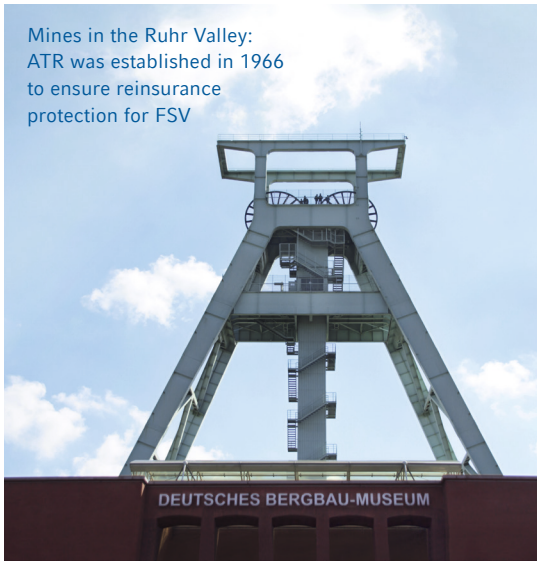
50 years | somewhat different

Hannover Re

1966–2016

From early roots to initial challenges

Founding, establishment in the German market and first bold international moves.



Mines in the Ruhr Valley: ATR was established in 1966 to ensure reinsurance protection for FSV

1966 Established as Aktiengesellschaft für Transport- und Rückversicherung in Bochum (ATR) with the task of ensuring reliable reinsurance protection for Feuerschadenverband rheinisch-westfälischer Zechen (FSV) – what we would refer to today as a pure special purpose entity.

1971/72 Entry into the US and Japanese markets, following consolidation of ATR's position in the German market. In many other markets traditional ties leave ATR little scope to grow its business.

On the way up

Showing creative drive and the will to innovate, the company makes a virtue out of its status as a newcomer to the market.

1976 ATR renamed Hannover Rückversicherungs-AG. Joint underwriting and administrative arrangements are put in place between Hannover Re and E+S Rück in later years to support the increasingly international orientation.

1981 First acquisition of a foreign insurance group: majority stake in the Hollandia Group (now Hannover Re Group Africa).

1984 Hannover Re is the first insurance company in Germany to work with Standard & Poor's and receives the best rating of AAA for 1984.

Construction of the company's own office building: move to the new Home Office on Karl-Wiechert-Allee.

Information as of March 2016

hannover re®

The completed new building on Karl-Wiechert-Allee, June 1984

Acquisitions and organic growth

The path to going public.

1990 Acquisition of Hamburger Internationale Rückversicherungs-AG (HIR) and hence the first step towards expanding life and health reinsurance as the second pillar of the portfolio.

1991 25th anniversary: Hannover Re has generated profitable growth. The Hannover Re Foundation to benefit the Sprengel Museum Hannover is set up in this year.

1994 Hannover Re goes public.

In the same year the company plays a pioneering role in alternative risk transfer – as the first reinsurer ever to securitise natural catastrophe risks for the capital market.

Expansion and diversification

Since the initial public offering the development of the share price is a consistent focus of Hannover Re's activities. In the years 1995–2000 the company posts six record results in a row.

1996 Eisen und Stahl Rück is integrated into the Hannover Re Group. From now on Hannover Re serves foreign insurance markets, while Eisen und Stahl Rück – now E+S Rück – takes exclusive responsibility for handling the German market.

1997–1999 Hannover Re takes a pioneering role in the securitisation of acquisition costs associated with life reinsurance business.

Through the acquisition of selected portfolios of Skandia International Insurance Company (SIIC) Hannover Re gains well-established international branches in markets where it was not previously active (including France, Spain and Mexico).

Development of financial reinsurance as a third strategic pillar for the company. The acquisition of the Clarendon Insurance Group, New York, marks the entry into primary insurance business in the United States and hence the establishment of the fourth strategic pillar, namely program business.

By the end of the 1990s the once traditional reinsurer has transformed itself into a modern financial group.

1997: The acquisition of the Stockholm-based Skandia International was a major growth step

Natural disasters and financial crisis

The crash on stock markets hits Hannover Re hard – its own investments are severely impacted by the price losses on the markets. The principle of central underwriting for international business combined with a regional presence helps the company to master these challenging times.

Hurricane "Andrew" (1992) ushered in a hard market phase in the United States between 1993 and 1997

2001 Dawn of a new era with the terrorist attacks of 11 September: the years of booming stock markets and strong investment income are over. Hannover Re responds with a series of capital measures. Hannover Re's role as HDI's reinsurer changes: under the reorganisation, Hannover Re only assumes the business that it retains for own account.

With the establishment of Hannover Re (Bermuda) Ltd. the Hannover Re Group is present in the world's largest catastrophe reinsurance market.

2005 The year of the hurricanes: "Katrina", "Rita" and "Wilma". Hannover Re incurs loss expenditure of around EUR 800 million and hence more than from the terrorist attacks of 11 September 2001 and the "hurricane year" of 2004.

2006 – 2008 International expansion continues to move forward despite the challenges posed by natural disasters in recent years: establishment of Hannover ReTakaful B.S.C. Bahrain for underwriting of worldwide reinsurance business in accordance with Islamic law.

Hannover Re establishes the New York-based Praetorian Financial Group, Inc. to take over active specialty insurance business from Clarendon. In the same year Hannover Re is able to announce the sale of Praetorian Financial Group, Inc., New York.

Through a cooperation agreement between Hannover Re and the state-owned Indian reinsurer GIC Re and by establishing the representative office Hannover Re Escritório de Representação no Brasil Ltda. Hannover Re gains access to important BRIC markets.

The financial crisis prompts Hannover Re to sell its entire portfolio of equities. For the first time in its history the company reports a negative result.

On a stable profit course

The paramount objectives after a crisis-hit decade: reducing the volatility of results, generating stable profits in the interests of shareholders and strengthening the shareholders' equity. The challenge: the supply of reinsurance capacity clearly exceeds demand.

2009 Presence in China strengthened: opening of an office for property and casualty reinsurance in Shanghai.

Further diversification, new activities: agricultural insurance solutions, covers for energy-saving measures, microinsurance products in markets that have hitherto scarcely been cultivated

2011 Continuity of results under special circumstances: devastating earthquakes in New Zealand and Japan. 2011 becomes the second-most costly year for large losses after 2005 – with major loss expenditure coming in at EUR 981 million. Despite this, the company generates a respectable profit and thus reaps the first fruits of its efforts to reduce the volatility of results.

2013 Conversion of legal form to a Societas Europaea (European Company) as part of the company's increasingly international orientation. Hannover Re has since traded as Hannover Rück SE.

2016 The Hannover Re Group currently employs 2,568 staff. While the underwriting of risks on a local basis is growing in importance, the corporate group continues to be managed centrally from Hannover Home Office.

Today, Hannover Re is the third-largest reinsurer in the world. Thanks to its excellent financial strength ratings, its broad diversification and its sophisticated risk management, the company is well placed to remain successful on a sustained basis even in a highly competitive market.

The Executive Board in 2016 – from left to right: Roland Vogel, Ulrich Wallin, Claude Chèvre, Dr. Klaus Miller, Sven Althoff, Dr. Michael Pickel, Jürgen Gräber