

**somewhat  
different**

Quarterly Statement  
as at 31 March 2022

*hannover* **re**<sup>®</sup>

## Key figures

| in EUR million  | 2022        |                   | 2021                     |          |
|---|-------------|-------------------|--------------------------|----------|
|   | 1.1.– 31.3. | +/- previous year | 1.1.– 31.3. <sup>1</sup> | 31.12.   |
| <b>Results</b>  |             |                   |                          |          |
| Gross written premium   | 9,333.4     | +19.5%            | 7,809.3                  |          |
| Net premium earned  | 6,710.2     | +17.9%            | 5,692.7                  |          |
| Net underwriting result <sup>2</sup>  | (102.0)     |                   | 25.4                     |          |
| Net investment income   | 483.9       | +9.7%             | 441.1                    |          |
| Operating profit (EBIT)   | 396.4       | -1.8%             | 403.8                    |          |
| Group net income  | 263.6       | -13.8%            | 305.9                    |          |
| <b>Balance sheet</b>  |             |                   |                          |          |
| Policyholders' surplus  | 14,464.9    | -8.1%             |                          | 15,733.6 |
| Equity attributable to shareholders of Hannover Rück SE   | 10,694.6    | -10.0%            |                          | 11,885.0 |
| Non-controlling interests   | 792.1       | -9.1%             |                          | 871.2    |
| Hybrid capital  | 2,978.2     | +0.0%             |                          | 2,977.4  |
| Investments (excl. funds withheld by ceding companies)  | 56,245.2    | +0.1%             |                          | 56,213.2 |
| Total assets  | 86,307.1    | +4.1%             |                          | 82,902.3 |
| <b>Share</b>  |             |                   |                          |          |
| Earnings per share (basic and diluted) in EUR   | 2.19        | -13.8%            | 2.54                     |          |
| Book value per share in EUR   | 88.68       | -10.0%            | 91.57                    | 98.55    |
| Share price at the end of the period in EUR   | 154.35      | -7.7%             | 155.80                   | 167.15   |
| Market capitalisation at the end of the period  | 18,614.2    | -7.7%             | 18,789.0                 | 20,157.8 |
| <b>Ratios</b>   |             |                   |                          |          |
| Combined ratio (property and casualty reinsurance) <sup>2</sup>                                   | 99.5%       |                   | 96.2%                    |          |
| Large losses as percentage of net premium earned (property and casualty reinsurance) <sup>3</sup> | 7.0%        |                   | 5.0%                     |          |
| Retention   | 92.0%       |                   | 91.5%                    |          |
| Return on investment (excl. funds withheld by ceding companies)                                   | 3.1%        |                   | 2.5%                     |          |
| EBIT margin <sup>4</sup>  | 5.9%        |                   | 7.1%                     |          |
| Return on equity (after tax)  | 9.3%        |                   | 11.1%                    |          |

<sup>1</sup> Restated pursuant to IAS 8

<sup>2</sup> Including interest on funds withheld and contract deposits

<sup>3</sup> Hannover Re Group's net share for natural catastrophes and other major losses in excess of EUR 10 million gross as a percentage of net premium earned

<sup>4</sup> Operating result (EBIT)/net premium earned

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The present document is a quarterly statement pursuant to Section 51a of the Exchange Rules for the Frankfurter Wertpapierbörse. For further information please see the section "Other information" on page 17 of this document.

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# Quarterly statement as at 31 March 2022

## Business development

- Gross premium for the Group grows by 13.9% adjusted for exchange rate effects
- Major loss expenditure in property and casualty reinsurance higher than pro rata budgeted amount
- Additional provision for possible losses from the war in Ukraine in the low triple-digit million euro range
- Pandemic-related strains in life and health reinsurance in line with expectations
- Investment income rises by 9.7%; return on investment beats target at a gratifying 3.1%
- Group net income reaches EUR 263.6 million
- Return on equity remains above minimum target at 9.3%

The first quarter of 2022 for Hannover Re was notable for considerable expenditure on large losses in property and casualty reinsurance and further strains connected with the Covid-19 pandemic in life and health reinsurance. The global economy and political landscape were also clearly impacted in the first quarter by Russia's war on Ukraine. Energy prices consequently surged sharply higher, in turn adding further fuel to rising inflation rates. As an additional factor, the protracted Covid-19 pandemic continued to weigh on society, politics and the economy.

The gross written premium booked by the Hannover Re Group rose by 19.5% to EUR 9.3 billion as at the end of March (previous year: EUR 7.8 billion). Growth would have reached 13.9% at constant exchange rates. The retention increased to 92.0% (91.5%). Net premium earned grew by 17.9% to EUR 6.7 billion (EUR 5.7 billion). The increase would have been 12.4% adjusted for exchange rate effects.

In our **Property & Casualty reinsurance** business group the treaty renewals as at 1 January 2022 passed off satisfactorily on the whole. Rate increases here were sustained for the fifth year in succession. Along with considerable losses from natural catastrophes, especially in Europe and North America, pricing movements were driven primarily by the low interest rate environment and the further sharp rise in inflation. Expenditures for large losses were higher than our budgeted expectation for the first quarter. We also established an additional general provision in the low triple-digit million euro range in the first quarter for possible losses from the war in Ukraine. The segment result declined by 32.4%.

In **Life & Health reinsurance**, further loss expenditures were recorded as expected in the first quarter in connection with the elevated mortality resulting from the pandemic, although these progressively diminished over the course of the quarter. The additional strains incurred from the pandemic in the first quarter totalled EUR 122.6 million. All in all, the first three months of the year passed off satisfactorily – thanks in part to pleasing demand for coverage of longevity risks. The segment result improved by 77.6%.

Our portfolio of **investments** remained on the level at year-end 2021 with a volume of EUR 56.2 billion. Investment income grew by 9.7%. The annualised return on investment was 3.1%.

Other income and expenses increased by 2.2% to EUR 69.4 million (EUR 67.9 million).

The operating profit (EBIT) generated by Hannover Re on the Group level reached EUR 396.4 million (EUR 403.8 million) despite the aforementioned losses. Group net income contracted by 13.8% to EUR 263.6 million (EUR 305.9 million). Earnings per share thus came in at EUR 2.19 (EUR 2.54).

The shareholders' equity of Hannover Re as at 31 March 2022 contracted by 10.0% to EUR 10.7 billion (31 December 2021: EUR 11.9 billion). The annualised return on equity amounted to 9.3% (31 December 2021: 11.1%) and hence beat the minimum target of 900 basis points above the risk-free interest rate. The book value per share stood at EUR 88.68 (31 December 2021: EUR 98.55). The capital adequacy ratio at the end of March was 242.4%, a level still comfortably in excess of our internal limit of 180% and our threshold of 200%.

# Results of operations, financial position and net assets

## Property and casualty reinsurance

- Gross premium up by 19.5% adjusted for exchange rate effects
- Major loss expenditure of EUR 335.8 million higher than budgeted for the first quarter
- Additional provision for possible losses from the war in Ukraine in the low triple-digit million euro range
- Combined ratio increases to 99.5%
- Segment result declines by 32.4% compared to previous year

Against the backdrop of considerable catastrophe losses as well as protracted low interest rates and rising inflation in the previous year, the main renewal season in traditional property and casualty reinsurance as at 1 January 2022 passed off satisfactorily overall for Hannover Re.

The pricing momentum of the past year was sustained in the 1 January renewals and we again generated growth in our renewed portfolio at improved prices and conditions. Some 62% of Hannover Re's traditional property and casualty reinsurance portfolio (excluding facultative reinsurance, ILS activities and structured reinsurance) was up for renewal on 1 January 2022. The inflation- and risk-adjusted price increase amounted to 4.1%, with the most significant gains booked in European markets.

Gross written premium in property and casualty reinsurance surged by 25.6% in the first quarter to EUR 7.1 billion (previous year: EUR 5.7 billion). Growth would have reached 19.5% at constant exchange rates. Net premium earned rose by 23.8% to EUR 4.8 billion (EUR 3.9 billion); at constant exchange rates, growth of 18.0% would have been recorded.

The first three months of the year were notable for natural catastrophe events such as winter storms in Europe and floods in Australia. Total expenditure on large losses reached EUR 335.8 million (EUR 193.2 million) and thus exceeded our major loss budget of EUR 284 million set aside for the first quarter.

The largest individual losses were the floods in Australia caused by heavy rainfall with net expenditure of EUR 185.6 million, the windstorm events Ylenia/Zeynep in Europe at a cost of EUR 124.2 million and the sinking of the cargo ship "Felicity Ace" following a fire in an amount of EUR 13.9 million.

In addition, the war in Ukraine will have implications for the insurance industry, even though no loss advices have been received to date. Hannover Re established an additional general provision in the low triple-digit million euro range in the first quarter for possible losses from the war in Ukraine. The combined ratio in property and casualty reinsurance consequently deteriorated to 99.5% (96.2%) and was thus higher than our expectation of no more than 96%.

The underwriting result for property and casualty reinsurance including interest on funds withheld and contract deposits deteriorated sharply to EUR 26.2 million (EUR 147.3 million). The investment income booked from assets under own management, on the other hand, improved by 13.6% to EUR 301.0 million (EUR 265.0 million).

Despite the considerable loss expenditures, an operating profit (EBIT) of EUR 283.7 million (EUR 312.1 million) was nevertheless generated. The EBIT margin reached 5.9% (8.1%). The net income generated by the Property & Casualty reinsurance business group amounted to EUR 176.6 million (EUR 261.1 million).

## Key figures for property and casualty reinsurance

| in EUR million                       | 2022        |                   | 2021                     |
|--------------------------------------|-------------|-------------------|--------------------------|
|                                      | 1.1.– 31.3. | +/- previous year | 1.1.– 31.3. <sup>1</sup> |
| Gross written premium                | 7,148.8     | +25.6%            | 5,692.9                  |
| Net premium earned                   | 4,782.5     | +23.8%            | 3,863.1                  |
| Net underwriting result <sup>2</sup> | 26.2        | -82.2%            | 147.3                    |
| Net investment income                | 305.7       | +13.8%            | 268.5                    |
| Operating result (EBIT)              | 283.7       | -9.1%             | 312.1                    |
| Group net income                     | 176.6       | -32.4%            | 261.1                    |
| Earnings per share in EUR            | 1.46        | -32.4%            | 2.17                     |
| EBIT margin <sup>3</sup>             | 5.9%        |                   | 8.1%                     |
| Combined ratio <sup>2</sup>          | 99.5%       |                   | 96.2%                    |
| Retention                            | 93.1%       |                   | 92.6%                    |

<sup>1</sup> Restated pursuant to IAS 8

<sup>2</sup> Including interest on funds withheld and contract deposits

<sup>3</sup> Operating result (EBIT)/net premium earned

## Life and health reinsurance

- Gross premium down by 1.2% adjusted for exchange rate effects
- Sustained strong demand worldwide for coverage of longevity risks
- Losses of EUR 122.6 million from the Covid-19 pandemic in the first quarter within the bounds of expectations
- Segment result clearly above the previous year at EUR 100.9 million

The impacts of the pandemic continued to be the dominant theme in life and health reinsurance, particularly in the area of mortality covers. As expected, further strains of altogether EUR 122.6 million were incurred in connection with the pandemic, although these progressively diminished over the course of the quarter. The bulk of these losses derived from mortality covers, primarily in the United States but also in South Africa and Latin America.

Russia's war on Ukraine did not have any direct implications for our Life & Health reinsurance business group because we do not write significant business in either country.

In our financial solutions business we continued to grow our portfolio, especially in China. The first quarter was also notable for sustained growth in demand around the world for solutions designed to protect against longevity risks. The writing of our first longevity reinsurance treaty in Australia was a pleasing development. Demand was also particularly

strong again in the United Kingdom, which remains our largest market, as well as in the United States and Canada. The climate for life and health reinsurance was satisfactory on the whole in the first quarter.

Gross premium income in the Life & Health reinsurance business group climbed by 3.2% to EUR 2.2 billion (previous year: EUR 2.1 billion), corresponding to a decline of 1.2% at constant exchange rates. Net premium earned grew by 5.4% to EUR 1.9 billion (EUR 1.8 billion); the increase would have been 0.8% adjusted for exchange rate effects.

Investment income from assets under own management came in substantially higher at EUR 127.8 million (EUR 45.0 million). The operating result (EBIT) grew by 22.9% to EUR 113.0 million (EUR 92.0 million). Net income for the Life & Health reinsurance business group increased by 77.6% to EUR 100.9 million (EUR 56.8 million).

## Key figures for life and health reinsurance

| in EUR million            | 2022        |                   | 2021                     |
|---------------------------|-------------|-------------------|--------------------------|
|                           | 1.1.– 31.3. | +/- previous year | 1.1.– 31.3. <sup>1</sup> |
| Gross written premium     | 2,184.6     | +3.2%             | 2,116.4                  |
| Net premium earned        | 1,927.7     | +5.4%             | 1,829.6                  |
| Investment income         | 178.0       | +3.5%             | 172.0                    |
| Operating result (EBIT)   | 113.0       | +22.9%            | 92.0                     |
| Net income after tax      | 100.9       | +77.6%            | 56.8                     |
| Earnings per share in EUR | 0.84        | +77.6%            | 0.47                     |
| Retention                 | 88.6%       |                   | 88.6%                    |
| EBIT margin <sup>2</sup>  | 5.9%        |                   | 5.0%                     |

<sup>1</sup> Restated pursuant to IAS 8

<sup>2</sup> Operating result (EBIT)/net premium earned

## Investments

- Sharp interest rate rises in main currency areas influence fixed-income securities
- Portfolio of assets under own management remains stable at EUR 56.2 billion
- Investment income increases by 9.7% to EUR 483.9 million
- Return on investment comes in at a gratifying 3.1% and outperforms minimum target of 2.3%

Our investments delivered a comparatively pleasing performance in the first three months of the year even though the ongoing pandemic and numerous geopolitical and economic challenges – most notably the war in Ukraine – impacted the globalised world on a scale that could not have been foreseen. Against this backdrop, our investments benefited from the fact that we had already tended to adopt a more conservative posture from the end of last year onwards with an eye to anticipated central bank moves and inflationary developments.

Our fixed-income portfolio was heavily influenced by the monetary policy pursued by central banks as well as increased government debt levels, which prompted steep interest rate rises overall across virtually all maturity segments in our main currency areas. These were reflected in a very marked decrease in hidden reserves on our fixed-income securities, but at the same time had positive implications for new investments and reinvestment activities.

Bonds issued by developing countries and lower-quality issuers experienced very considerable spread volatility in some instances with the outbreak of war in Ukraine. This volatility subsided again over the course of March, with the result that the increases recorded over the entire first quarter tended to be limited. The picture was similar on equity markets, which also posted very steep price drops at times but had erased most of the losses by the end of the quarter.

Our portfolio of assets under own management amounted to EUR 56.2 billion as at 31 March, a level on a par with the end of the previous year (31 December 2021: EUR 56.2 billion). With credit spreads virtually unchanged, higher interest rates led to appreciable declines in the fair values of our fixed-income securities. These were, however, offset by a strong inflow of cash from the technical account and positive currency effects, primarily from the US dollar and Australian dollar. The unrealised losses at the end of March amounted to EUR 1.0 billion, primarily due to rising interest rates. This contrasted with unrealised gains of EUR 1.4 billion as at 31 December 2021.

We kept our asset allocation broadly stable overall in the first quarter. In the real estate sector we acted on market opportunities to strengthen our portfolio in South America and southern Europe. The modified duration of our fixed-income portfolio – at 5.6 (5.8) – was reduced slightly in comparison with the end of the previous year.

Ordinary investment income excluding interest on funds withheld and contract deposits amounted to EUR 396.6 million, a gratifying and marked increase compared to the previous year's period (EUR 310.2 million). Positive profit contributions from inflation-linked bonds again played a part here. In addition, we substantially boosted the income generated from our real estate holdings. Earnings from fixed-income securities were also significantly higher than in the previous year's period. Interest on funds withheld and contract deposits retreated to EUR 54.8 mil-

lion (EUR 130.5 million), principally due to a special effect recorded in the comparable quarter.

The net balance of gains realised on disposals totalled EUR 41.8 million (EUR 90.2 million) and can be attributed primarily to sales as part of regrouping moves in credit and equity portfolios as well as regular portfolio maintenance. Impairments of altogether EUR 14.6 million (EUR 21.1 million) were taken. Of this amount, write-downs of EUR 10.3 million (EUR 8.9 million) were attributable to depreciation recognised on directly held real estate.

The unrealised gains in our assets recognised at fair value through profit or loss amounted to EUR 21.6 million (unrealised losses of EUR 49.7 million). They were crucially influenced by the performance of two derivatives relating to the technical account.

The net investment income of EUR 483.9 million (EUR 441.1 million) thus reached a pleasing level in excess of the comparable period. Income from assets under own management accounted for EUR 429.0 million (EUR 310.6 million), producing an annualised average return (including ModCo effects) of 3.1%.

### Net investment income

| in EUR million   | 2022         |                   | 2021                     |
|--|--------------|-------------------|--------------------------|
|  | 1.1.– 31.3.  | +/- previous year | 1.1.– 31.3. <sup>1</sup> |
| Ordinary investment income <sup>2</sup>                    | 396.6        | +27.8%            | 310.2                    |
| Result from participations in associated companies         | 27.0         | +120.9%           | 12.2                     |
| Realised gains/losses                                      | 41.8         | -53.7%            | 90.2                     |
| Depreciation, amortisation, impairments <sup>3</sup>       | 14.6         | -30.8%            | 21.1                     |
| Change in fair value of financial instruments <sup>4</sup> | 21.6         |                   | (49.7)                   |
| Investment expenses  | 43.3         | +38.2%            | 31.3                     |
| Net investment income from assets under own management     | 429.0        | +38.1%            | 310.6                    |
| Net investment income from funds withheld                  | 54.8         | -58.0%            | 130.5                    |
| <b>Total investment income</b>                             | <b>483.9</b> | <b>+9.7%</b>      | <b>441.1</b>             |

<sup>1</sup> Restated pursuant to IAS 8

<sup>2</sup> Excluding interest on funds withheld and contract deposits

<sup>3</sup> Including depreciation/impairments on real estate

<sup>4</sup> Portfolio at fair value through profit or loss and trading



# Outlook

- Group gross premium expected to show growth of at least 5% at constant exchange rates
- Return on investment of at least 2.3% targeted for the full year
- Group net income guidance of EUR 1.4 billion to EUR 1.5 billion for 2022 confirmed

While it is still too soon to definitively assess the impacts of the war in Ukraine on worldwide insurance and reinsurance markets, we are retaining our full-year targets unchanged in view of Hannover Re's considerable resilience and robust profitability.

In life and health reinsurance we anticipate further pandemic-related expenditures, although these should drop off sharply over the course of the year.

We are looking to grow the gross premium for the Group by at least 5% for the full year at constant exchange rates. On the Group level our expected net income for the 2022 financial year remains unchanged at EUR 1.4 billion to EUR 1.5 billion. This assumes that major loss expenditure does not materially exceed the budgeted level of EUR 1.4 billion, the Covid-19 pandemic does not have a significant unexpected impact on the result in

life and health reinsurance and no unforeseen distortions occur on capital markets. The return on investment should reach at least 2.3%.

We renew business in the Asia-Pacific region and in North America as well as in some specialty lines as at 1 April. The negotiations produced appreciable growth at improved prices. The premium volume grew by altogether 17.4%. The inflation- and risk-adjusted price increase for the renewed business amounted to 3.7%.

Hannover Re continues to aim for an ordinary dividend that is higher than in the previous year or at least remains stable. This will be supplemented by a special dividend provided the capitalisation exceeds the capital required for future growth and the profit target is achieved.

## Consolidated balance sheet as at 31 March 2022

### Assets

| in EUR thousand  | 31.3.2022         | 31.12.2021        |
|--|-------------------|-------------------|
| Fixed-income securities - held to maturity                     | 47,531            | 48,632            |
| Fixed-income securities - loans and receivables                | 2,425,531         | 2,443,629         |
| Fixed-income securities - available for sale                   | 45,030,012        | 45,473,677        |
| Fixed-income securities - at fair value through profit or loss | 96,430            | 81,308            |
| Equity securities - available for sale                         | 281,408           | 314,453           |
| Other financial assets - at fair value through profit or loss  | 287,381           | 248,233           |
| Investment property  | 2,020,185         | 1,818,754         |
| Real estate funds  | 831,909           | 805,912           |
| Investments in associated companies                            | 265,253           | 238,110           |
| Other invested assets  | 3,112,516         | 2,941,633         |
| Short-term investments   | 477,205           | 443,793           |
| Cash and cash equivalents                                      | 1,369,870         | 1,355,114         |
| <b>Total investments and cash under own management</b>         | <b>56,245,231</b> | <b>56,213,248</b> |
| Funds withheld   | 11,148,362        | 10,803,071        |
| Contract deposits  | 627,356           | 503,412           |
| <b>Total investments</b>                                       | <b>68,020,949</b> | <b>67,519,731</b> |
| Reinsurance recoverables on unpaid claims                      | 2,935,934         | 2,674,107         |
| Reinsurance recoverables on benefit reserve                    | 189,537           | 192,039           |
| Prepaid reinsurance premium                                    | 278,161           | 204,597           |
| Reinsurance recoverables on other technical reserves           | 1,953             | 2,703             |
| Deferred acquisition costs                                     | 3,977,705         | 3,350,633         |
| Accounts receivable  | 9,078,319         | 7,207,750         |
| Goodwill   | 84,336            | 83,933            |
| Deferred tax assets  | 869,112           | 676,344           |
| Other assets   | 851,916           | 972,167           |
| Accrued interest and rent                                      | 19,197            | 18,248            |
| <b>Total assets</b>  | <b>86,307,119</b> | <b>82,902,252</b> |

## Liabilities

| in EUR thousand  | 31.3.2022         | 31.12.2021        |
|--|-------------------|-------------------|
| Loss and loss adjustment expense reserve                       | 42,918,452        | 40,777,703        |
| Benefit reserve  | 7,505,243         | 7,541,881         |
| Unearned premium reserve                                       | 8,271,094         | 6,195,961         |
| Other technical provisions                                     | 926,328           | 841,591           |
| Funds withheld   | 740,243           | 632,195           |
| Contract deposits  | 3,641,430         | 3,586,740         |
| Reinsurance payable  | 2,564,379         | 2,380,681         |
| Provisions for pensions  | 185,026           | 208,750           |
| Taxes  | 125,900           | 92,023            |
| Deferred tax liabilities                                       | 2,479,743         | 2,836,374         |
| Other liabilities  | 1,029,460         | 681,867           |
| Financing liabilities  | 4,433,154         | 4,370,255         |
| <b>Total liabilities</b>                                       | <b>74,820,452</b> | <b>70,146,021</b> |
| Shareholders' equity   |                   |                   |
| Common shares  | 120,597           | 120,597           |
| Nominal value: 120,597 Conditional capital: 24,119             |                   |                   |
| Additional paid-in capital                                     | 724,562           | 724,562           |
| <b>Common shares and additional paid-in capital</b>            | <b>845,159</b>    | <b>845,159</b>    |
| Cumulative other comprehensive income                          |                   |                   |
| Unrealised gains and losses on investments                     | 78,814            | 1,768,312         |
| Cumulative foreign currency translation adjustment             | 589,096           | 366,231           |
| Changes from hedging instruments                               | (10,033)          | (8,618)           |
| Other changes in cumulative other comprehensive income         | (57,816)          | (71,851)          |
| <b>Total other comprehensive income</b>                        | <b>600,061</b>    | <b>2,054,074</b>  |
| Retained earnings  | 9,249,374         | 8,985,770         |
| <b>Equity attributable to shareholders of Hannover Rück SE</b> | <b>10,694,594</b> | <b>11,885,003</b> |
| Non-controlling interests                                      | 792,073           | 871,228           |
| <b>Total shareholders' equity</b>                              | <b>11,486,667</b> | <b>12,756,231</b> |
| <b>Total liabilities</b>                                       | <b>86,307,119</b> | <b>82,902,252</b> |

## Consolidated statement of income as at 31 March 2022

| in EUR thousand   | 1.1. - 31.3.2022 | 1.1. - 31.3.2021 <sup>1</sup> |
|---|------------------|-------------------------------|
| Gross written premium   | 9,333,430        | 7,809,264                     |
| Ceded written premium   | 744,958          | 663,044                       |
| Change in gross unearned premium                                | (1,947,680)      | (1,507,345)                   |
| Change in ceded unearned premium                                | 69,382           | 53,832                        |
| <b>Net premium earned</b>                                       | <b>6,710,174</b> | <b>5,692,707</b>              |
| Ordinary investment income                                      | 396,569          | 310,238                       |
| Profit / loss from investments in associated companies          | 26,976           | 12,212                        |
| Realised gains and losses on investments                        | 41,761           | 90,182                        |
| Change in fair value of financial instruments                   | 21,574           | (49,699)                      |
| Total depreciation, impairments and appreciation of investments | 14,573           | 21,054                        |
| Other investment expenses                                       | 43,283           | 31,324                        |
| <b>Net income from investments under own management</b>         | <b>429,024</b>   | <b>310,555</b>                |
| Income / expense on funds withheld and contract deposits        | 54,841           | 130,501                       |
| <b>Net investment income</b>                                    | <b>483,865</b>   | <b>441,056</b>                |
| Other technical income  | -                | 62                            |
| <b>Total revenues</b>   | <b>7,194,039</b> | <b>6,133,825</b>              |
| Claims and claims expenses                                      | 5,151,789        | 4,385,771                     |
| Change in benefit reserves                                      | (82,401)         | (52,287)                      |
| Commission and brokerage, change in deferred acquisition costs  | 1,657,615        | 1,337,180                     |
| Other acquisition costs   | 1,511            | 1,089                         |
| Administrative expenses   | 138,499          | 126,109                       |
| <b>Total technical expenses</b>                                 | <b>6,867,013</b> | <b>5,797,862</b>              |
| Other income  | 283,292          | 261,531                       |
| Other expenses  | 213,935          | 193,660                       |
| Other income and expenses                                       | 69,357           | 67,871                        |
| <b>Operating profit / loss (EBIT)</b>                           | <b>396,383</b>   | <b>403,834</b>                |
| Financing costs   | 21,112           | 18,720                        |
| <b>Net income before taxes</b>                                  | <b>375,271</b>   | <b>385,114</b>                |
| Taxes   | 92,793           | 65,849                        |
| <b>Net income</b>   | <b>282,478</b>   | <b>319,265</b>                |
| thereof   |                  |                               |
| Non-controlling interest in profit and loss                     | 18,874           | 13,372                        |
| <b>Group net income</b>   | <b>263,604</b>   | <b>305,893</b>                |
| <b>Earnings per share (in EUR)</b>                              |                  |                               |
| Basic earnings per share  | 2.19             | 2.54                          |
| Diluted earnings per share                                      | 2.19             | 2.54                          |

<sup>1</sup> Restated pursuant to IAS 8

# Consolidated statement of comprehensive income as at 31 March 2022

| in EUR thousand   | 1.1. - 31.3.2022   | 1.1. - 31.3.2021 |
|---|--------------------|------------------|
| <b>Net income</b>   | <b>282,478</b>     | <b>319,265</b>   |
| <b>Not reclassifiable to the consolidated statement of income</b>                   |                    |                  |
| <b>Actuarial gains and losses</b>   |                    |                  |
| Gains (losses) recognised directly in equity  | 22,972             | 14,563           |
| Tax income (expense)  | (7,502)            | (4,759)          |
|   | <b>15,470</b>      | <b>9,804</b>     |
| <b>Changes from the measurement of associated companies</b>                         |                    |                  |
| Gains (losses) recognised directly in equity  | –                  | 134              |
|   | <b>–</b>           | <b>134</b>       |
| <b>Income and expense recognised directly in equity that cannot be reclassified</b> |                    |                  |
| Gains (losses) recognised directly in equity  | 22,972             | 14,697           |
| Tax income (expense)  | (7,502)            | (4,759)          |
|   | <b>15,470</b>      | <b>9,938</b>     |
| <b>Reclassifiable to the consolidated statement of income</b>                       |                    |                  |
| <b>Unrealised gains and losses on investments</b>                                   |                    |                  |
| Gains (losses) recognised directly in equity  | (2,356,998)        | (851,093)        |
| Transferred to the consolidated statement of income                                 | (38,066)           | (82,191)         |
| Tax income (expense)  | 631,660            | 233,449          |
|   | <b>(1,763,404)</b> | <b>(699,835)</b> |
| <b>Currency translation</b>   |                    |                  |
| Gains (losses) recognised directly in equity  | 256,778            | 475,221          |
| Tax income (expense)  | (31,255)           | (58,012)         |
|   | <b>225,523</b>     | <b>417,209</b>   |
| <b>Changes from the measurement of associated companies</b>                         |                    |                  |
| Gains (losses) recognised directly in equity  | 11                 | 2,507            |
|   | <b>11</b>          | <b>2,507</b>     |
| <b>Changes from hedging instruments</b>   |                    |                  |
| Gains (losses) recognised directly in equity  | (1,860)            | 2,264            |
| Tax income (expense)  | 447                | (945)            |
|   | <b>(1,413)</b>     | <b>1,319</b>     |
| <b>Reclassifiable income and expense recognised directly in equity</b>              |                    |                  |
| Gains (losses) recognised directly in equity  | (2,102,069)        | (371,101)        |
| Transferred to the consolidated statement of income                                 | (38,066)           | (82,191)         |
| Tax income (expense)  | 600,852            | 174,492          |
|   | <b>(1,539,283)</b> | <b>(278,800)</b> |
| <b>Total income and expense recognised directly in equity</b>                       |                    |                  |
| Gains (losses) recognised directly in equity  | (2,079,097)        | (356,404)        |
| Transferred to the consolidated statement of income                                 | (38,066)           | (82,191)         |
| Tax income (expense)  | 593,350            | 169,733          |
|   | <b>(1,523,813)</b> | <b>(268,862)</b> |
| <b>Total recognised income and expense</b>  | <b>(1,241,335)</b> | <b>50,403</b>    |
| <b>thereof</b>  |                    |                  |
| Attributable to non-controlling interests   | (50,926)           | 2,990            |
| Attributable to shareholders of Hannover Rück SE                                    | (1,190,409)        | 47,413           |

## Group segment report as at 31 March 2022

| Segmentation of assets<br>in EUR thousand              | Property and casualty reinsurance |                   |
|--|-----------------------------------|-------------------|
|  | 31.3.2022                         | 31.12.2021        |
| <b>Assets</b>  |                                   |                   |
| Fixed-income securities - held to maturity             | 47,180                            | 48,286            |
| Fixed-income securities - loans and receivables        | 1,954,105                         | 1,954,457         |
| Fixed-income securities - available for sale           | 34,841,045                        | 34,837,639        |
| Equity securities - available for sale                 | 281,408                           | 314,453           |
| Financial assets at fair value through profit or loss  | 109,173                           | 87,403            |
| Other invested assets                                  | 5,435,440                         | 5,050,754         |
| Short-term investments                                 | 332,707                           | 379,437           |
| Cash   | 991,927                           | 907,873           |
| <b>Total investments and cash under own management</b> | <b>43,992,985</b>                 | <b>43,580,302</b> |
| Funds withheld   | 3,551,401                         | 3,247,068         |
| Contract deposits                                      | 3,352                             | 3,290             |
| <b>Total investments</b>                               | <b>47,547,738</b>                 | <b>46,830,660</b> |
| Reinsurance recoverables on unpaid claims              | 2,768,986                         | 2,527,916         |
| Reinsurance recoverables on benefit reserve            | –                                 | –                 |
| Prepaid reinsurance premium                            | 278,022                           | 204,456           |
| Reinsurance recoverables on other reserves             | 1,271                             | 1,446             |
| Deferred acquisition costs                             | 1,964,293                         | 1,474,442         |
| Accounts receivable                                    | 7,284,557                         | 5,637,585         |
| Other assets in the segment                            | 3,441,300                         | 3,157,485         |
| <b>Total assets</b>                                    | <b>63,286,167</b>                 | <b>59,833,990</b> |
| <b>Segmentation of liabilities</b>                     |                                   |                   |
| in EUR thousand  |                                   |                   |
| <b>Liabilities</b>                                     |                                   |                   |
| Loss and loss adjustment expense reserve               | 36,968,114                        | 35,089,423        |
| Benefit reserve  | –                                 | –                 |
| Unearned premium reserve                               | 7,850,119                         | 5,795,849         |
| Provisions for contingent commissions                  | 566,064                           | 513,280           |
| Funds withheld   | 504,071                           | 383,106           |
| Contract deposits                                      | 29,243                            | 28,221            |
| Reinsurance payable                                    | 1,677,509                         | 1,630,320         |
| Financing liabilities                                  | 654,367                           | 590,751           |
| Other liabilities in the segment                       | 2,645,450                         | 2,587,905         |
| <b>Total liabilities</b>                               | <b>50,894,937</b>                 | <b>46,618,855</b> |

| Life and health reinsurance |                   | Consolidation      |                    | Total             |                   |
|-----------------------------|-------------------|--------------------|--------------------|-------------------|-------------------|
| 31.3.2022                   | 31.12.2021        | 31.3.2022          | 31.12.2021         | 31.3.2022         | 31.12.2021        |
| 351                         | 346               | -                  | -                  | 47,531            | 48,632            |
| 456,155                     | 474,123           | 15,271             | 15,049             | 2,425,531         | 2,443,629         |
| 10,165,368                  | 10,620,228        | 23,599             | 15,810             | 45,030,012        | 45,473,677        |
| -                           | -                 | -                  | -                  | 281,408           | 314,453           |
| 274,638                     | 242,138           | -                  | -                  | 383,811           | 329,541           |
| 794,423                     | 753,655           | -                  | -                  | 6,229,863         | 5,804,409         |
| 143,489                     | 62,923            | 1,009              | 1,433              | 477,205           | 443,793           |
| 376,004                     | 434,657           | 1,939              | 12,584             | 1,369,870         | 1,355,114         |
| <b>12,210,428</b>           | <b>12,588,070</b> | <b>41,818</b>      | <b>44,876</b>      | <b>56,245,231</b> | <b>56,213,248</b> |
| 7,596,961                   | 7,556,003         | -                  | -                  | 11,148,362        | 10,803,071        |
| 624,004                     | 500,122           | -                  | -                  | 627,356           | 503,412           |
| <b>20,431,393</b>           | <b>20,644,195</b> | <b>41,818</b>      | <b>44,876</b>      | <b>68,020,949</b> | <b>67,519,731</b> |
| 166,948                     | 146,191           | -                  | -                  | 2,935,934         | 2,674,107         |
| 189,537                     | 192,039           | -                  | -                  | 189,537           | 192,039           |
| 139                         | 141               | -                  | -                  | 278,161           | 204,597           |
| 682                         | 1,257             | -                  | -                  | 1,953             | 2,703             |
| 2,013,413                   | 1,876,191         | -                  | -                  | 3,977,705         | 3,350,633         |
| 1,793,762                   | 1,570,165         | -                  | -                  | 9,078,319         | 7,207,750         |
| 547,743                     | 526,930           | (2,164,483)        | (1,933,723)        | 1,824,561         | 1,750,692         |
| <b>25,143,617</b>           | <b>24,957,109</b> | <b>(2,122,665)</b> | <b>(1,888,847)</b> | <b>86,307,119</b> | <b>82,902,252</b> |
| 5,950,338                   | 5,688,280         | -                  | -                  | 42,918,452        | 40,777,703        |
| 7,505,243                   | 7,541,881         | -                  | -                  | 7,505,243         | 7,541,881         |
| 420,975                     | 400,112           | -                  | -                  | 8,271,094         | 6,195,961         |
| 360,264                     | 328,311           | -                  | -                  | 926,328           | 841,591           |
| 236,172                     | 249,089           | -                  | -                  | 740,243           | 632,195           |
| 3,612,187                   | 3,558,519         | -                  | -                  | 3,641,430         | 3,586,740         |
| 886,870                     | 750,361           | -                  | -                  | 2,564,379         | 2,380,681         |
| 36,098                      | 37,787            | 3,742,689          | 3,741,717          | 4,433,154         | 4,370,255         |
| 3,324,616                   | 3,188,682         | (2,149,937)        | (1,957,573)        | 3,820,129         | 3,819,014         |
| <b>22,332,763</b>           | <b>21,743,022</b> | <b>1,592,752</b>   | <b>1,784,144</b>   | <b>74,820,452</b> | <b>70,146,021</b> |

| Segment statement of income<br>in EUR thousand   | Property and casualty reinsurance |                               |
|--|-----------------------------------|-------------------------------|
|  | 1.1. - 31.3.2022                  | 1.1. - 31.3.2021 <sup>1</sup> |
| Gross written premium  | 7,148,815                         | 5,692,888                     |
| Net premium earned   | 4,782,473                         | 3,863,057                     |
| Net investment income  | 305,666                           | 268,543                       |
| thereof  |                                   |                               |
| Change in fair value of financial instruments  | 4,558                             | 1,720                         |
| Total depreciation, impairments and appreciation of investments                                      | 14,565                            | 21,046                        |
| Income / expense on funds withheld and contract deposits   | 4,631                             | 3,543                         |
| Claims and claims expenses   | 3,376,365                         | 2,642,608                     |
| Change in benefit reserve  | –                                 | –                             |
| Commission and brokerage, change in deferred acquisition costs and other technical income / expenses | 1,316,289                         | 1,015,608                     |
| Administrative expenses  | 68,215                            | 61,053                        |
| Other income and expenses  | (43,566)                          | (100,264)                     |
| <b>Operating profit / loss (EBIT)</b>  | <b>283,704</b>                    | <b>312,067</b>                |
| Financing costs  | 561                               | 522                           |
| <b>Net income before taxes</b>   | <b>283,143</b>                    | <b>311,545</b>                |
| Taxes  | 88,800                            | 37,715                        |
| <b>Net income</b>  | <b>194,343</b>                    | <b>273,830</b>                |
| thereof  |                                   |                               |
| Non-controlling interest in profit or loss   | 17,757                            | 12,694                        |
| <b>Group net income</b>  | <b>176,586</b>                    | <b>261,136</b>                |

<sup>1</sup> Restated pursuant to IAS 8



| Life and health reinsurance |                               | Consolidation    |                  | Total            |                               |
|-----------------------------|-------------------------------|------------------|------------------|------------------|-------------------------------|
| 1.1. - 31.3.2022            | 1.1. - 31.3.2021 <sup>1</sup> | 1.1. - 31.3.2022 | 1.1. - 31.3.2021 | 1.1. - 31.3.2022 | 1.1. - 31.3.2021 <sup>1</sup> |
| 2,184,615                   | 2,116,376                     | –                | –                | 9,333,430        | 7,809,264                     |
| 1,927,701                   | 1,829,650                     | –                | –                | 6,710,174        | 5,692,707                     |
| 177,972                     | 171,978                       | 227              | 535              | 483,865          | 441,056                       |
|                             |                               |                  |                  |                  |                               |
| 17,016                      | (51,419)                      | –                | –                | 21,574           | (49,699)                      |
| 8                           | 8                             | –                | –                | 14,573           | 21,054                        |
| 50,210                      | 126,958                       | –                | –                | 54,841           | 130,501                       |
| 1,775,424                   | 1,743,163                     | –                | –                | 5,151,789        | 4,385,771                     |
| (82,401)                    | (52,287)                      | –                | –                | (82,401)         | (52,287)                      |
|                             |                               |                  |                  |                  |                               |
| 342,837                     | 322,599                       | –                | –                | 1,659,126        | 1,338,207                     |
| 70,220                      | 64,933                        | 64               | 123              | 138,499          | 126,109                       |
| 113,430                     | 168,756                       | (507)            | (621)            | 69,357           | 67,871                        |
| <b>113,023</b>              | <b>91,976</b>                 | <b>(344)</b>     | <b>(209)</b>     | <b>396,383</b>   | <b>403,834</b>                |
| 364                         | 393                           | 20,187           | 17,805           | 21,112           | 18,720                        |
| <b>112,659</b>              | <b>91,583</b>                 | <b>(20,531)</b>  | <b>(18,014)</b>  | <b>375,271</b>   | <b>385,114</b>                |
| 10,611                      | 34,084                        | (6,618)          | (5,950)          | 92,793           | 65,849                        |
| <b>102,048</b>              | <b>57,499</b>                 | <b>(13,913)</b>  | <b>(12,064)</b>  | <b>282,478</b>   | <b>319,265</b>                |
|                             |                               |                  |                  |                  |                               |
| 1,117                       | 678                           | –                | –                | 18,874           | 13,372                        |
| <b>100,931</b>              | <b>56,821</b>                 | <b>(13,913)</b>  | <b>(12,064)</b>  | <b>263,604</b>   | <b>305,893</b>                |

# Consolidated cash flow statement as at 31 March 2022

| in EUR thousand  | 1.1. - 31.3.2022   | 1.1. - 31.3.2021 <sup>1</sup> |
|--|--------------------|-------------------------------|
| <b>I. Cash flow from operating activities</b>                            |                    |                               |
| Net income   | 282,478            | 319,265                       |
| Appreciation / depreciation  | 22,548             | 36,684                        |
| Realised gains and losses on investments                                 | (41,761)           | (90,182)                      |
| Change in fair value of financial instruments (through profit or loss)   | (21,574)           | 49,699                        |
| Amortisation   | (37,039)           | 32,887                        |
| Changes in funds withheld  | (153,738)          | (217,412)                     |
| Net changes in contract deposits   | (112,325)          | 146,125                       |
| Changes in prepaid reinsurance premium                                   | 1,878,160          | 1,453,513                     |
| Change in tax assets / provisions for taxes                              | 24,894             | 115,470                       |
| Change in benefit reserve  | (88,881)           | (36,915)                      |
| Change in claims reserves  | 1,220,227          | 1,038,231                     |
| Change in deferred acquisition costs                                     | (529,444)          | (306,040)                     |
| Change in other technical provisions                                     | 68,674             | 42,118                        |
| Change in accounts receivable / payable                                  | (1,651,921)        | (1,011,773)                   |
| Change in other assets and liabilities                                   | 409,067            | 114,607                       |
| <b>Cash flow from operating activities</b>                               | <b>1,269,365</b>   | <b>1,686,277</b>              |
| <b>II. Cash flow from investing activities</b>                           | <b>(1,319,499)</b> | <b>(2,288,056)</b>            |
| <b>III. Cash flow from financing activities</b>                          | <b>23,834</b>      | <b>689,173</b>                |
| <b>IV. Exchange rate differences on cash</b>                             | <b>41,056</b>      | <b>48,900</b>                 |
| <b>Cash and cash equivalents at the beginning of the period</b>          | <b>1,355,114</b>   | <b>1,278,071</b>              |
| <b>Change in cash and cash equivalents (I. + II. + III. + IV.)</b>       | <b>14,756</b>      | <b>136,294</b>                |
| <b>Cash and cash equivalents at the end of the period</b>                | <b>1,369,870</b>   | <b>1,414,365</b>              |
| <b>Supplementary information on the cash flow statement <sup>2</sup></b> |                    |                               |
| Income taxes paid (on balance)   | (59,699)           | 56,209                        |
| Dividend receipts <sup>3</sup>   | 40,297             | 60,828                        |
| Interest received  | 377,648            | 357,989                       |
| Interest paid  | (42,194)           | (92,920)                      |

<sup>1</sup> Restated pursuant to IAS 8

<sup>2</sup> The income taxes paid, dividend receipts as well as interest received and paid are included entirely in the cash flow from operating activities.

<sup>3</sup> Including dividend-like profit participations from investment funds

## Other information

The present document is a quarterly statement pursuant to Section 51a of the Exchange Rules for the Frankfurter Wertpapierbörse (BörsO FWB). It was drawn up according to International Financial Reporting Standards (IFRS) as applicable in the EU, but does not constitute an interim financial report as defined by IAS 34 "Interim Financial Reporting" or a financial statement as defined by IAS 1 "Presentation of Financial Statements". Estimates are subject to a greater degree of uncertainty in view of the coronavirus pandemic.

The accounting policies are essentially the same as those applied in the consolidated financial statement as at 31 December 2021. In the 2022 financial year, the "Amendments to IFRS 3 Business Combinations, IAS 16 Property, Plant and Equipment, IAS 37 Provisions, Contingent Liabilities and Contingent Assets" and "Annual Improvements 2018-2020" are to be applied for the first time. Hannover Re is exercising the temporary exemption from applying IFRS 9 "Financial Instruments" that is available to companies whose activities are predominantly connected with insurance.

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