



somewhat
different

Welcome to Hannover Re's Analysts' Conference

Frankfurt/London, 12 March 2009

hannover **re**[®]

2008 Highlights

2008: A LOST YEAR

Income statement

→ Group

- Very positive net underwriting result (incl. funds withheld) EUR 269.2 m.
- EBIT impacted by financial-market crisis EUR 148.1 m.
- Net income negatively affected by tax charges EUR (127.0 m.)

→ Non-Life Reinsurance

- Decrease in gross written premium (-3.9%) mainly due to discontinuation of Specialty and f/x effects EUR 4,987.8 m.
- Combined ratio (incl. interest on funds withheld) 95.4%
helped by positive run-off of prior years
- Catastrophe losses slightly above budget 10.7%

→ Life/Health Reinsurance

- Gross written premium (+1.7%) impacted by f/x effects and slump of UK term business EUR 3,134.4 m.
- Reduced EBIT (-47.5%) EUR 120.7 m.
due to prior year base effect and ModCo derivative losses

2008 HIGHLIGHTS (CONT'D)

Balance sheet

- Very strong cash flow from R/I business
- Invested assets under own management slightly up
- Shareholders' equity and book value per share reflecting capital-market turmoil
- Disappointing RoE

in m. EUR	31 Dec 07	Variance	31 Dec 08
Operating cash flow	912	+60.0%	1,459
Invested assets under own mgmt.	19,815	+1.6%	20,137
Shareholders' equity	3,349	-15.5%	2,830
- Book value per share	27.77	-15.5%	23.47
- Dividend per share	2.30 ¹⁾	-	-
- Return on equity	23.1%	-27.2%p	(4.1%)
Policyholders' surplus ²⁾	5,295	-11.1%	4,708

1) Dividend of EUR 1.80 + bonus of EUR 0.50

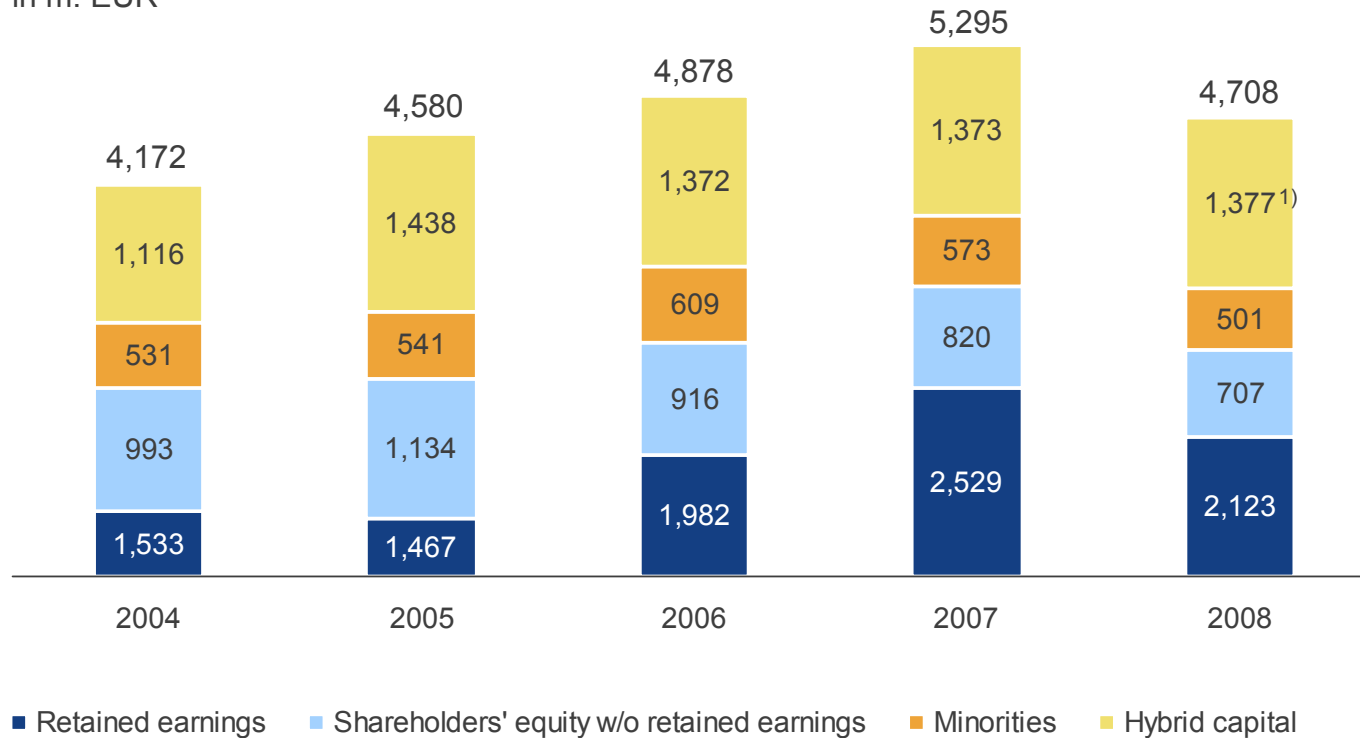
2) Shareholders' equity + minorities + hybrid capital

Capital management

POLICYHOLDERS' SURPLUS STILL STRONG

Intelligent combination of equity, hybrid capital & minorities

in m. EUR

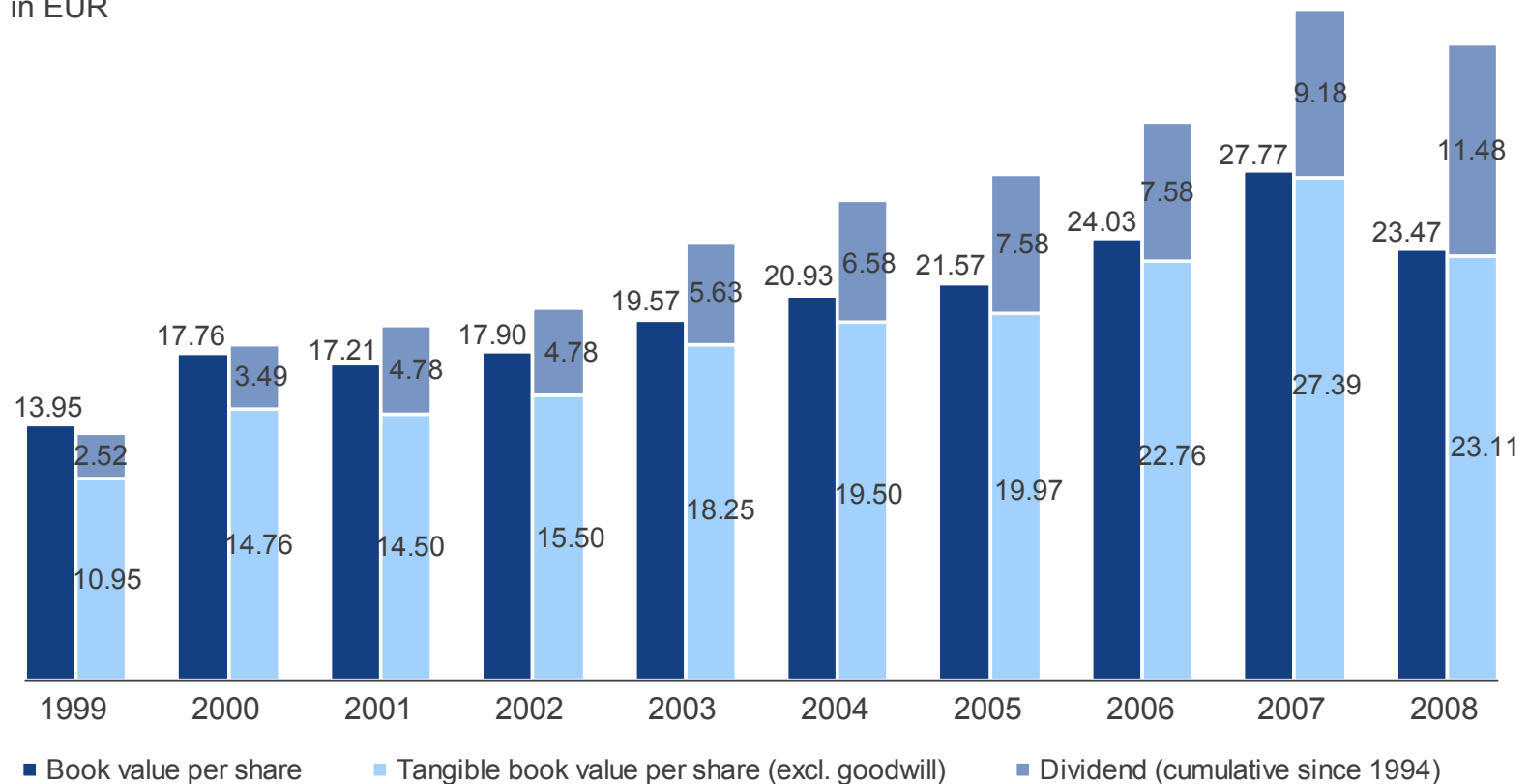


1) Hybrid capital: U.S. bond = USD 20.0 m.
 Lux bond 1 = EUR 137.8 m.
 Lux bond 2 = EUR 746.0 m.
 Lux bond 3 = EUR 478.8 m.

Book value per share

DESPITE FINANCIAL MARKET CRISIS STILL ABOVE 2006 LEVELS

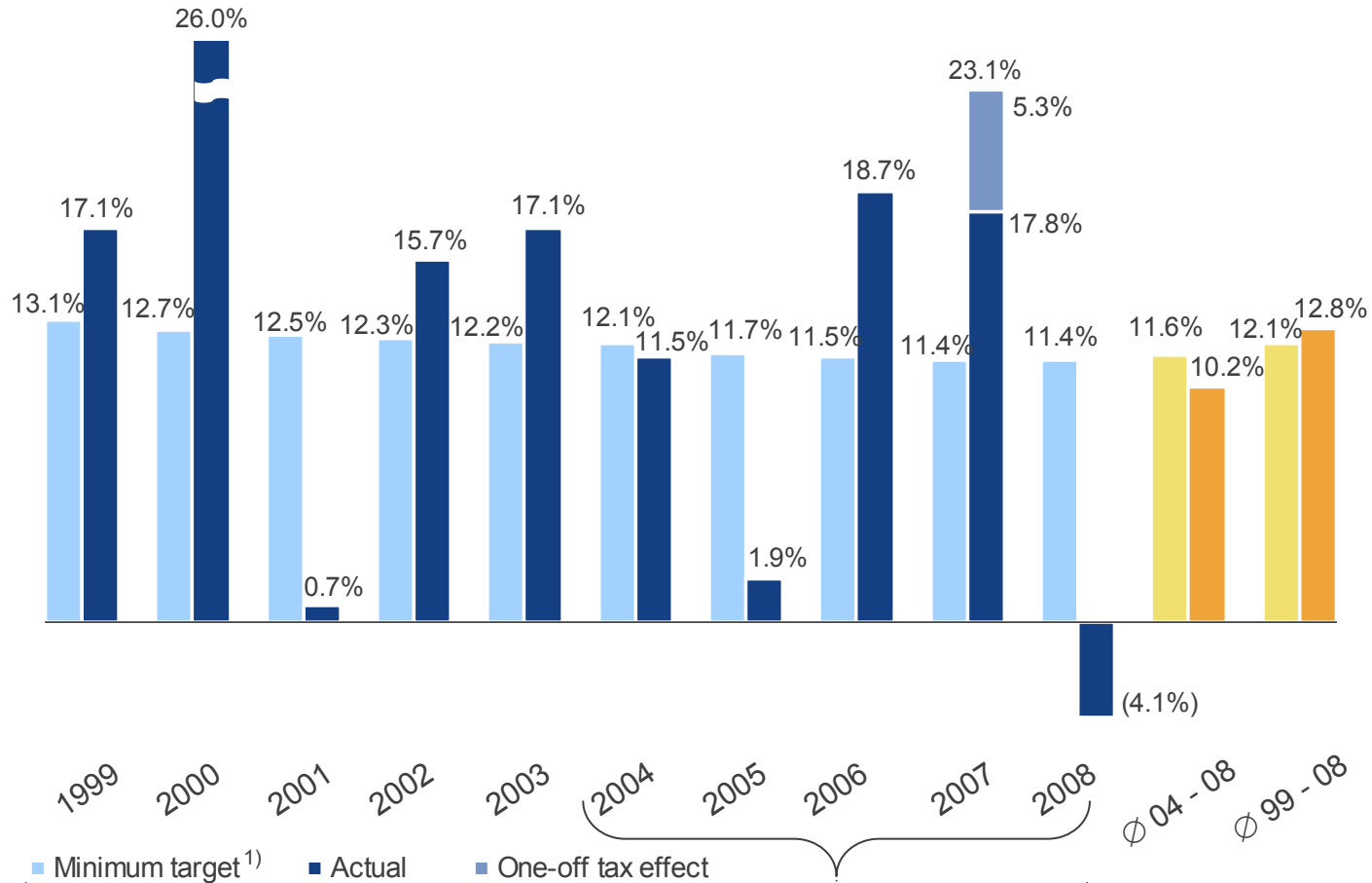
in EUR



1999 - 2003 US GAAP, as from 2004 IFRS

Return on equity

STILL ABOVE MINIMUM TARGET¹⁾ ON 10-YEAR BASIS



■ Minimum target¹⁾
 ■ Actual
 ■ One-off tax effect

St. dev. (10y) = 10.1% → "Sharpe ratio"²⁾ = 0.84

St. dev. (5y) = 11.3% → "Sharpe ratio"²⁾ = 0.56

1) 750 bps above 5-year rolling average of 10-year government-bond rate ("risk-free"), after tax
 2) (Avg. RoE - avg. risk-free rate)/St. dev.

Profit-league table

HNR1 CONSISTENTLY AMONG MOST PROFITABLE REINSURERS

Even on after-tax basis, in spite of strong Bermuda competition

Company	2004		2005		2006		2007		2008		2004 - 2008	
	RoE	Rank	RoE	Rank	RoE	Rank	RoE	Rank	RoE	Rank	avg. RoE	Rank
Odyssey Re	12.6%	5	(10.5%)	8	28.3%	1	25.8%	1	20.5%	1	15.4%	1
Munich Re	9.8%	8	11.9%	1	13.5%	9	14.9%	7	6.5%	3	11.3%	2
Partner Re	16.6%	1	(1.6%)	6	21.8%	3	17.7%	3	1.1%	5	11.1%	3
Hannover Re	11.5%	4	1.9%	4	18.7%	4	23.1%	2	(4.1%)	9	10.2%	4
SCOR	5.6%	9	8.6%	2	12.7%	10	13.8%	8	8.9%	2	9.9%	5
Swiss Re	13.7%	3	6.9%	3	16.5%	7	13.3%	9	(3.3%)	8	9.4%	6
Transatlantic Re	10.3%	7	1.5%	5	15.6%	8	15.4%	6	3.1%	4	9.2%	7
Everest Re	10.7%	6	(5.6%)	7	18.2%	6	15.6%	5	(0.4%)	6	7.7%	8
Renaissance Re	5.3%	10	(11.5%)	9	27.5%	2	16.9%	4	(0.4%)	7	7.6%	9
XL Re*	16.0%	2	(17.9%)	10	18.5%	5	3.6%	10	(31.8%)	10	(2.3%)	10

We aim to be one of the top 3 R/I in terms of RoE

Ranking among shown peer group, based on company data

* Based on XL Capital group figures

hannover re[®]

Group figures at a glance

CAPITAL MARKET TURMOIL TAKES ITS TOLL

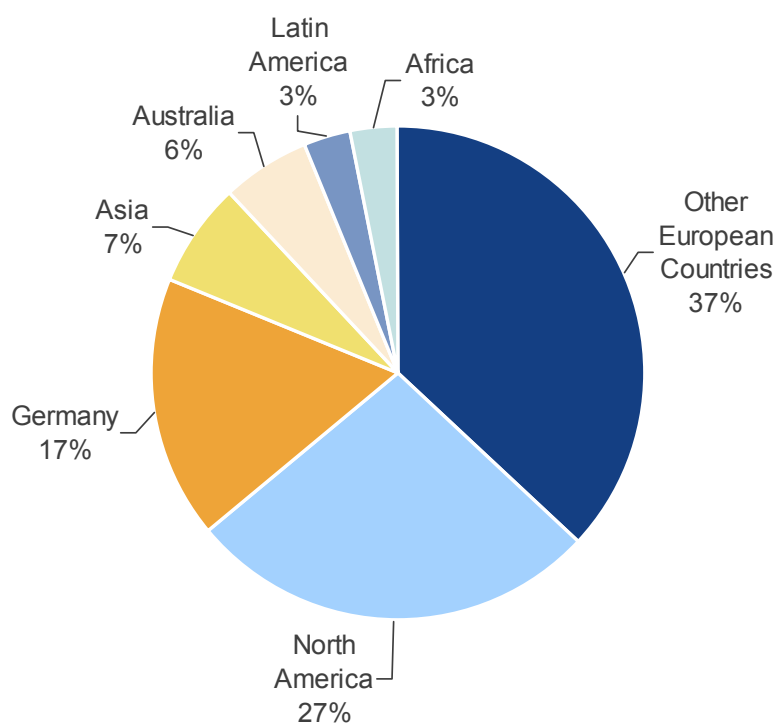
High tax charges in 2008 vs. positive one-off tax effect in 2007

in m. EUR	2007	2008			Variance
	Total	Q1-3	Q4	Total	
Gross written premium	8,259	6,106	2,015	8,121	-1.7%
Net premium earned	7,293	5,162	1,900	7,062	-3.2%
Net underwriting result	(131)	(232)	302	70	-
- Net underwriting result incl. funds withheld	89	(70)	340	269	+202.0%
Net investment income	1,122	370	(92)	278	-75.2%
- From assets under own management	902	209	(130)	79	-91.3%
- From funds withheld	220	162	38	200	-9.3%
Other income and expenses	(63)	(106)	(94)	(200)	+218.6%
Operating profit/loss (EBIT)	928	33	116	148	-84.0%
Interest on hybrid capital	(78)	(58)	(19)	(77)	-0.2%
Net income before taxes	850	(25)	96	71	-91.7%
Taxes	(47)	(114)	(91)	(206)	+333.3%
Net income (loss) from continuing operations	803	(140)	5	(135)	-116.8%
Net income (loss) from discontinued operations	35	0	0	0	-
Net income (loss)	838	(140)	5	(135)	-116.1%
- Minority interest	116	3	(11)	(8)	-106.9%
- Group net income (loss)	722	(143)	16	(127)	-117.6%
Retention	87.4%	88.8%	90.0%	89.1%	
Combined ratio (incl. interest on funds withheld)	98.8%	101.4%	82.1%	96.2%	
EBIT margin (EBIT/Net premium earned)	12.7%	0.6%	6.1%	2.1%	
Tax ratio	5.6%	(450.2%)	94.9%	291.1%	
Earnings per share	5.98	(1.18)	0.13	(1.05)	

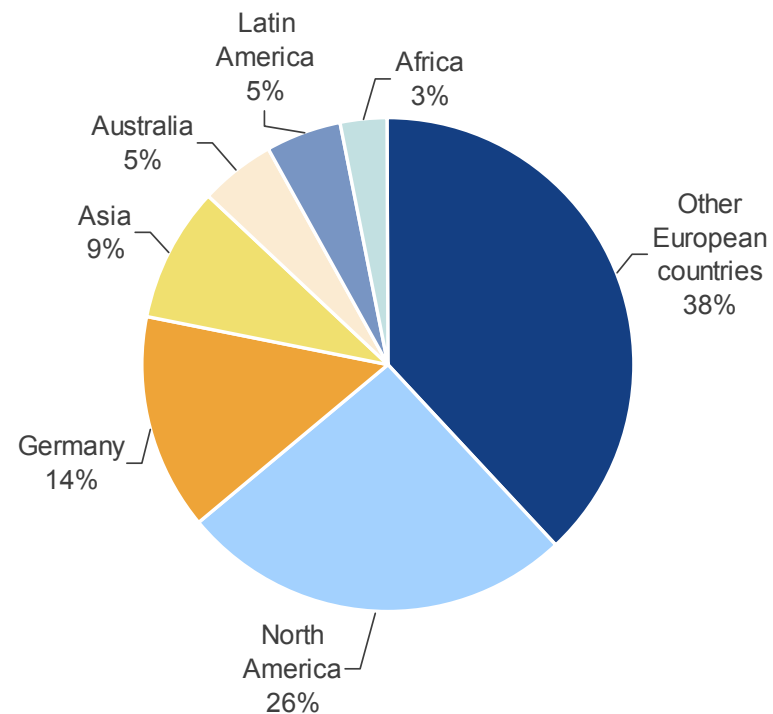
Group (incl. consolidation): Diversification

REGIONAL PREMIUM SPLIT STABLE

Growth in Asia and Latin America



2007 GWP
EUR 8,259 m.



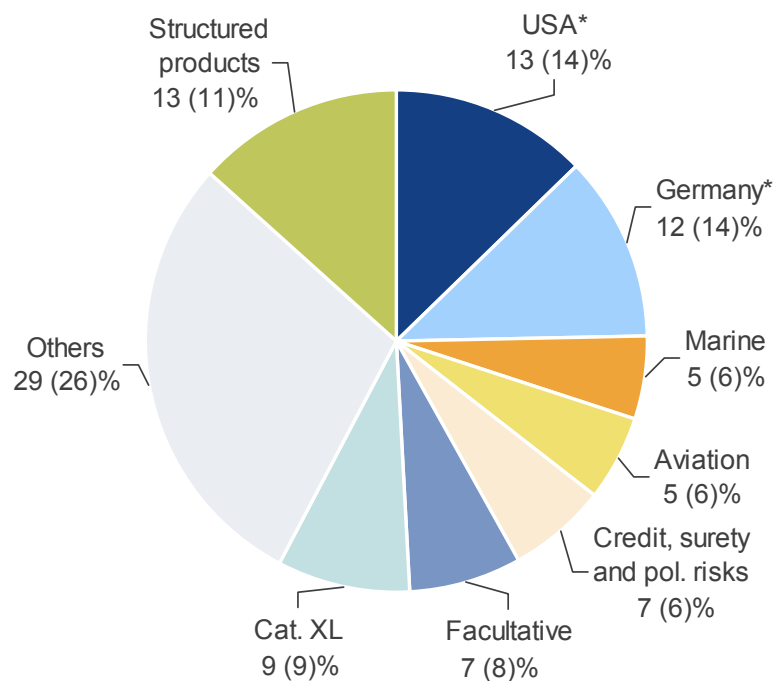
2008 GWP
EUR 8,121 m.

Non-Life Reinsurance: Diversification

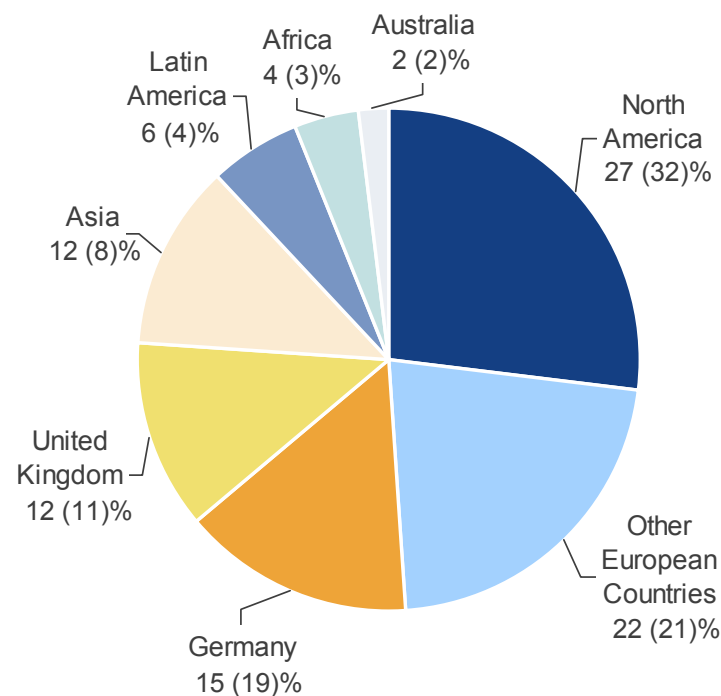
WELL DIVERSIFIED BOOK BY REGIONS AND LINES

Asia growing, North America declining

Business lines



Regional split



2008 GWP
 EUR 4,988 m.
 (2007: EUR 5,190 m.)

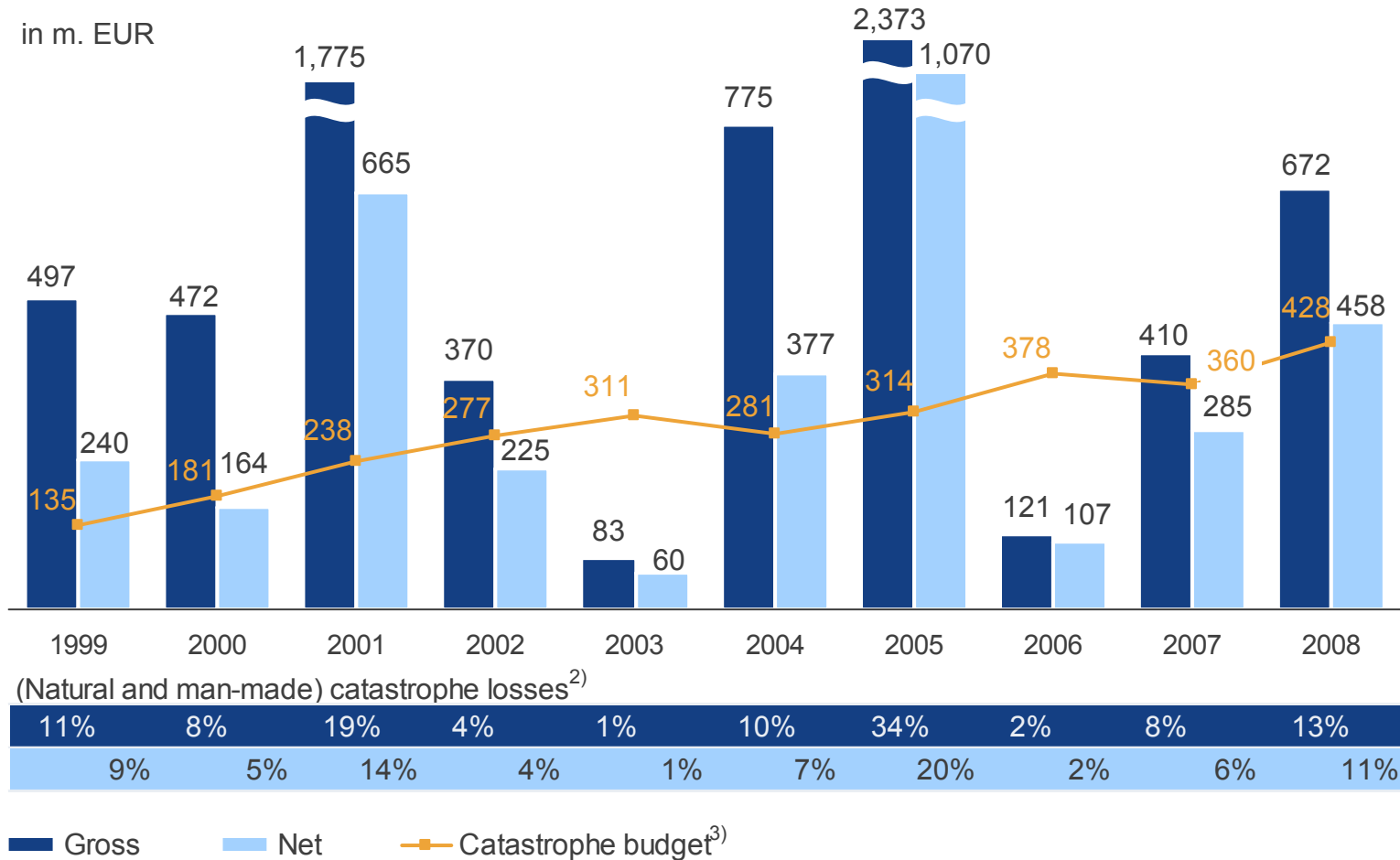
* All lines of Non-Life reinsurance except those stated separately

Non-Life Reinsurance

EBIT HIT BY FINANCIAL-MARKET CRISIS

Underwriting result improved by positive run-off

in m. EUR	2007	2008		Total	Variance
	Total	Q1-3	Q4		
Gross written premium	5,190	3,792	1,196	4,988	-3.9%
Net premium earned	4,498	3,103	1,174	4,277	-4.9%
Net underwriting result	(27)	(131)	316	185	-
- Net underwriting result incl. funds withheld	16	(112)	310	198	-
Net investment income	783	143	(132)	11	-98.6%
- From assets under own management	741	124	(126)	(2)	-100.3%
- From funds withheld	43	19	(6)	13	-69.0%
Other income and expenses	(100)	(98)	(96)	(193)	+93.6%
Operating profit/loss (EBIT)	657	(86)	88	2	-99.7%
Interest on hybrid capital	0	0	(0)	(0)	-
Net income before taxes	657	(86)	88	2	-99.7%
Taxes	(47)	(94)	(84)	(178)	+277.2%
Net income (loss) from continuing operations	609	(180)	5	(176)	-128.8%
Net income (loss) from discontinued operations	12	0	0	0	-
Net income (loss)	622	(180)	5	(176)	-128.3%
- Minority interest	72	(2)	(12)	(15)	-120.6%
- Group net income (loss)	550	(178)	17	(161)	-129.3%
Retention	85.2%	88.4%	90.5%	88.9%	
Combined ratio (incl. interest on funds withheld)	99.7%	103.6%	73.6%	95.4%	
EBIT margin (EBIT/Net premium earned)	14.6%	(2.8%)	7.5%	0.1%	
Tax ratio	7.2%	(109.7%)	94.8%	-	
Earnings per share	4.56	(1.48)	0.14	(1.33)	

(Natural and man-made) catastrophe losses¹⁾**LOSSES IN 2008 SLIGHTLY ABOVE BUDGET**

1) Claims over EUR 5 m. gross 2) As % of Non-Life premium (1999 - 2006 adjusted to new segmentation)

3) 1999 - 2004 = 5%, 2005 = 6%, 2006 - 2007 = 8%, from 2008 = 10% of Non-Life net premium earned

2008 (natural and man-made) catastrophe losses*

2008 HIT BY FREQUENCY AND SEVERITY

Very quiet Q4

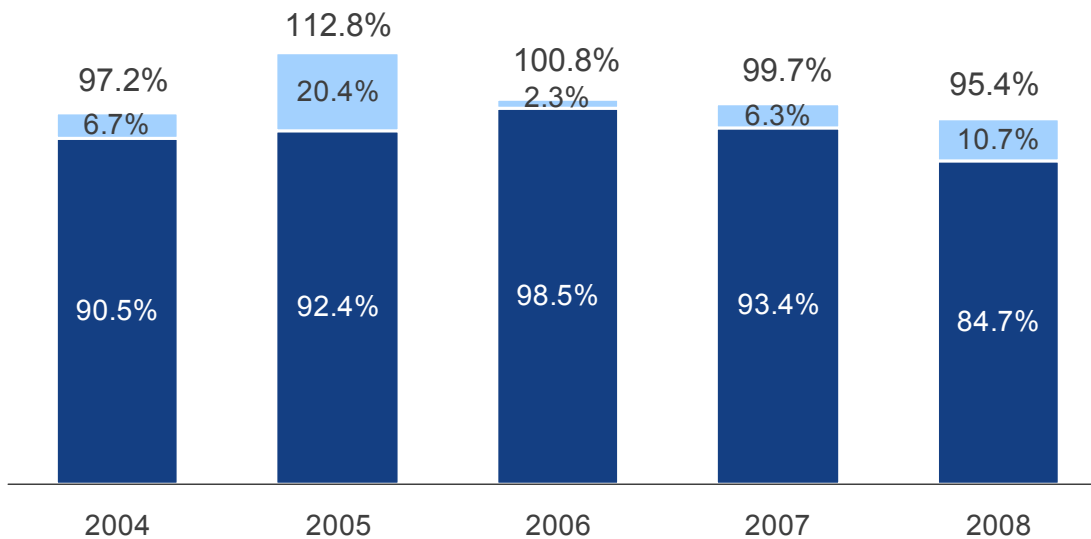
in m. EUR		Non-Life Reinsurance	
Catastrophe loss	Date	Gross	Net
Snow and ice storm China	10 Jan - 15 Feb	16.2	16.2
Flood Queensland	16 - 20 Jan	7.1	2.3
Flood Queensland	12 - 16 Feb	6.4	2.2
Winter storm "Emma"	1 - 2 Mar	17.8	13.3
Earthquake Sichuan, China	12 May	8.4	8.3
Hailstorm "Hilal", Germany	28 May - 3 Jun	55.7	55.2
Flood USA	28 May - 20 Jun	10.0	7.2
Hailstorms Germany	22 - 23 Jun	12.2	12.0
Hailstorm Slovenia	15 Aug	5.4	5.4
Hurricane "Gustav"	29 Aug - 2 Sep	24.9	18.1
Hurricane "Ike"	4 - 12 Sep	392.8	222.1
11 Natural catastrophes		556.9	362.3
4 Aviation/Marine claims		40.1	28.9
1 Fraud claim		6.6	6.6
9 Fire claims		68.2	60.0
25 Major losses		671.8	457.8

* Claims over EUR 5 m. gross

Non-Life Reinsurance

IMPROVED C/R DUE TO POSITIVE RUN-OFF

(Natural and man-made) catastrophe losses nearly as expected



■ Combined ratio excl. (natural and man-made) catastrophe losses

■ (Natural and man-made) catastrophe losses

→ C/R improved due to:

- Enhanced transparency with one specific cedent (~EUR 100 m.)
- Positive run-off of profitable hard-market years 2002 - 2004 (~EUR 75 m.)
- Unwinding of short-tail reserves from prior years (~EUR 90 m.)

Loss reserves: Confidence level remains unchanged

2004 - 2006 adjusted to new segmentation

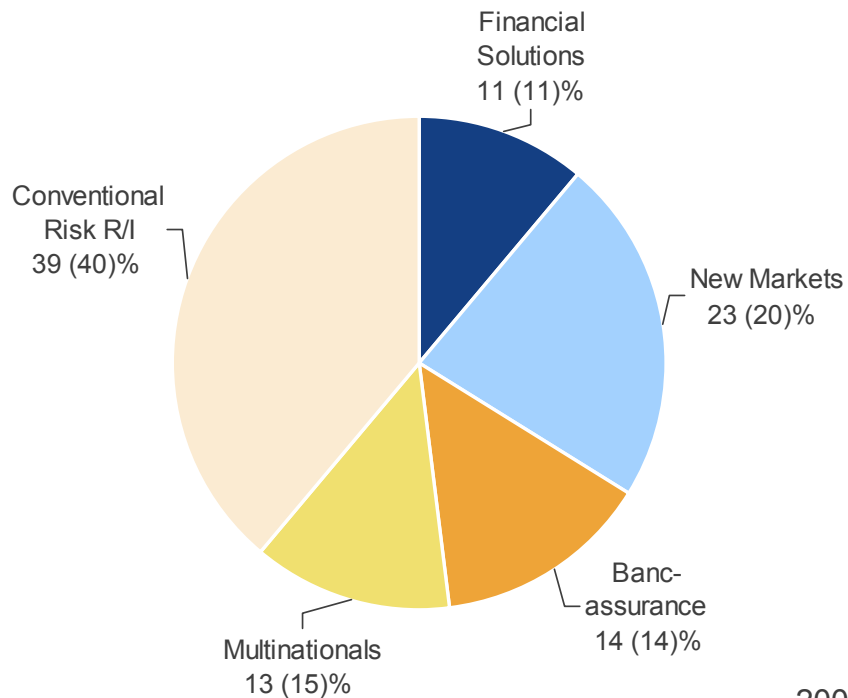
hannover re[®]

Life/Health Reinsurance: Diversification

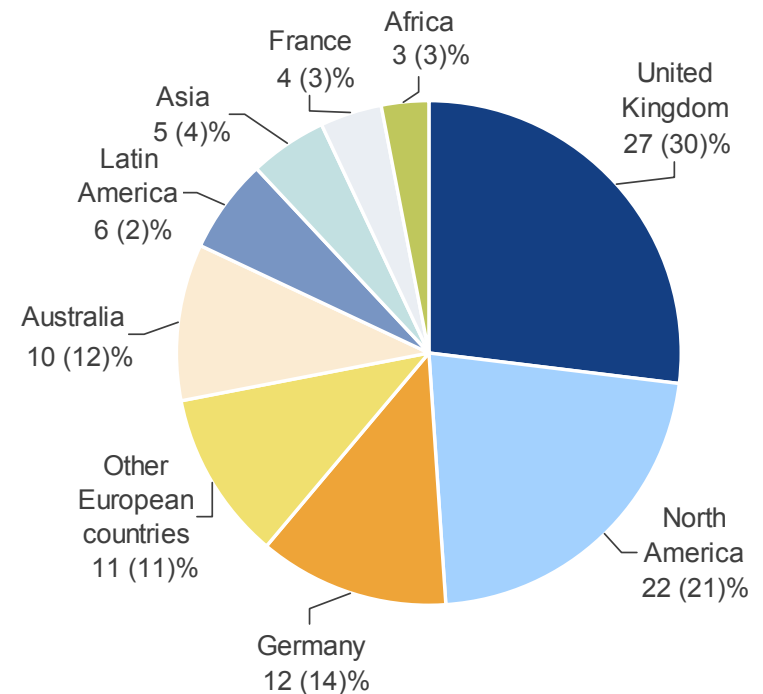
STRONG GROWTH IN NEW MARKETS AS EXPECTED

Reduction of UK business

Business lines



Regional split



2008 GWP
 EUR 3,134 m.
 (2007: EUR 3,083 m.)

Life/Health Reinsurance

GROSS WRITTEN PREMIUM GROWING ONLY SLIGHTLY...

...due to f/x effects and depressed mortality business in UK

in m. EUR	2007	2008		Total	Variance
	Total	Q1-3	Q4		
Gross written premium	3,083	2,315	819	3,134	+1.7%
Net premium earned	2,795	2,059	726	2,785	-0.4%
Net underwriting result	(117)	(108)	(17)	(125)	+7.0%
- Net underwriting result incl. funds withheld	61	34	27	62	+1.3%
Net investment income	294	206	39	246	-16.4%
- From assets under own management	116	64	(5)	59	-49.2%
- From funds withheld	177	143	44	186	+5.0%
Other income and expenses	52	(5)	5	(0)	-
Operating profit/loss (EBIT)	230	93	28	121	-47.5%
Interest on hybrid capital	(0)	0	(0)	(0)	-
Net income before taxes	230	93	28	121	-47.5%
Taxes	2	(26)	(9)	(35)	-
Net income (loss)	232	67	18	85	-63.3%
- Minority interest	44	5	2	7	-84.5%
- Group net income (loss)	188	61	17	78	-58.3%
Retention	90.8%	89.3%	89.3%	89.3%	
Combined ratio (incl. interest on funds withheld)	97.8%	98.3%	96.2%	97.8%	
EBIT margin (EBIT/Net premium earned)	8.2%	4.5%	3.8%	4.3%	
Tax ratio	(1.0%)	28.4%	33.0%	29.4%	
Earnings per share	1.56	0.51	0.14	0.65	

Investments

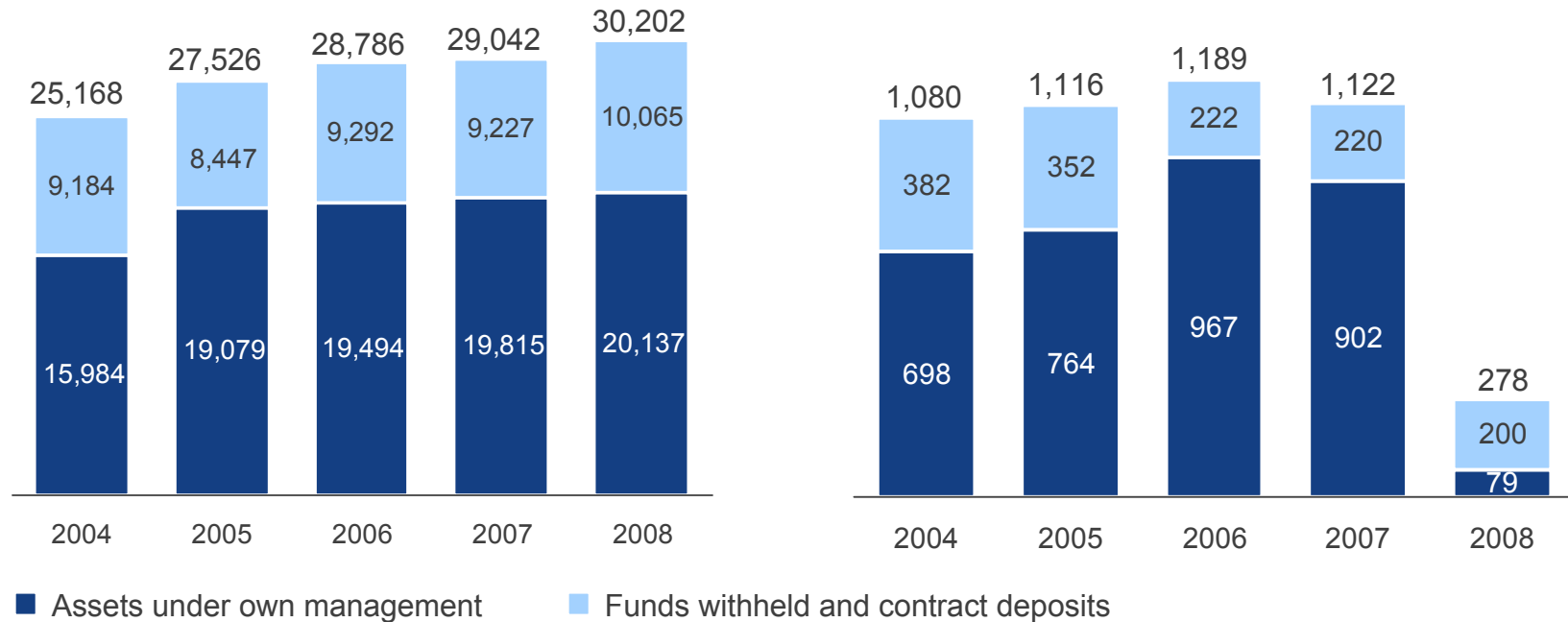
STABLE GROWTH OF TOTAL INVESTMENTS

Investment income hit by capital market turmoil

Total investments

Investment income

→ CAGR: 4.7%



Investment income

ORDINARY INVESTMENT INCOME NEARLY STABLE

Capital market turmoil resulting in write-downs and realised losses

in m. EUR	2007	2008		Total	Variance
	Total	Q1-3	Q4		
Ordinary investment income ¹⁾	870	632	202	834	-4.1%
Realised gains/losses	174	77	(191)	(114)	-165.1%
Impairments ²⁾	(71)	(433)	(47)	(480)	+571.8%
Unrealised gains/losses (trading)	(19)	(33)	(86)	(120)	+537.8%
Investment expenses ³⁾	(53)	(34)	(8)	(42)	-20.1%
NII from assets under own management	902	209	(130)	79	-91.3%
NII from funds withheld	220	162	38	200	-9.3%
Total investment income	1,122	370	(92)	278	-75.2%

1) Incl. results from associated companies

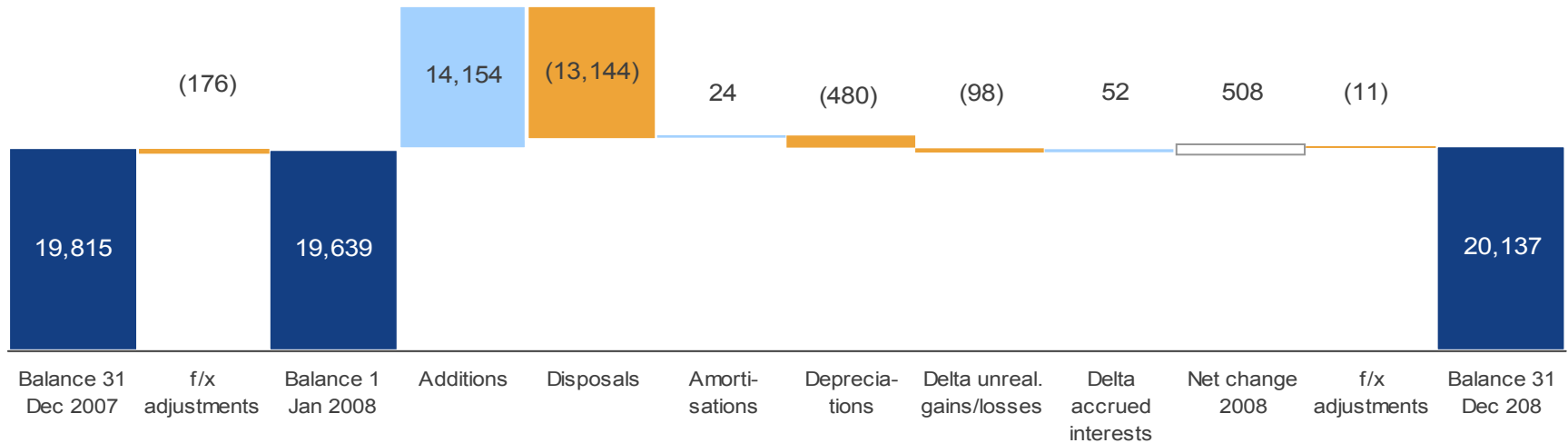
3) Incl. depreciation/impairments on real estate

2) Excl. depreciation/impairments on real estate

Assets under own management

POSITIVE CASH FLOW GENERATES STABLE GROWTH

in m. EUR



	Additions	Disposals	Amortisations	Depreciations	Delta unreal. gains/losses	Delta accrued interests	Net change 2008	f/x adjustments	Balance 31 Dec 2008
Fixed-income securities									
Held to maturity	(0.0)	39.2	5.4	0.0	0.0	(1.2)	(35.1)	0.6	1,475.2
Loans & receivables	219.5	86.8	0.2	0.0	0.0	11.0	143.8	4.4	1,680.9
Available for sale	12,558.4	10,334.9	12.7	(96.9)	211.8	40.3	2,391.4	51.7	14,482.8
At fair value through p&l	114.0	36.8	(0.2)	0.0	(73.3)	2.2	6.0	1.1	254.5
Equity securities and oth. non-fixed income	1,011.1	2,444.5	0.0	(356.1)	(204.5)	0.0	(1,994.0)	2.7	22.6
Real estate	10.1	2.1	0.0	(0.5)	0.8	0.0	8.3	(0.0)	25.5
Other investments	241.0	122.5	(0.0)	(26.9)	(32.4)	(0.0)	59.2	4.8	957.8
Short-term investments and cash	0.0	77.0	5.8	0.0	0.1	(0.2)	(71.3)	(75.7)	1,237.9

Tactical asset allocation

CONSERVATIVE APPROACH UNCHANGED

Focus on liquidity in fixed income

Investment category	2004	2005	2006	2007	2008
Fixed-income securities	81%	82%	82%	79%	89%
• Governmentals	25%	26%	21%	19%	28%
• Semi-governmentals	21%	20%	21%	20%	23%
• Corporates	26%	26%	27%	26%	23%
Investment grade	25%	24%	25%	24%	22%
Non-inv. grade	1%	2%	2%	2%	1%
• ABS/MBS	10%	10%	13%	15%	15%
Equities	8%	8%	10%	12%	3%
• Listed	7%	6%	8%	10%	< 1%
• Private equity*	2%	2%	2%	2%	3%
Real estate	1%	1%	< 1%	< 1%	< 1%
Others	3%	4%	2%	2%	2%
Short-term investments & cash	6%	6%	6%	6%	6%

* Without outstanding commitments of EUR 235.2 m. in 2007 and EUR 291.1 m. in 2008

TARGET MATRIX

Business Group	Key figures	Strategic Targets	2008	Historical data ¹⁾		
				2007	2006	2005
Non-Life R/I	Gross-premium growth	none	(3.9%)	(20.1%)	(5.8%)	(6.7%)
	Combined ratio - assuming a	< 100% ²⁾	95.4% ✓	99.7%	100.8%	112.8%
	net cat.-loss ratio (natural & man-made)	up to 10%	10.7%	6.3%	2.3%	20.4%
	EBIT margin ³⁾	≥ 12.5%	0.1%	14.6%	14.2%	(0.7%)
Life/Health R/I	Gross-premium growth	12 - 15% ⁴⁾	1.7%	10.4%	15.2%	11.4%
	EBIT margin ³⁾	6.5 - 7.5%	4.3%	8.2%	5.9%	4.1%
	EBIT growth	12 - 15%	(47.5%)	64.7%	49.8%	21.4%
	MCEV growth	≥ 10%	n.a.	12.3%	16.3%	8.2%
	Value of New Business (VNB) growth	≥ 10%	n.a.	65.7%	(24.2%)	54.8%
Group	Return on investments ⁵⁾	≥ 4.2% ⁶⁾	0.4%	4.6%	5.0%	4.4%
	Minimum return on equity	≥ 11.1% ⁷⁾	(4.1%)	17.8% + 5.3%	18.7%	1.9%
Triple-10 targets →	EBIT growth	≥ 10%	(84.0%)	13.2%	795.0%	(82.9%)
	Earnings per share growth	≥ 10%	n.m.	8.3% ⁸⁾	942.7%	(82.4%)
	Book value per share growth	≥ 10%	(15.5%)	15.6%	11.4%	3.0%

1) Non-Life R/I: 2005 own calculation, incl. consolidation

2) Max. tolerable combined ratio = net premium earned + [(invested Non-Life assets · sustainable yield) - pre-tax cost of capital]
i.e. $100\% + [(\sim 303\% \cdot 3.1\%) - (\sim 88\% \cdot 7.2\%)] = \sim 103.0\%$

3) EBIT/Net premium earned

5) Assets under own management, only

7) 5-year average government-bond yield = 3.6% + 750 bps

n.a. = not available

4) At unchanged f/x rates

6) Risk-free rate + cost of capital

8) Excluding one-off tax effect

n.m. = not meaningful



*somewhat
different*

Outlook on 2009

GUIDANCE FOR 2009. . .

. . .including acquisition of ING Life Re portfolio

→ Hannover Re Group	
• Gross written premium (GWP) ¹⁾	+16%
• Net premium earned (NPE) ¹⁾	+20%
→ Non-Life R/I (NPE) ¹⁾	+10%
→ L/H R/I (NPE) ¹⁾	+35%
→ Return on equity ²⁾³⁾	>15%
→ Earnings per share ²⁾³⁾	EUR 4.75 - 5.25
→ Dividend pay-out ratio	35% to 40%

Solid outlook with less risk attached

1) At unchanged f/x rates

2) Subject to no major distortions in capital markets and/or large losses within catastrophe budget

3) Exclusive of one-off effect from acquisition of ING Life Re portfolio

hannover **re**[®]



somewhat
different

Appendix

OUR STRATEGIC BUSINESS GROUPS AT A GLANCE

in m. EUR	Non-Life R/I		Life/Health R/I		Consolidation		Total	
	2007	2008	2007	2008	2007	2008	2007	2008
Gross written premium	5,190	4,988	3,083	3,134	(14)	(1)	8,259	8,121
Change in GWP	-	-3.9%	-	+1.7%	-	-90.2%	-	-1.7%
Net premium earned	4,498	4,277	2,795	2,785	0	0	7,293	7,062
Net underwriting result	(27)	185	(117)	(125)	12	10	(131)	70
- Net underwriting result incl. funds withheld	16	198	61	62	12	10	89	269
Net investment income	783	11	294	246	45	22	1,122	278
- From assets u. own mgmt	741	(2)	116	59	45	22	902	79
- From funds withheld	43	13	177	186	0	0	220	200
Other income and expenses	(100)	(193)	52	(0)	(15)	(6)	(63)	(200)
Operating profit/loss (EBIT)	657	2	230	121	42	25	928	148
Interest on hybrid capital	0	(0)	(0)	(0)	(78)	(77)	(78)	(77)
Net income before taxes	657	2	230	121	(36)	(52)	850	71
Taxes	(47)	(178)	2	(35)	(2)	8	(47)	(206)
Net income (loss) from continuing operations	609	(176)	232	85	(39)	(44)	803	(135)
Net income (loss) from discontinued operations	12	0	0	0	23	0	35	0
Net income (loss)	622	(176)	232	85	(16)	(44)	838	(135)
- Minority interest	72	(15)	44	7	0	0	116	(8)
- Group net income (loss)	550	(161)	188	78	(16)	(44)	722	(127)
Retention	85.2%	88.9%	90.8%	89.3%			87.4%	89.1%
Combined ratio (incl. interest on funds withheld)	99.7%	95.4%	97.8%	97.8%			98.8%	96.2%
EBIT margin (EBIT/Net premium earned)	14.6%	0.1%	8.2%	4.3%			12.7%	2.1%
Tax ratio	7.2%	-	(1.0%)	29.4%			5.6%	291.1%

STRESS TESTS FOR TURBULENT MARKETS

Portfolio	Scenario		Change in market value in m. EUR
Equities*	Prices	-10%	-2
Equities*	Prices	-20%	-5
Equities*	Prices	-30%	-7
Fixed-income securities	Yield increase	+50 bps	-346
Fixed-income securities	Yield decline	-50 bps	+356
Fixed-income securities	Yield increase	+100 bps	-684
Fixed-income securities	Yield decline	-100 bps	+720

Unrealised gains/losses (Available for sale)	31 Dec 06	31 Dec 07	31 Dec 08
Fixed income	(119)	(103)	102
Equities	212	191	1
Total unrealised gains and losses	93	88	103

* Euro STOXX 50: 2,451 as per 31 December 2008

Asset classes

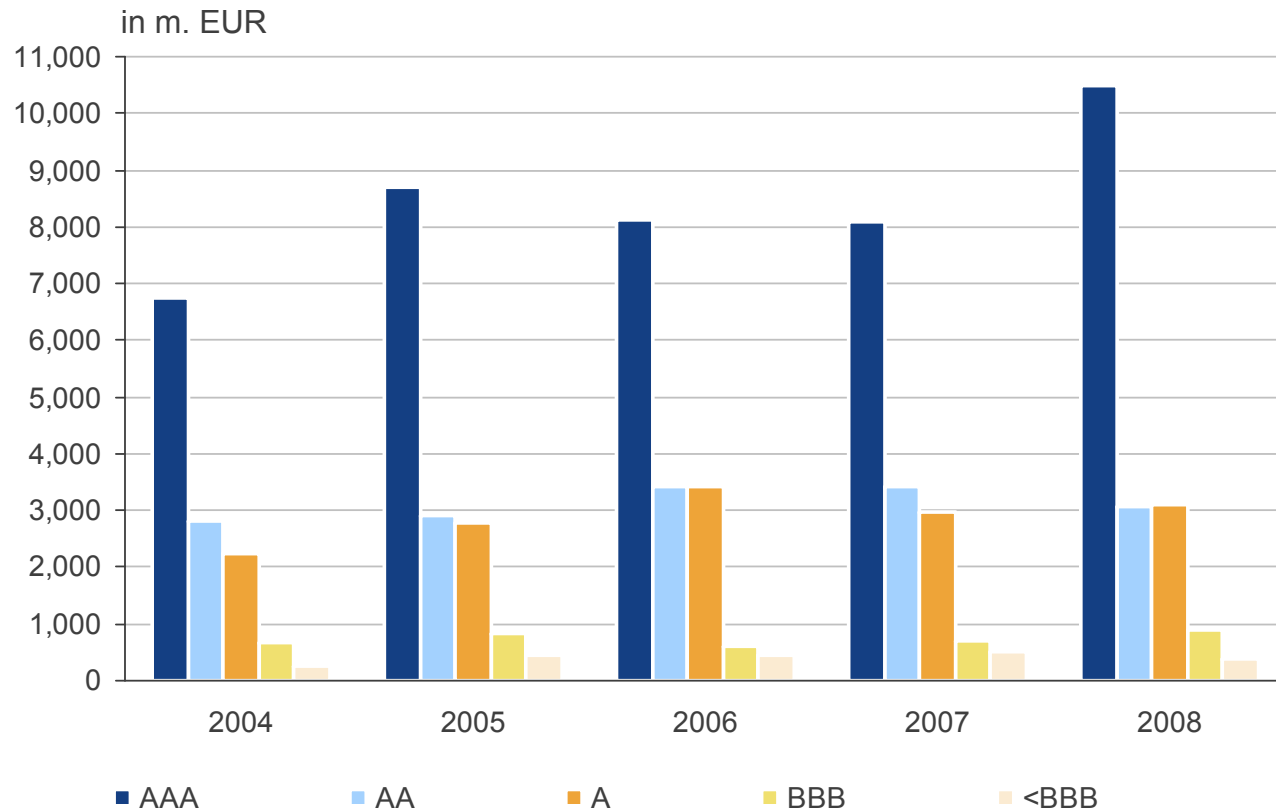
SUBSTANTIAL IMPAIRMENTS AND REALISED LOSSES IN EQUITIES

Broad diversification of fixed-income sector shielded us from defaults

in m. EUR	2007		2008	
	Realised gains/losses	Impairments	Realised gains/losses	Impairments
Fixed-income securities	(18.1)	(26.6)	85.5	(96.9)
Equities	160.3	(34.2)	(284.8)	(356.1)
Other	32.1	(10.6)	85.8	(26.9)
Total	174.3	(71.4)	(113.5)	(479.9)

Fixed-income impairments 2008	in m. EUR
ABS/MBS	(41.2)
Lehman Brothers	(17.9)
Subprime	(15.7)
Fixed Income Loan Funds	(12.3)
Washington Mutual	(6.0)
Bradford & Bingley	(1.7)
Other	(2.0)
Total	(96.9)

Fixed-income portfolio

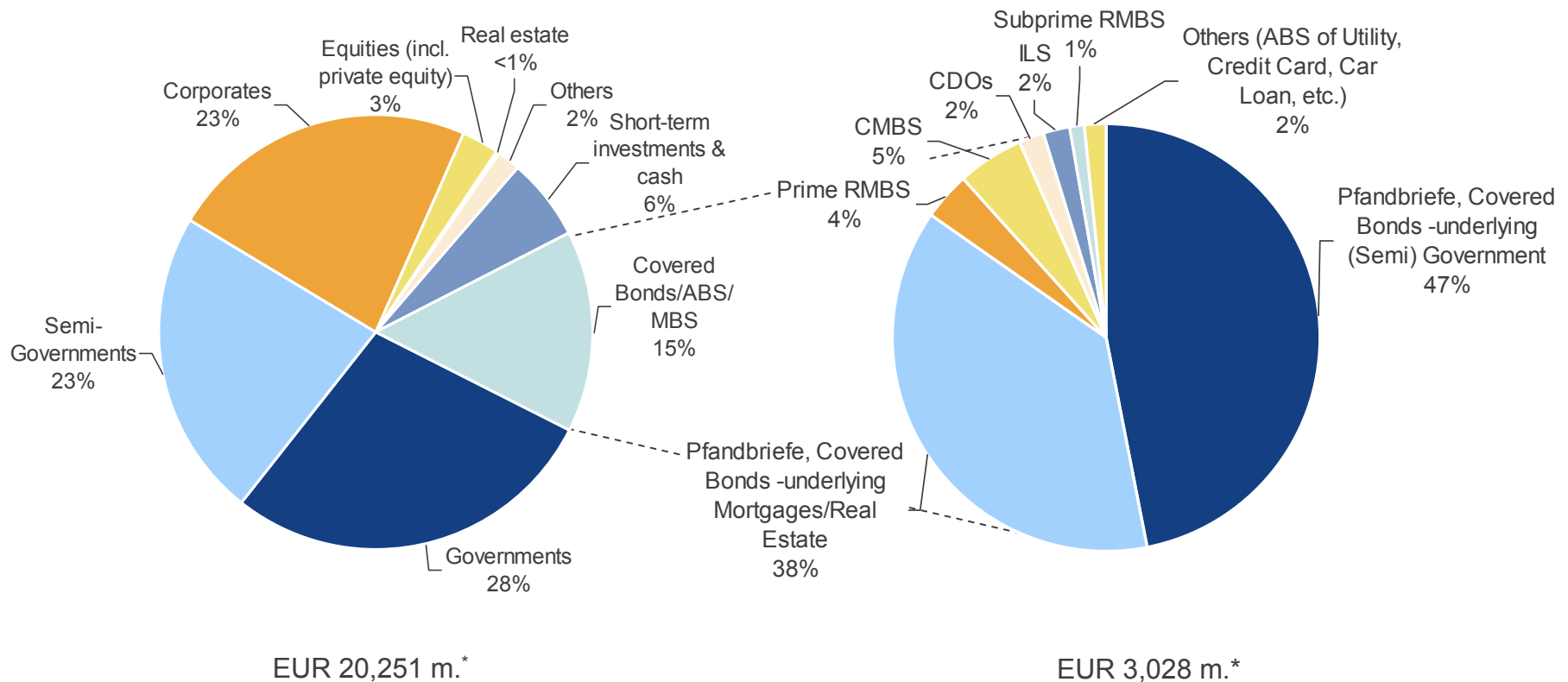
FOCUS ON AAA-SECURITIES IN TURBULENT MARKETS

Modified duration as of 31 Dec 2008: 3.8 (2007: 3.8)

Asset allocation

WELL-BALANCED PORTFOLIO

Majority of ABS/MBS are covered bonds



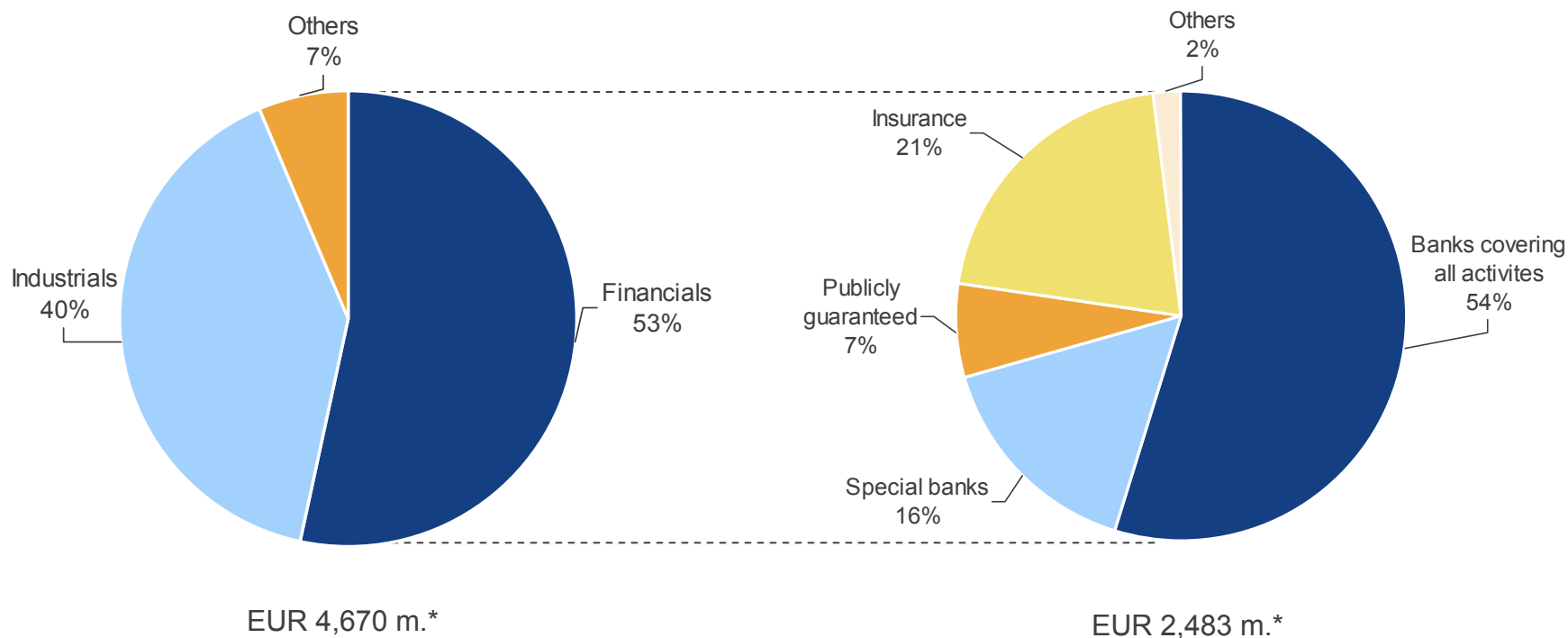
- Equity quota (incl. private equity) lowered to 3% (approx. <1% listed)
- No significant changes to covered bonds/ABS/MBS allocation

* Market value as at 31 December 2008

Asset allocation

CORPORATE SECTOR ALLOCATION

Reflects market spectrum



→ "Financials" are held in the following currencies:
 EUR 66%, USD 17%, GBP 6% and others 11%

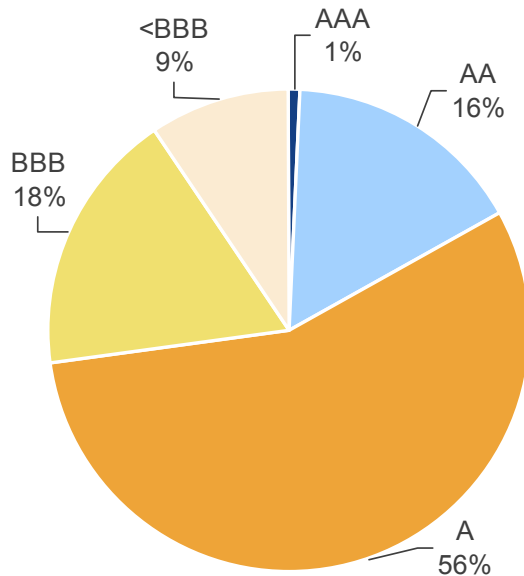
* Market value as at 31 December 2008

Asset allocation

CORPORATES BY CURRENCY AND RATING

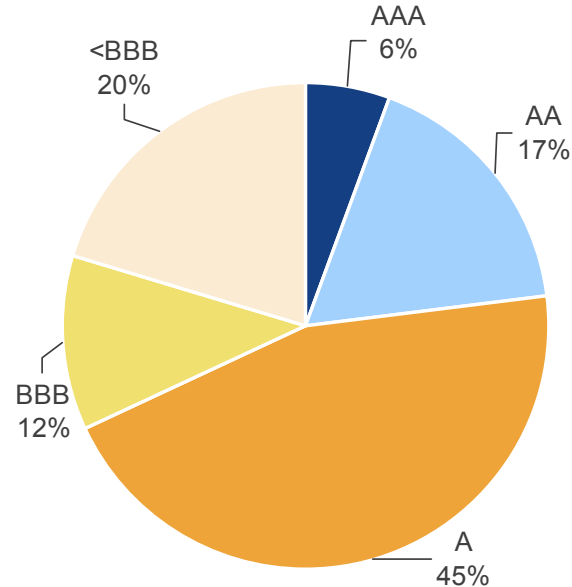
Focus on balanced risk return ratio

EUR Corporates



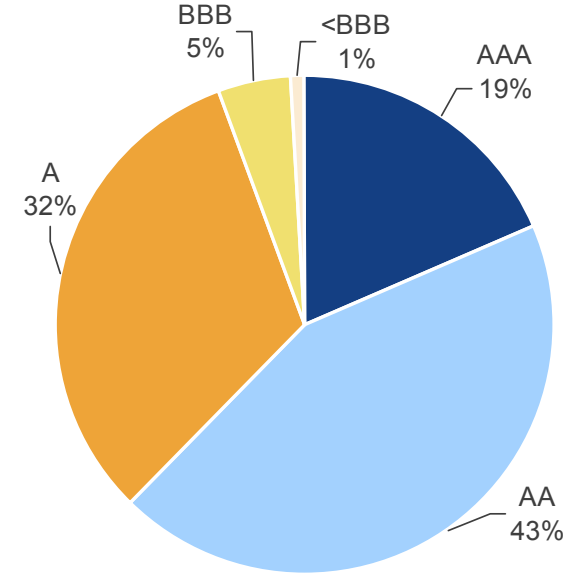
EUR 2,521 m.*

USD Corporates



EUR 1,514 m.*

Other Currencies Corporates



EUR 634 m.*

→ Broad portfolio diversification across the single-issuer spectrum

* Market value as of 31 December 2008

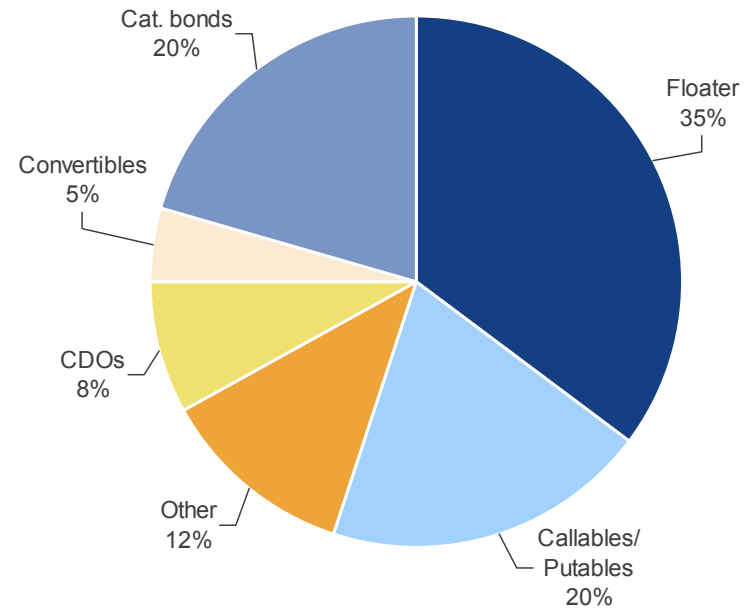
hannover **re**[®]

Asset allocation

LIMITED EXPOSURE TO STRUCTURED FIXED INCOME

Weight on floating rate notes

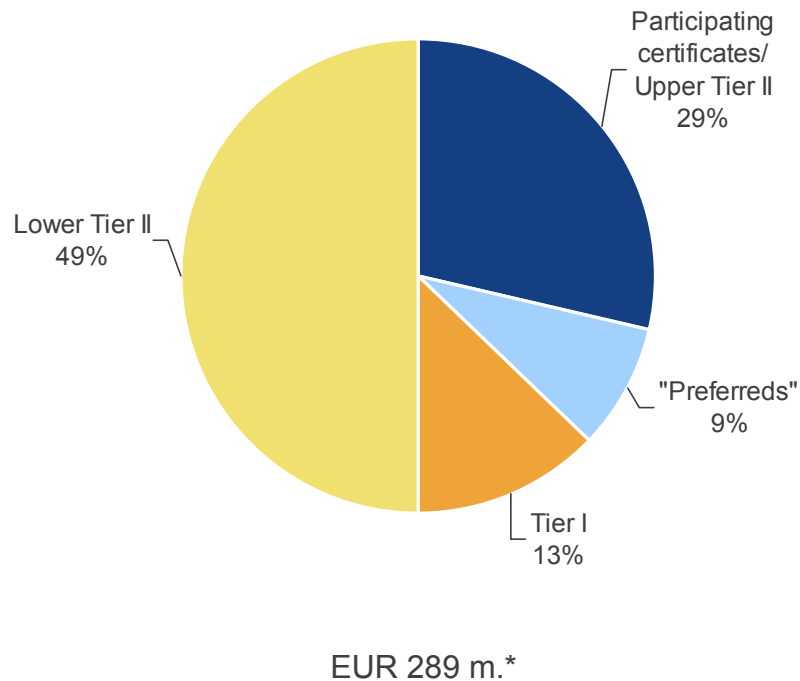
Structured product	in m. EUR
Floater	195.9
Cat. bonds	113.9
Callables/Putables	111.1
CDOs	45.7
Convertibles	25.3
Other	65.3
Total	557.1



Asset allocation

BREAKDOWN OF SUBORDINATED BONDS

Merely 1.6% of fixed-income securities are subordinated



- Participating certificates according to German law and upper Tier II
- "Preferreds" according to U.S. law; similar to participating certificates
- Tier I: core capital
- Tier II: supplementary capital in terms of lower Tier II

No material exposure

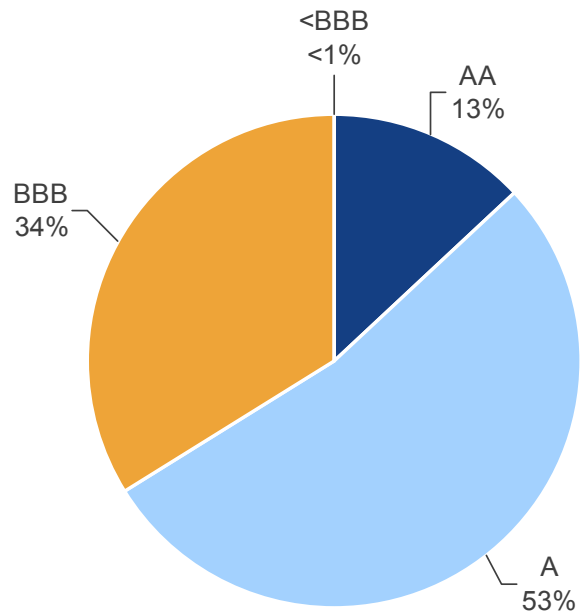
* Market value as of 31 December 2008

Asset allocation

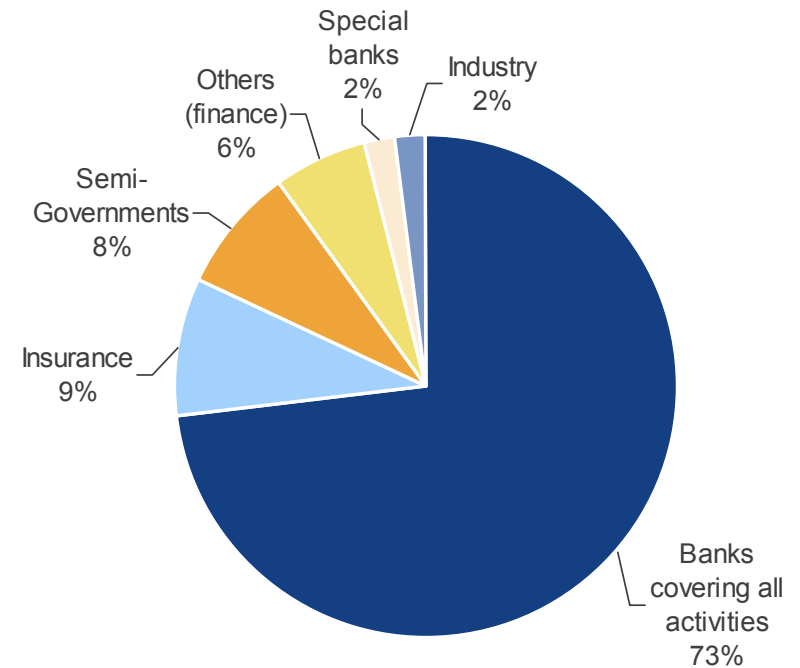
BREAKDOWN OF SUBORDINATED BONDS (CONT'D)

Merely 1.6% of the fixed-income securities are subordinated

Rating



Sector



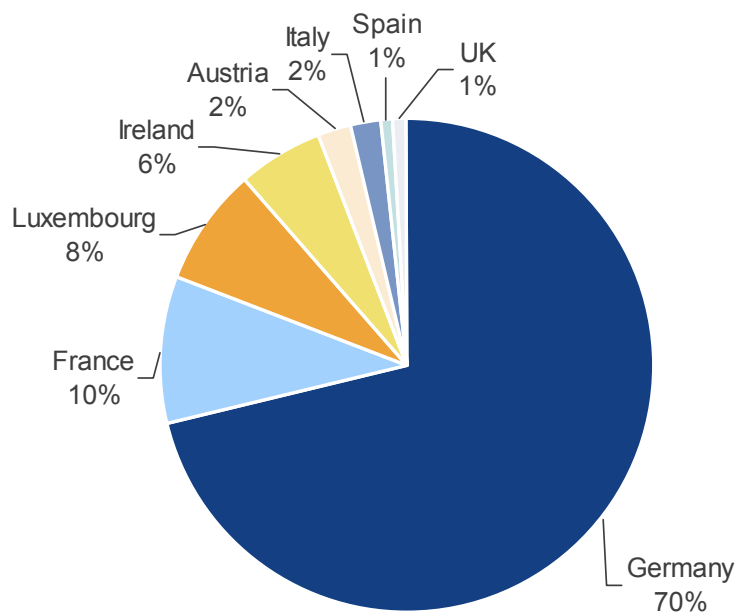
EUR 289 m.*

* Market value as of 31 December 2008

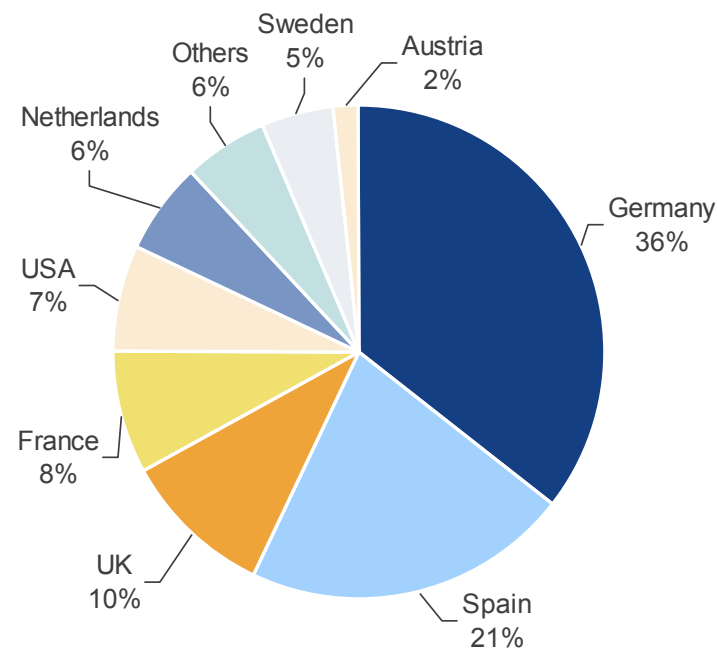
Asset allocation

COUNTRY-SPLIT OF COVERED BOND PORTFOLIOMain investment into German Pfandbriefe ¹⁾

Underlying (Semi)-Government

EUR 1,448 m.²⁾

Underlying Mortgages/Real Estate

EUR 1,208 m.²⁾

1) According to definition of German "Pfandbriefgesetz" (2005)

2) Market value as of 31 December 2008