,678	3,505
12	XL Capital	BDA	2,951	2,403
13	Korean Re	ROK	2,946	2,055
14	Mapfre	E	2,507	1,683
15	Odyssey Re	USA	2,295	2,031

Source: A.M. Best (August 2009)

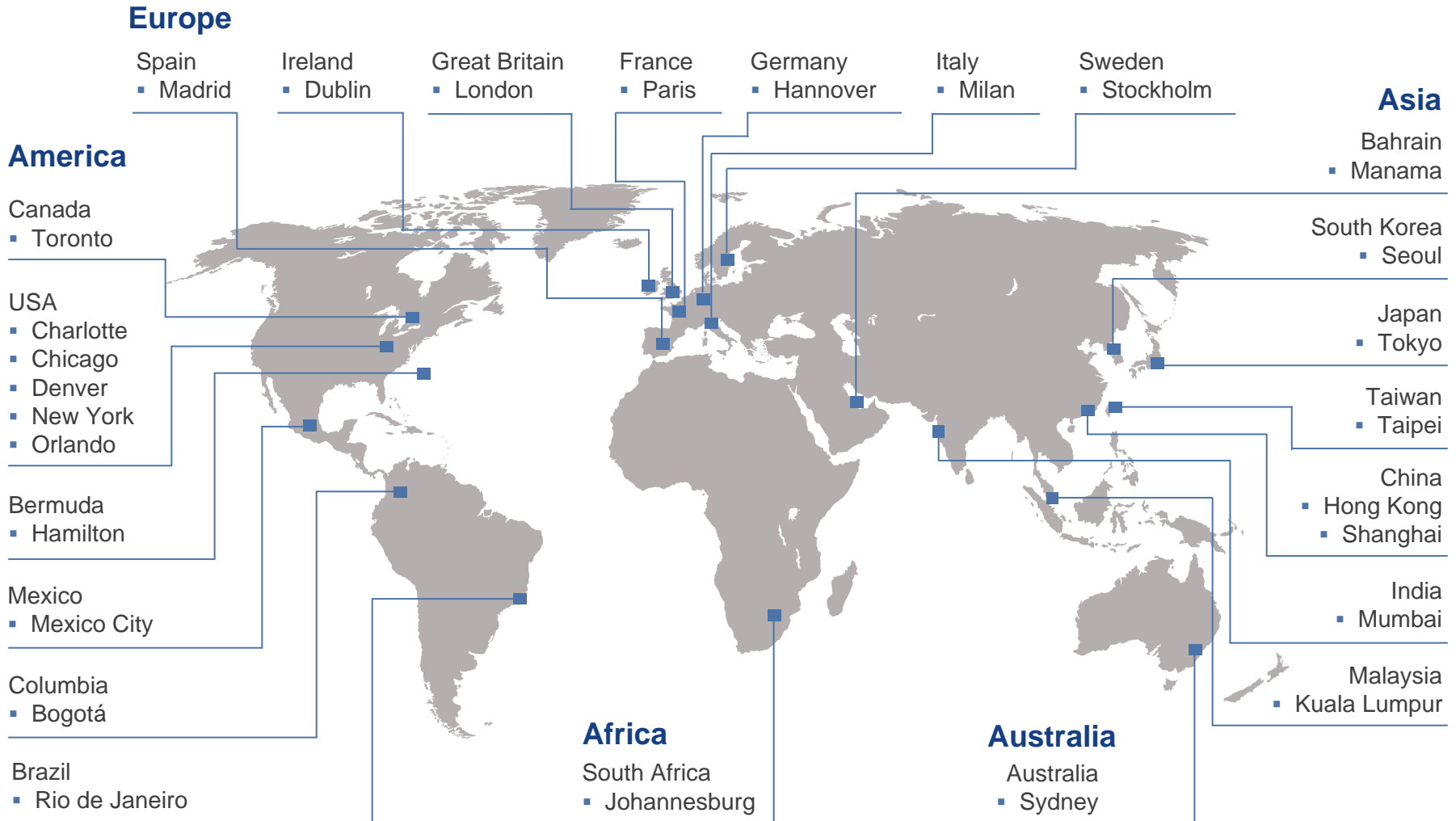
Unique group structure

Majority owner, but operational and financial independence



* 100% owned by HDI V.a.G..

Present in all 5 continents



We are somewhat different

- ▶ We are swift, flexible, undogmatic and cut our own path
- ▶ We are frugal and have lean structures
- ▶ Focus on profitability, not on premium volume, league tables or market share
- ▶ Conservative capital management is one of our keys to success
 - Diversification ensures optimal use of capital
 - Lean equity base with efficient use of hybrid capital, securitisations and retrocessions
- ▶ We earn high RoEs

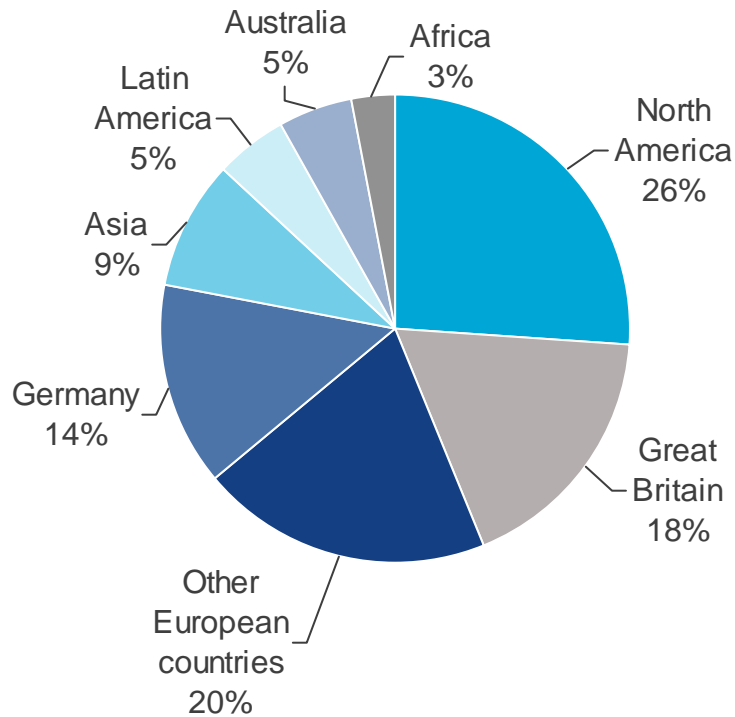
 Volume is vanity, profit is sanity

Well balanced international portfolio

Even after ING Life Re acquisition

GWP 2008

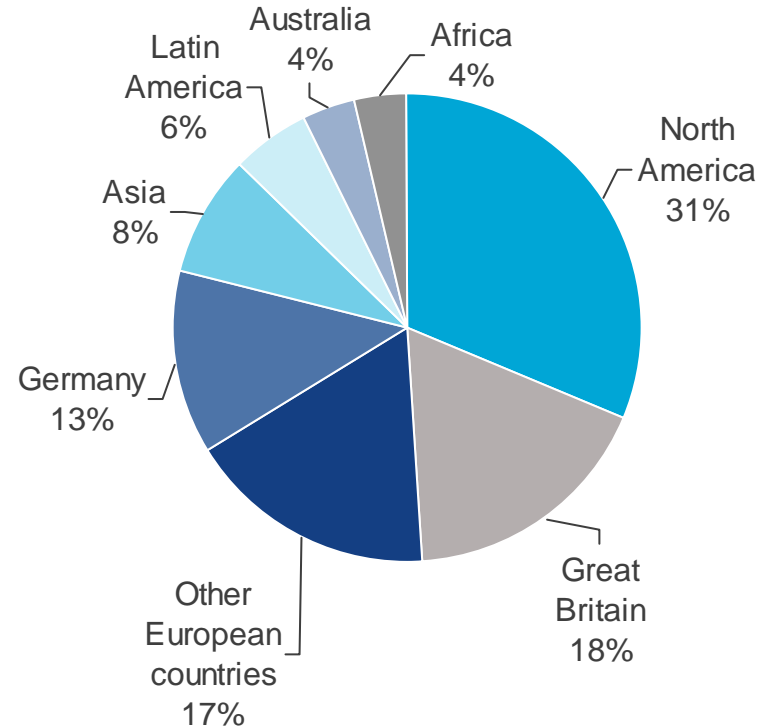
in %



EUR 8,121 m.

GWP 2009

in %



EUR 10,275 m.

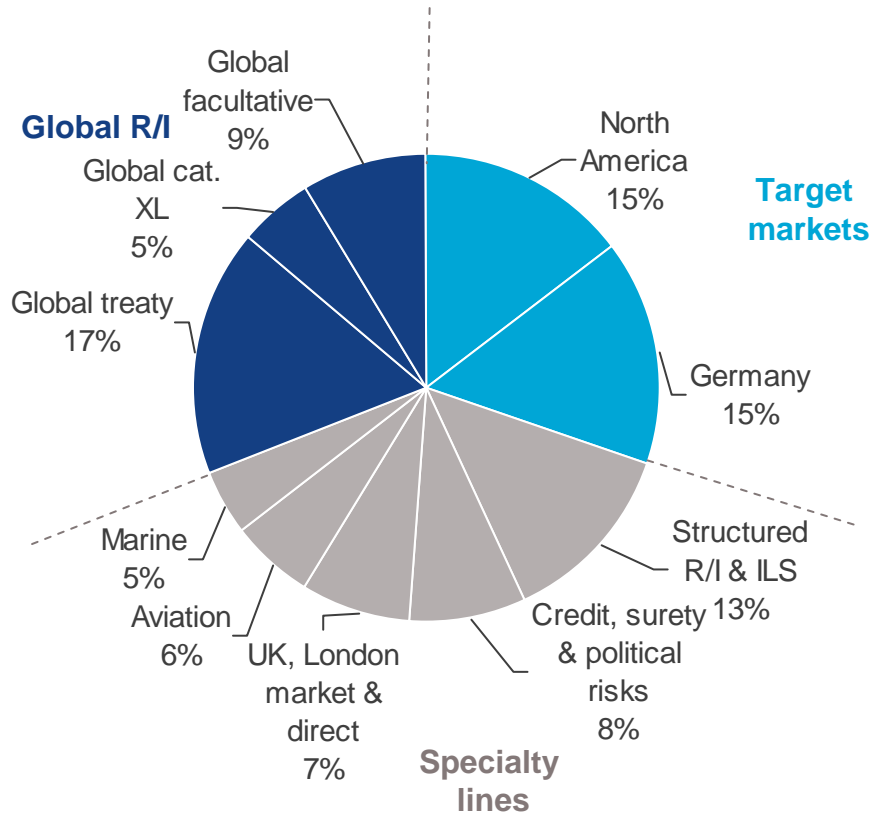
Non-life reinsurance: we are somewhat different

- ▶ Centralised underwriting approach
 - Secures U/W discipline and opportunistic cycle management
 - Lean, efficient infrastructure with no U/W authority in USA
- ▶ Cycle management
 - We only grow our market share in "hard" markets
 - We have no premium-growth targets, only for earnings
- ▶ Reserve adequacy
 - No. 1 priority in our risk management
 - Traditionally high comfort level (>50%)
- ▶ Distribution through brokers
- ▶ No appetite for acquisitions
 - Our cycle management gets us all the business we want

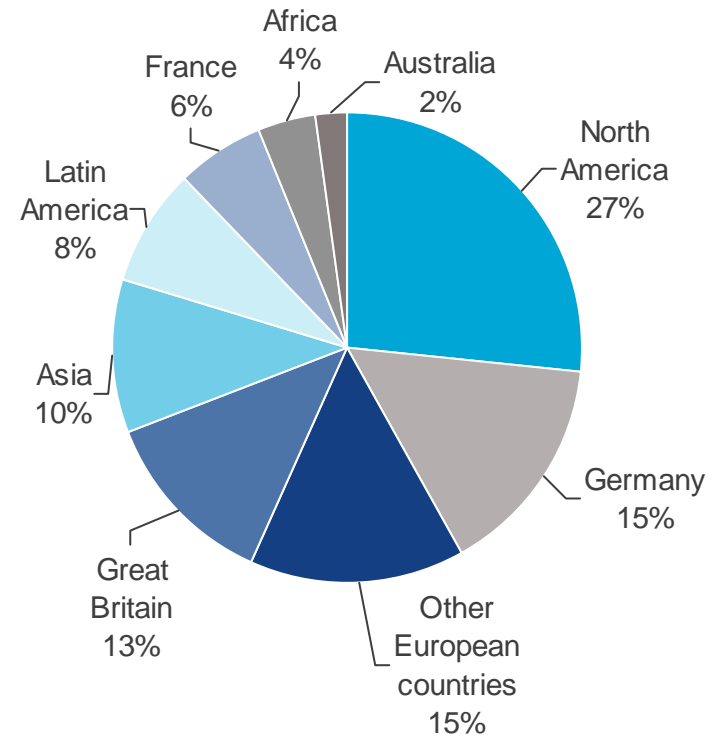
 A no frills, opportunistic player

Non-life reinsurance: well diversified portfolio

Divisions in %



Regional split in %



2009 Gross written premium:
 EUR 5,747 m.
 (2008: EUR 4,988 m.)

Life and health reinsurance: we are somewhat different

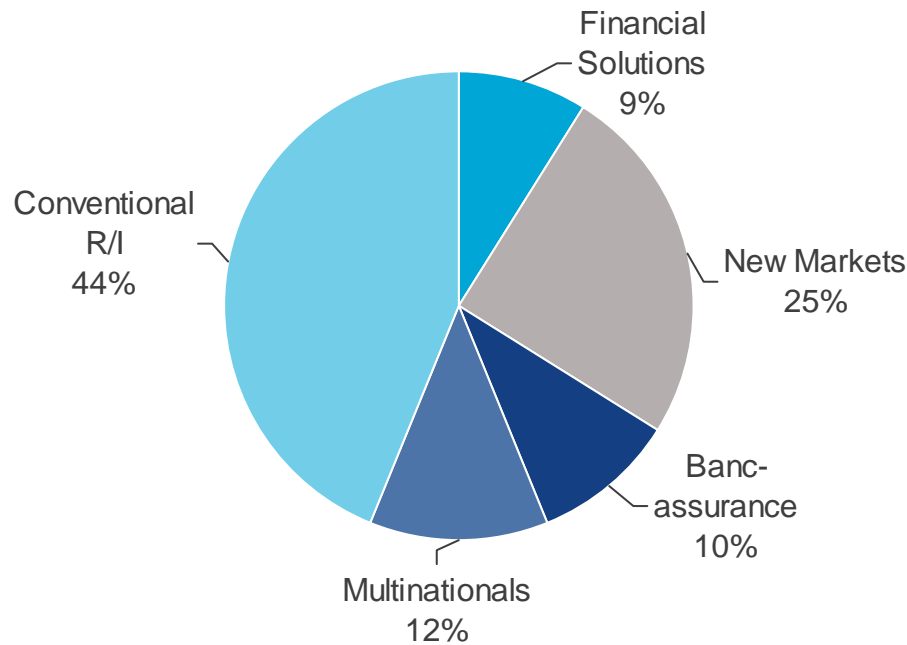
- ▶ We focus on five areas of business (our "five pillars")
- ▶ 5 key markets = 80% of our business; 50 main clients = 80% of our portfolio
- ▶ Sophisticated client-relationship management
 - Ability to differentiate between value-creating and value-destroying clients
 - We create win-win situations (don't play zero-sum games)
- ▶ We do consider acquisitions
 - But only if strategic fit/complement
 - No strategic prices

▶ Focused, long-term, growth-oriented, win-win approach

Life and health reinsurance: well diversified portfolio

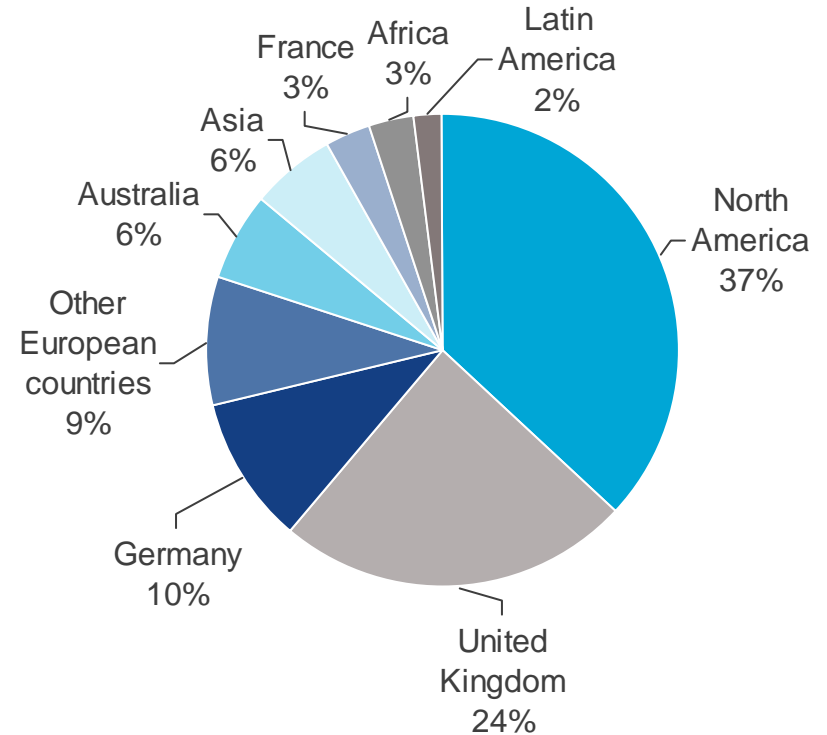
5 strategic pillars

in %



Regional split

in %



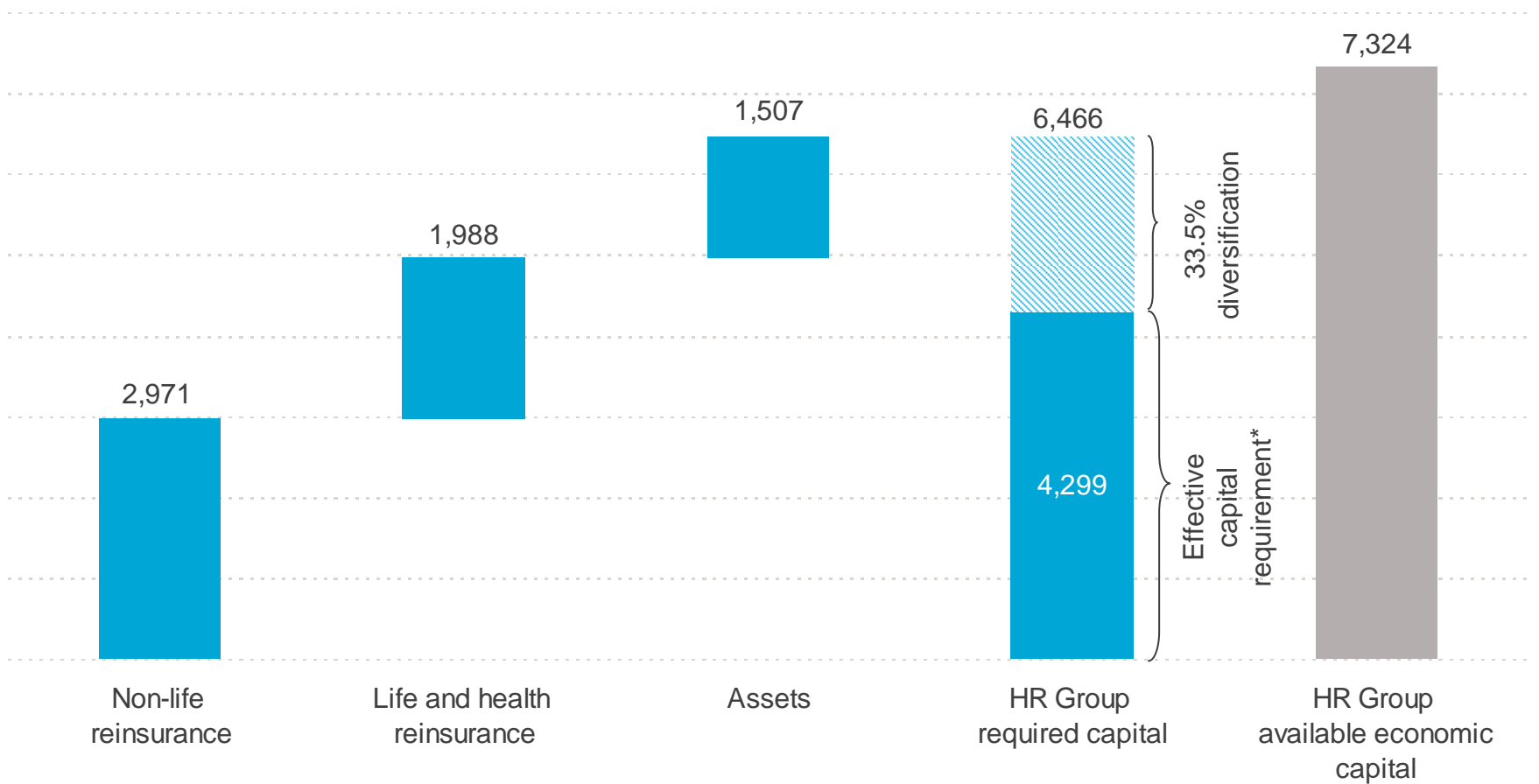
2009 Gross written premium:
 EUR 4,529 m.
 (2008: EUR 3,134 m.)

Diversification reduces capital requirements by a third

Capitalisation ratio 170%

Risk capital for the 99.97% VaR (according to internal risk model)

in m. EUR



As at December 2009

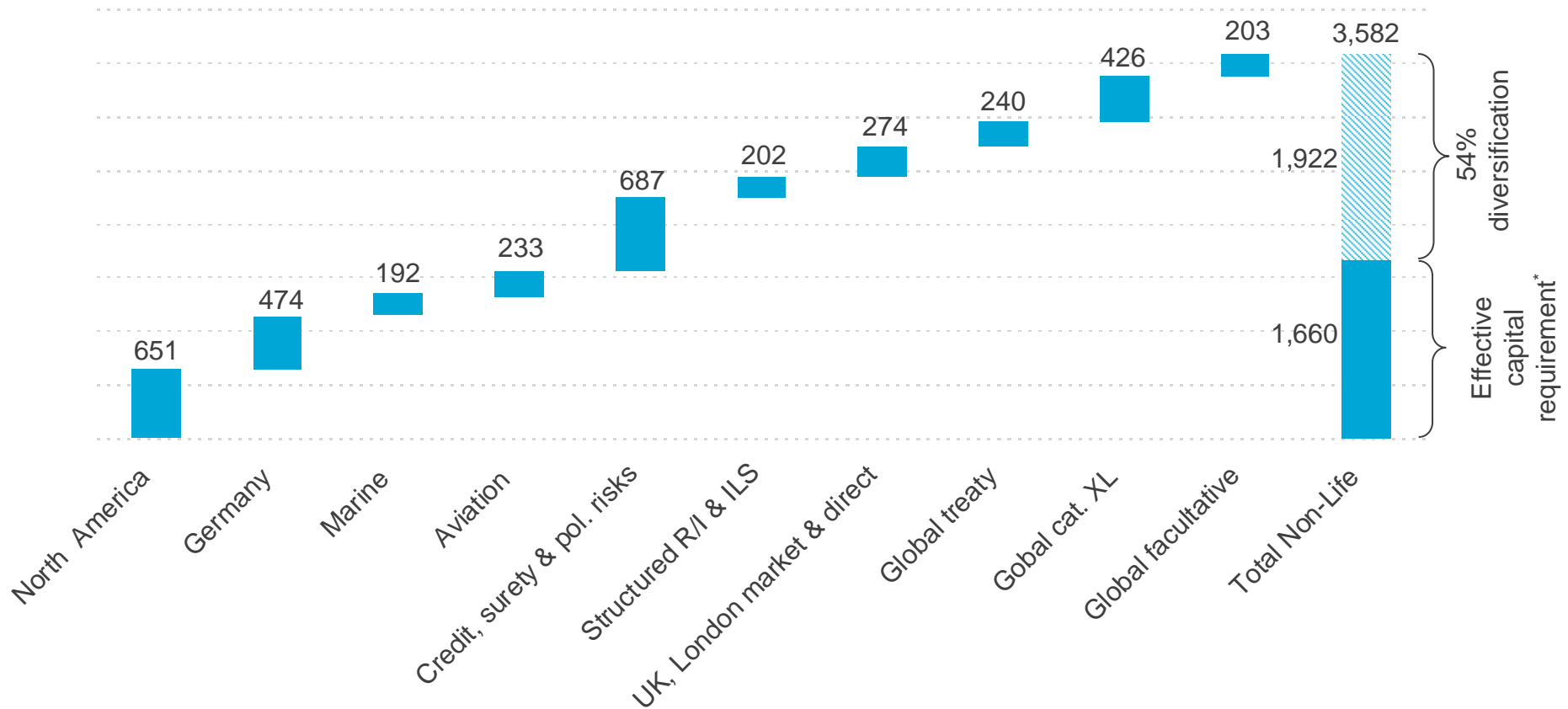
* Calculation according to economic valuation principles

Diversification reduces capital requirements by over 50%

Non-life business group

Risk capital for the 99.5% VaR (according to internal risk model)

in m. EUR



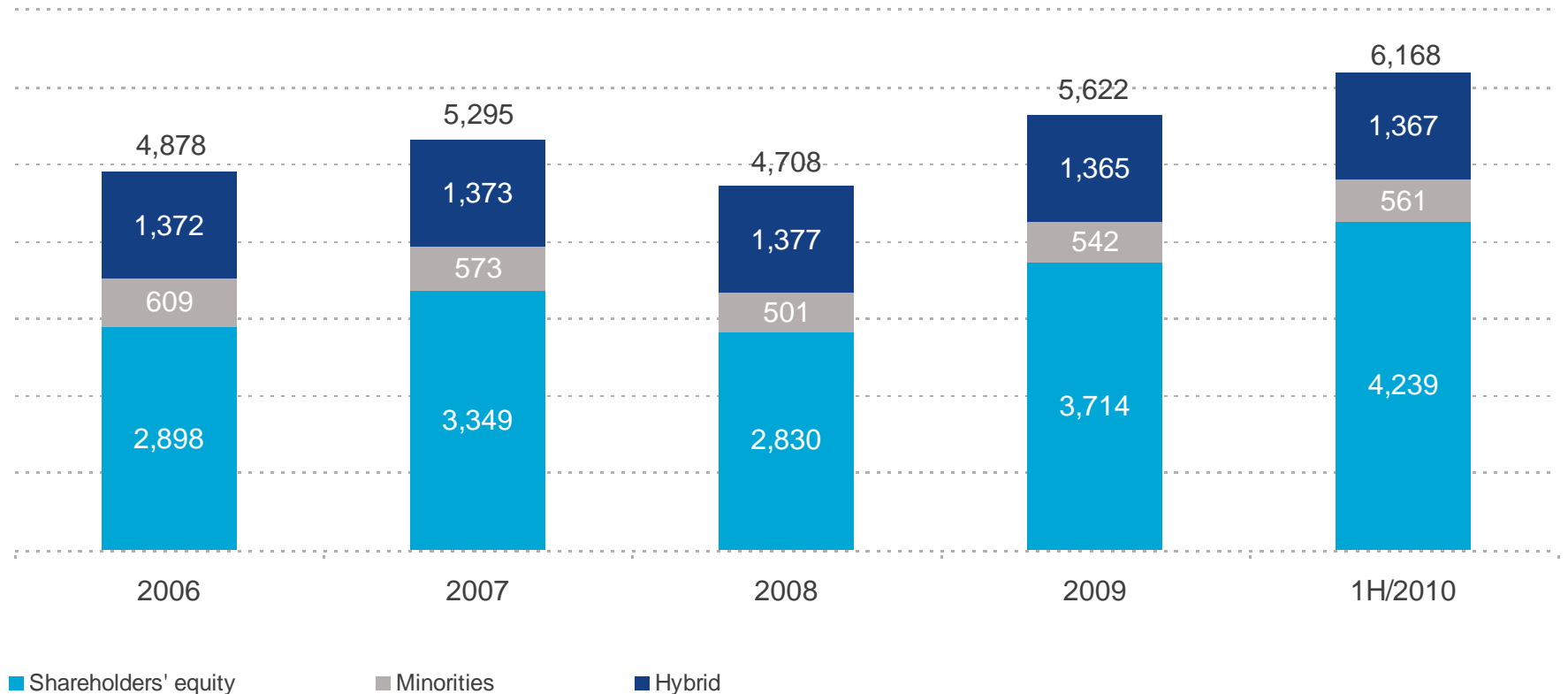
As at December 2009

* Calculation according to economic valuation principles

Policyholders' surplus strengthened significantly since 2008

Policyholders' surplus

in m. EUR



2009 figures restated

Financial strength ratings

Group	S&P	A.M. Best
General Reinsurance Corp.	AA+	A++
Munich Re	AA-	A+
Partner Re	AA- ¹⁾	A+
Hannover Re	AA-	A
Everest Re	A+	A+
Swiss Re	A+	A
Lloyd's	A+	A
Transatlantic Re	A+	A
XL Re	A ¹⁾	A
SCOR	A	A- ²⁾

As of 2 August 2010

1) Negative outlook

2) Positive outlook

Solid key ratios

	2005	2006	2007	2008	2009
Solvency margin ¹⁾	61.1%	68.8%	72.6%	66.7%	60.4%
Debt/equity ratio ²⁾	45.8%	39.1%	35.0%	41.3%	32.1%
Interest coverage ³⁾	1.2x	10.5x	12.1x	1.9x	14.9x
Reserve/premium ratio ⁴⁾	304.8%	305.2%	291.1%	312.4%	270.1%
Combined ratio P/C ⁵⁾	112.8%	98.4%	99.7%	95.4%	96.6%

1) (Stockholders' equity + minorities + hybrid capital)/Net premium earned

2) Debt/(Stockholders' equity + minorities)

3) EBIT/Interest on hybrid capital

4) Net reserves/Net premium earned (group)

5) As from 2007 C/R non-life

Conservative approach unchanged

Asset growth driven by positive cash flow, market value and currencies

Tactical asset allocation					
Investment category	2006	2007	2008	2009	1H/2010
Fixed-income securities	82%	79%	89%	87%	86%
• Governmentals	21%	19%	28%	25%	24%
• Semi-governmentals	21%	20%	23%	26%	26%
• Corporates	27%	26%	23%	22%	20%
Investment grade	25%	24%	22%	20%	18%
Non-investment grade	2%	2%	1%	2%	1%
• Pfandbriefe, Covered Bonds, ABS	13%	15%	15%	15%	16%
Equities	10%	12%	3%	2%	2%
• Listed	8%	10%	< 1%	< 1%	< 1%
• Private equity*	2%	2%	3%	2%	2%
Real Estate/Real Estate Funds*	< 1%	< 1%	< 1%	1%	2%
Others	2%	2%	2%	2%	2%
Short-term investments & cash	6%	6%	6%	8%	9%
Total balance sheet values in bn. EUR	19.2	19.8	20.1	22.5	25.4

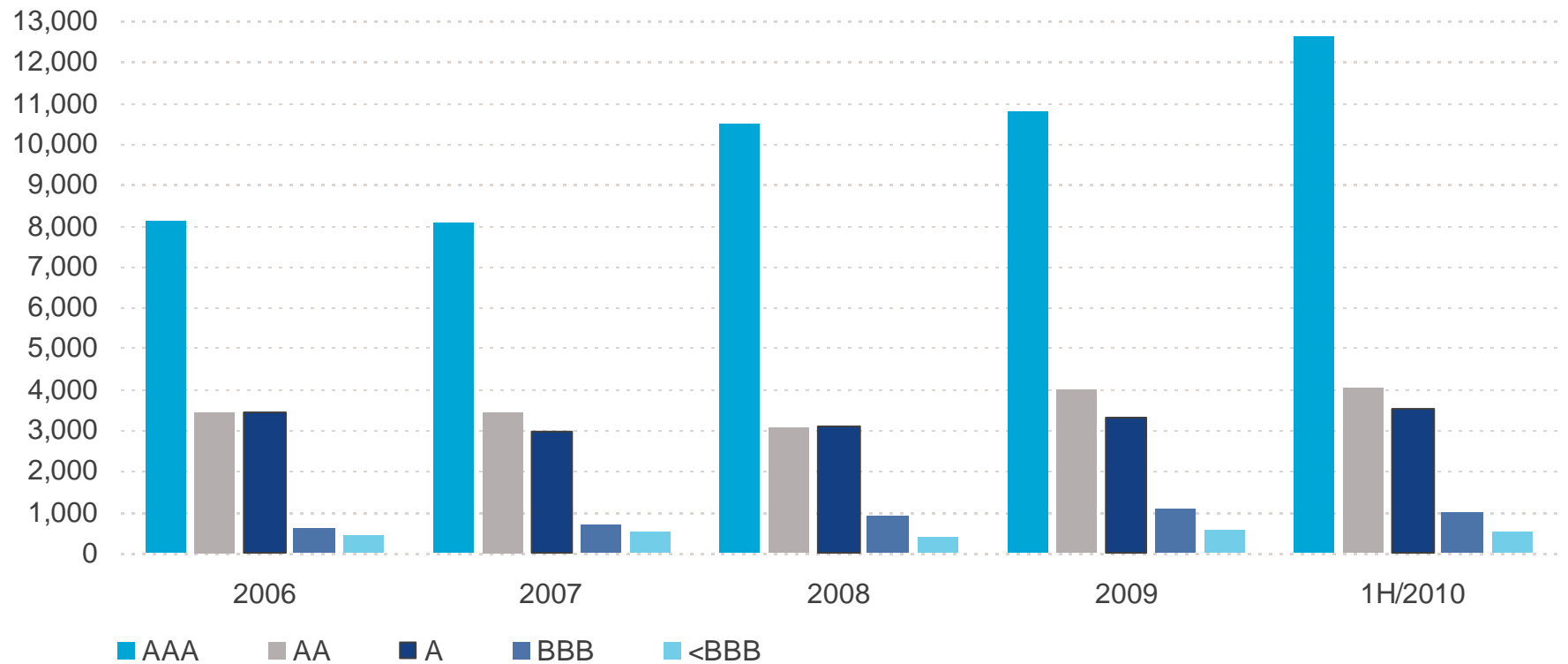
* Without outstanding commitments for Private Equity and Alternative Real Estate as well as fixed-income investments - of EUR 328.8 m. (EUR 319.7 m.) as per 30 June 2010

Focus on high quality securities remains

More than 90% invested in A or better

Fixed-income portfolio

in m. EUR



S&P financial strength rating

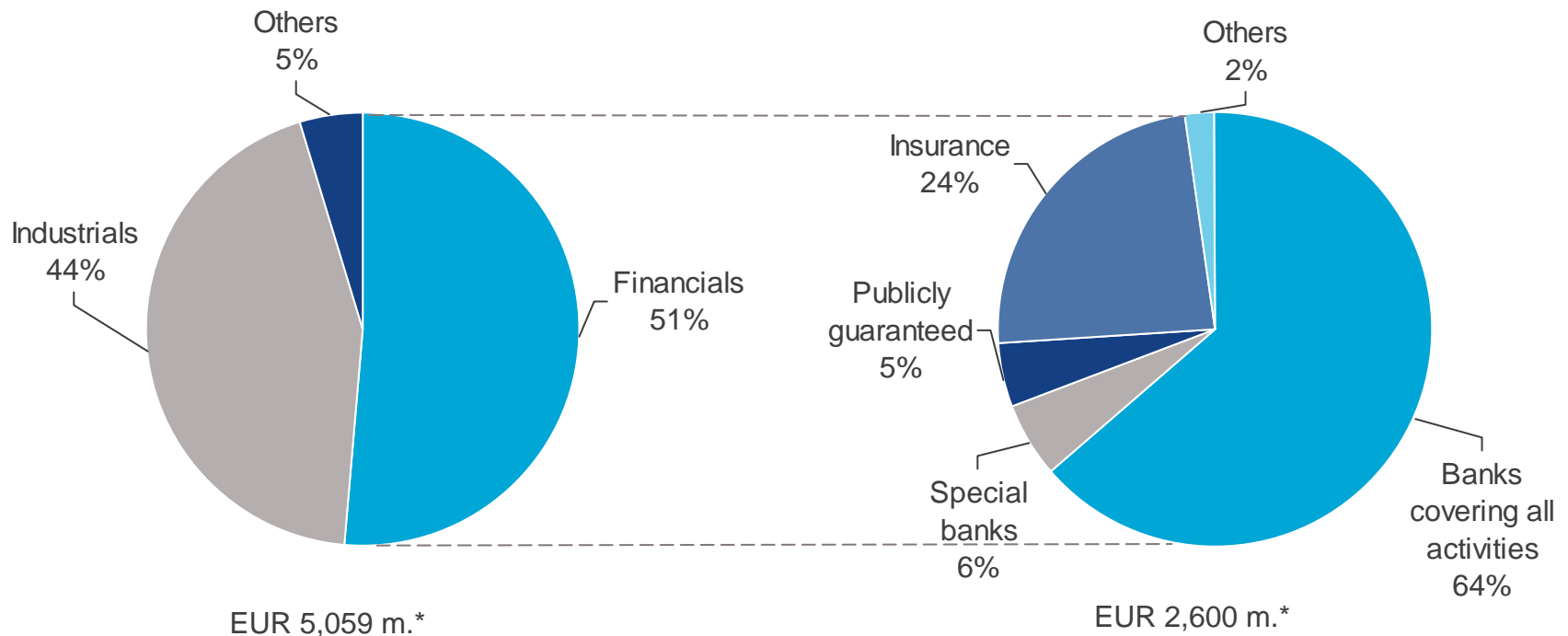
Modified duration as of 30 June 2010: 3.5 (2009: 3.7)

Asset allocation

Reflects market spectrum

Corporate sector allocation

in %



* Market value as at 30 June 2010

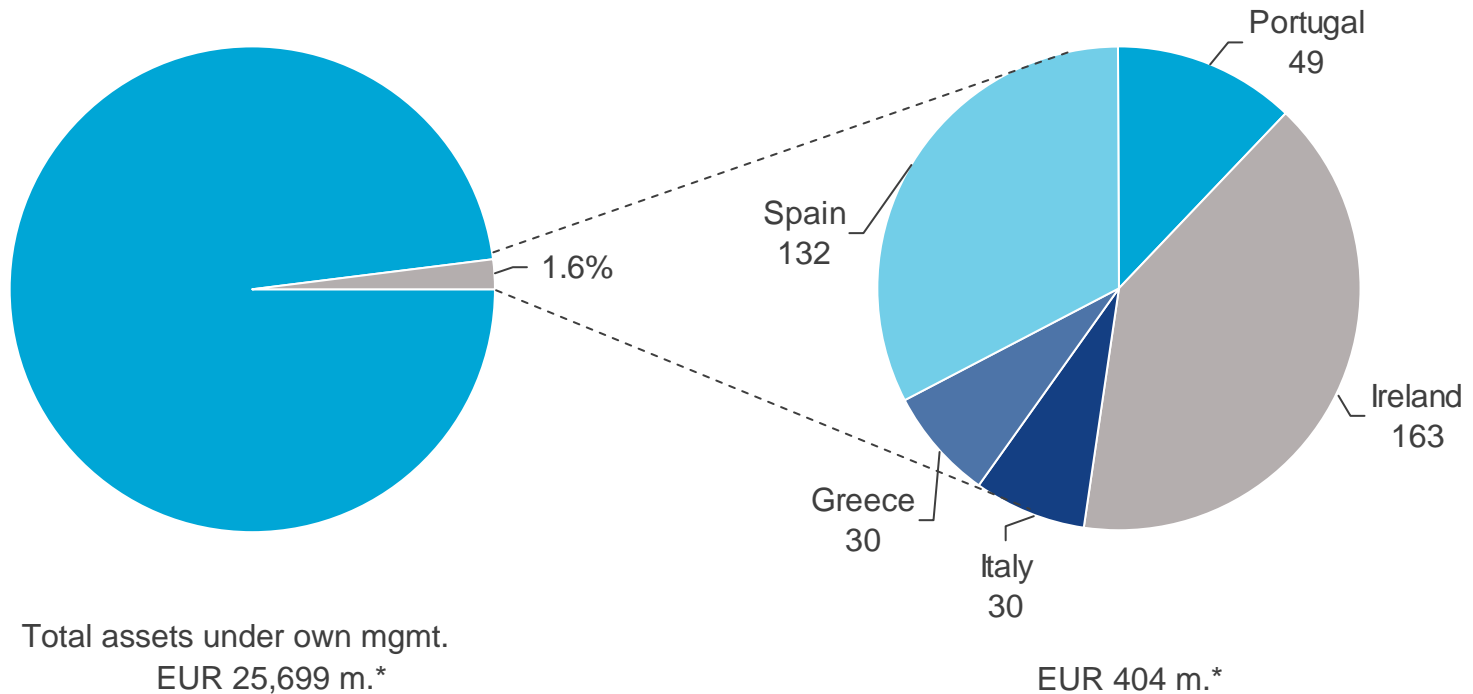
"Financials" are held in the following currencies:
 EUR 55%, USD 27%, GBP 6% and others 12%

No material exposure in Southern Europe and Ireland

Merely 1.6% of total assets under own management

Asset allocation

in m. EUR



- ▶ Ireland exposure due to local Hannover Re entities
- ▶ Non-significant exposures in Greece and Portugal reflect cautious strategy

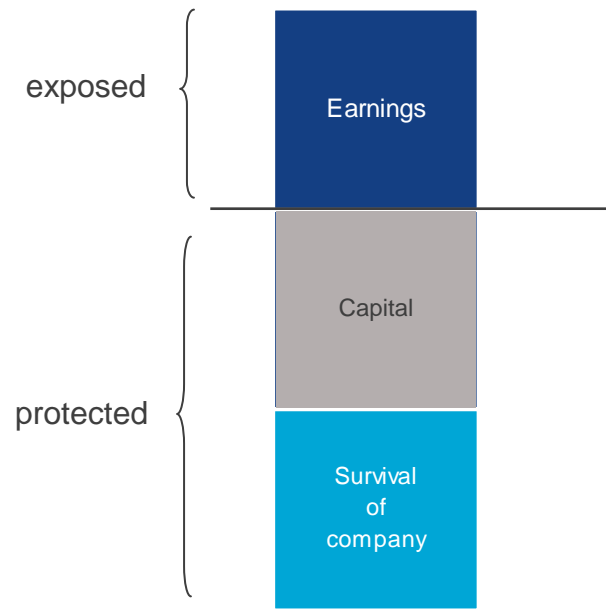
* Market value as at 30 June 2010

Capital protection is our strategy

- ▶ Our risk management is **not** meant to:
 - protect any given year's earnings
 - merely protect the survival of the company (incl. new capital to be raised etc.)

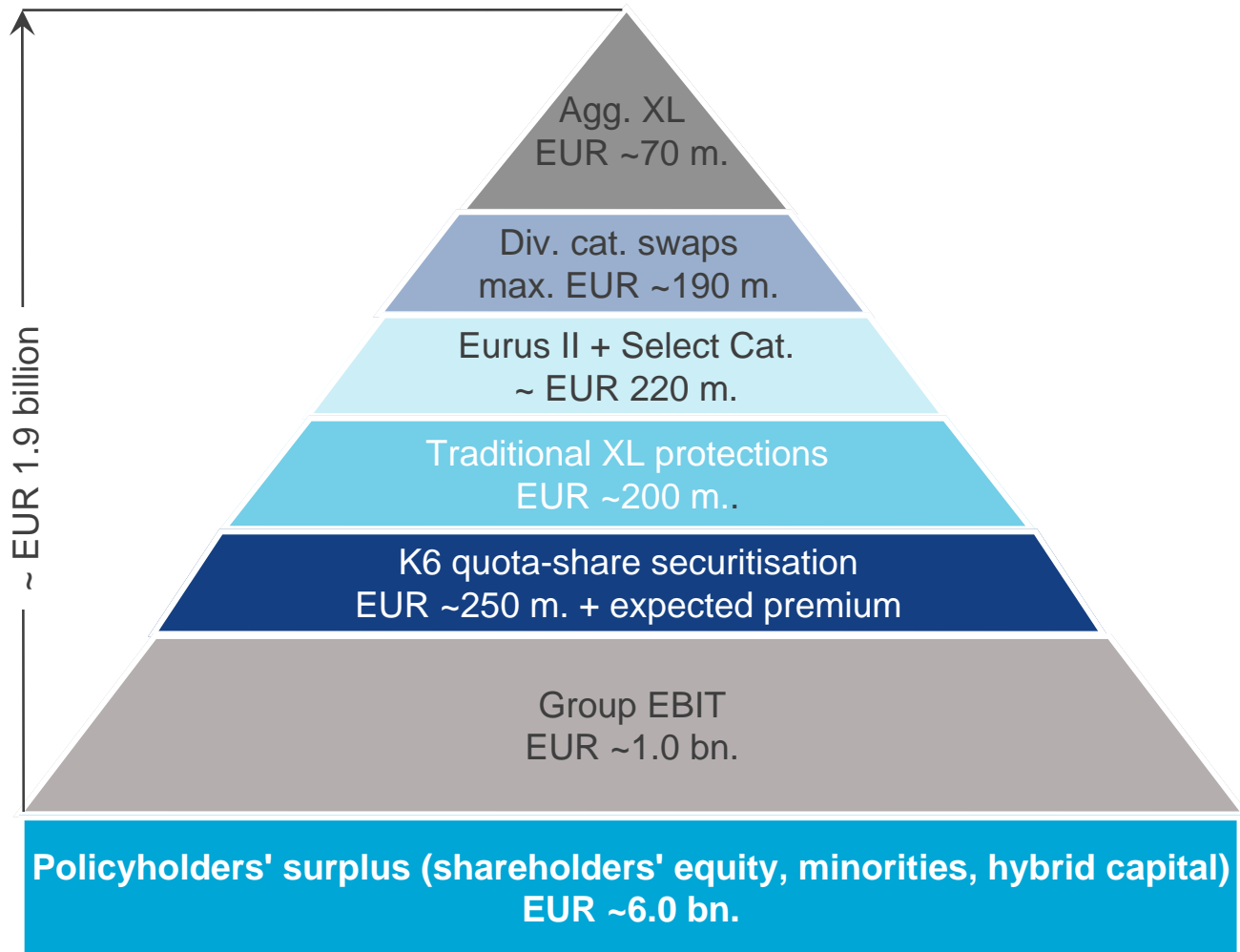
- ▶ Our risk management is meant to:
 - protect our capital
 - stabilise and optimise results
 - allow us to profit fully from hard markets (e.g. after a major loss in the R/I market)

Approaches to risk management



Several levels of protection safeguard capital base

Improved protection at lower cost



Stress tests

Portfolio	Scenario	Change in market value in m. EUR	Changes in OCI before tax in m. EUR
Equities	Prices -10%	-2	-2
Equities	Prices -20%	-4	-4
Equities	Prices -30%	-6	-6
Fixed-income securities	Yield increase +50 bps	-410	-295
Fixed-income securities	Yield decline -50 bps	+420	+302
Fixed-income securities	Yield increase +100 bps	-808	-580
Fixed-income securities	Yield decline -100 bps	+852	+612

As at 30 June 2010

The risk is manageable

Effect on forecast net income in m. EUR	2008	2009
100-year loss European windstorm	(203.3)	(114.7)
100-year loss US windstorm	(279.4)	(281.8)
100-year loss Japanese windstorm	(97.7)	(204.3)
100-year loss Tokyo earthquake	(217.6)	(201.4)
100-year loss California earthquake	(260.2)	(244.9)
100-year loss Sydney earthquake	(107.3)	(150.6)

Source: Hannover Re Annual Report 2009, page 59

Consistent & conservative reserving policy approach

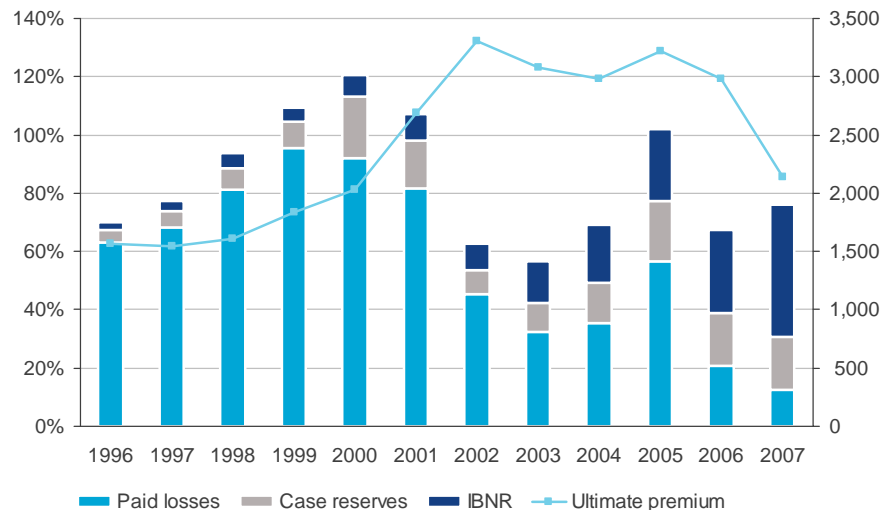
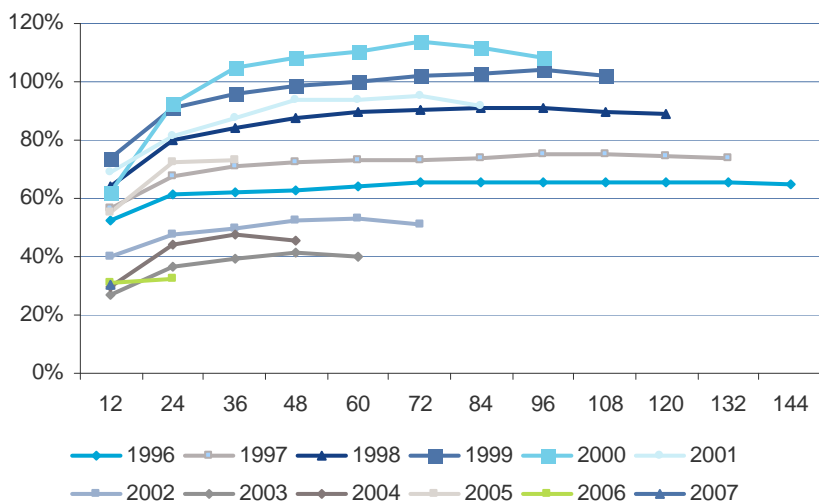
- ▶ Loss and loss adjustment expense (LAE) reserves are calculated by:
 - using the claims advices by ceding companies
 - adding additional case reserves (ACRs) treaty by treaty where needed
 - adding bulk IBNR reserve (actuarial calculation)
- ▶ Reserves are calculated by internal actuarial department and regularly checked/certified by external actuaries/auditors
 - ↳ (Almost) no A&E exposure, survival ratio Dec 2008: 25.0 years

▶ Traditionally high comfort level

We reserve adequately

61% of HR Group's non-life reserves

U/W year	IFRS earned premiums	Statistical data (as provided by cedants)												Booked data			
		12	24	36	48	60	72	84	96	108	120	132	144	Ultimate loss ratio	Paid losses	Case reserves	IBNR balance
1996	1,571	52,2%	61,1%	62,2%	62,7%	63,8%	65,7%	65,6%	65,4%	65,3%	65,7%	65,3%	64,9%	70,2%	63,2%	4,3%	2,7%
1997	1,546	56,4%	67,6%	71,3%	72,1%	73,0%	73,2%	73,9%	74,8%	75,4%	74,6%	73,9%		77,5%	68,4%	5,6%	3,5%
1998	1,612	64,1%	80,0%	84,2%	87,9%	89,6%	90,5%	91,0%	91,0%	89,9%	88,7%			93,7%	81,3%	7,4%	5,0%
1999	1,834	73,6%	91,4%	96,0%	98,4%	99,9%	101,9%	103,0%	104,4%	102,4%				109,3%	95,5%	9,1%	4,6%
2000	2,036	61,7%	92,3%	104,5%	107,9%	110,2%	113,6%	112,0%						120,4%	91,9%	21,1%	7,5%
2001	2,694	68,7%	81,1%	87,6%	93,5%	94,0%	95,4%	91,6%						107,1%	81,8%	16,4%	8,9%
2002	3,304	40,1%	47,3%	50,0%	52,3%	52,9%	51,0%							62,6%	45,5%	8,1%	9,0%
2003	3,083	26,8%	36,9%	39,1%	41,3%	40,1%								56,5%	32,3%	10,1%	14,0%
2004	2,983	29,5%	43,9%	47,4%	45,8%									69,2%	35,6%	13,6%	20,0%
2005	3,221	54,9%	72,7%	73,4%										101,9%	56,6%	20,9%	24,5%
2006	2,982	30,9%	32,1%											67,2%	20,7%	18,3%	28,2%
2007	2,140	30,6%												76,1%	12,5%	18,2%	45,4%



As of 31 Dec 2007 (in m. EUR), consolidated IFRS development in months