

Quarterly statement  
as at 30 September 2022

# Key figures

in EUR million	2022					2021		
	1.1.– 30.6.	1.7.– 30.9.	+/- previous year	1.1.– 30.9.	+/- previous year	1.7.– 30.9.	1.1.– 30.9.	31.12.
<b>Results</b>								
Gross written premium	17,342.4	8,909.0	+24.5%	26,251.3	+21.4%	7,155.0	21,619.6	
Net premium earned	13,766.7	7,819.1	+27.8%	21,585.7	+22.4%	6,118.6	17,633.9	
Net underwriting result <sup>1</sup>	(39.8)	(15.9)		(55.7)		(187.0)	(62.8)	
Net investment income	980.0	400.3	-18.5%	1,380.3	+1.7%	491.1	1,356.9	
Operating profit (EBIT)	919.3	408.9	+26.0%	1,328.2	+3.7%	324.5	1,280.6	
Group net income	648.7	221.9	+19.7%	870.6	+1.7%	185.4	855.9	
<b>Balance sheet</b>								
Policyholders' surplus	12,661.1			11,921.4	-24.2%			15,733.6
Equity attributable to shareholders of Hannover Rück SE	8,969.3			8,251.1	-30.6%			11,885.0
Non-controlling interests	712.6			690.4	-20.8%			871.2
Hybrid capital	2,979.2			2,979.9	+0.1%			2,977.4
Investments (excl. funds withheld by ceding companies)	56,230.5			58,016.1	+3.2%			56,213.2
Total assets	87,802.8			91,205.9	+10.0%			82,902.3
<b>Share</b>								
Earnings per share (basic and diluted) in EUR	5.38	1.84	+19.7%	7.22	+1.7%	1.54	7.10	
Book value per share in EUR	74.37			68.42	-30.6%		94.60	98.55
Share price at the end of the period in EUR	138.50			154.20	-7.7%		151.35	167.15
Market capitalisation at the end of the period	16,702.7			18,596.1	-7.7%		18,252.4	20,157.8
<b>Ratios</b>								
Combined ratio (property and casualty reinsurance) <sup>1</sup>	99.0%	99.6%		99.2%		101.5%	97.9%	
Large losses as percentage of net premium earned (property and casualty reinsurance) <sup>2</sup>	8.7%	11.0%		9.5%		17.6%	8.9%	
Retention	90.9%	90.1%		90.7%		88.4%	89.8%	
Return on investment (excl. funds withheld by ceding companies)	3.0%	2.6%		2.9%		3.3%	2.9%	
EBIT margin <sup>3</sup>	6.7%	5.2%		6.2%		5.3%	7.3%	
Return on equity (after tax)	12.4%	10.3%		11.5%		6.6%	10.2%	

<sup>1</sup> Including interest on funds withheld and contract deposits

<sup>2</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>3</sup> Operating result (EBIT)/net premium earned

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The present document is a quarterly statement pursuant to Section 53 of the Exchange Rules for the Frankfurter Wertpapierbörse.

For further information please see the section "Other information" on page 19 of this document.

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# Quarterly statement as at 30 September 2022

## Business development

- Gross premium for the Group up by 21.4%; sustained strong demand for high-quality reinsurance protection
- Considerable major loss expenditure in property and casualty reinsurance; significantly improved profitability in life and health reinsurance
- Return on investment reaches 2.9% and is ahead of full-year target
- Group net income of EUR 870.6 million slightly higher than previous year's result
- Return on equity reaches 11.5% and thus remains above minimum target
- Capital adequacy ratio under Solvency II continues to be very robust at 231.8%

Despite numerous challenges, Hannover Re can look back on a nine-month result that underscores the resilience of its business model as a globally diversified and robustly capitalised reinsurer.

Among the current challenges, particular mention should be made of soaring inflation rates around the world. Combined with an increase in large losses, this is leading to sharply higher expenditures for insurers and reinsurers alike. At the same time, the industry finds itself facing the consequences of the protracted war in Ukraine and a pandemic that has still not been defeated. Central banks are responding with sometimes steep hikes in interest rates in order to fight inflation. There will, however, be a time lag before these are reflected favourably in investment income.

These multiple challenges are fuelling demand for high-quality reinsurance protection such as that offered by Hannover Re. The profitable growth in our business was therefore sustained.

Our gross written premium for the Group increased by 21.4 % as at 30 September 2022 to EUR 26.3 billion (previous year: EUR 21.6 billion). Growth would have reached 13.5% at constant exchange rates. The retention was roughly on a par with the previous year at 90.7% (89.8 %). Net premium earned increased by 22.4 % to EUR 21.6 billion (EUR 17.6 billion), equivalent to growth of 14.6% adjusted for exchange rate effects.

Net investment income improved by 1.7 % year over year to EUR 1,380.3 million (EUR 1,356.9 million). The annualised return on investment thus reached 2.9% and was comfortably above the full-year target of more than 2.5%.

Other income and expenses declined by 20.0% to EUR 160.7 million (EUR 201.0 million).

The operating profit (EBIT) for the Hannover Re Group improved by 3.7 % to EUR 1,328.2 million (EUR 1,280.6 million). Group net income in the first nine months of the year grew by a modest 1.7 % to EUR 870.6 million (EUR 855.9 million). Earnings per share came in at EUR 7.22 (EUR 7.10). While considerable major loss expenditure weighed on the result in property and casualty reinsurance, life and health reinsurance and the investments made very pleasing contributions to Group net income.

Hannover Re's shareholders' equity decreased to EUR 8.3 billion as at 30 September 2022 (31 December 2021: EUR 11.9 billion) on account of interest rate movements. The annualised return on equity amounted to 11.5 % (31 December 2021: 10.8 %), clearly beating the minimum target of 900 basis points above the risk-free interest rate. The book value per share thus totalled EUR 68.42 (31 December 2021: EUR 98.55).

The capital adequacy ratio under Solvency II stood at 231.8% at the end of September and thus remained comfortably above our internal limit of 180% and our threshold of 200%.

# Result of operations, financial position and net assets

## Property and casualty reinsurance

- Gross premium grows by 27.6%
- Trend towards rate increases in the treaty renewals gains added impetus
- Major loss expenditure of EUR 1,484 million significantly higher than budgeted; this figure includes provision of EUR 331 million for possible losses from Ukraine war
- Operating profit contracts by 16.4 % compared to previous year

The first nine months of the year in property and casualty reinsurance were notable for large losses clearly above expectations and at the same time high rates of inflation. The ongoing war in Ukraine and the Covid-19 pandemic – which has still not been defeated – were an additional drag on the market environment.

In response to the numerous challenges, the trend towards improved prices and conditions is likely to gain added impetus on both the insurance and reinsurance side. In this context, technical profitability remains the overriding priority for Hannover Re, especially against the backdrop of a sharp uptick in inflation in some areas.

Hannover Re therefore expects further risk-adjusted price increases and improved conditions in property and casualty reinsurance. We traditionally report price changes on a risk-adjusted basis, meaning that the pricing movements reported by us already make allowance for higher rates of inflation.

Given that high-quality reinsurance protection such as that offered by Hannover Re is in high demand among customers against the backdrop of the challenging market and risk situation, the latest rounds of treaty renewals in property and casualty reinsurance as at 1 June and 1 July passed off very favourably for our company. It is at this time of the year that Hannover Re renegotiates parts of the North American portfolio, some natural catastrophe risks and certain reinsurance risks in credit and surety business. The main renewal season also takes place for business in Australia and New Zealand. On the whole, further – in some instances significant – risk-adjusted price increases were obtained in the renewed business. These were particularly striking for loss-affected programmes or regions, such as Australia and North America.

Gross written premium in the Property&Casualty reinsurance business group increased by 27.6 % to EUR 19.5 billion (previous year: EUR 15.3 billion). At constant exchange rates growth would have reached 18.6%. Net premium earned improved by 28.9 % to EUR 15.6 billion (EUR 12.1 billion); growth would have amounted to 20.2% adjusted for exchange rate effects.

Expenditure for large losses had already exceeded our expectations in the first half of the year due to reserves established for possible losses from the war in Ukraine and on account of extensive flood damage in Australia and winter storms in Europe. At the end of September Hurricane Ian then left a devastating trail of destruction across Cuba as well as, most significantly, the US states of Florida and South Carolina – putting it at the top of the current year's largest insured losses by a wide margin.

Hannover Re's net burden of large losses as at 30 September thus came to altogether EUR 1,484 million (EUR 1,070 million). This was considerably higher than the figure of EUR 1,079 million that we had budgeted for the first nine months. The largest individual losses for net account were Hurricane Ian with a net strain of EUR 276.0 million, the severe flooding in Australia totalling EUR 210.6 million and winter storm Ylenia, which impacted central Europe in February at a cost of EUR 114.8 million. In addition, Hannover Re has set aside an IBNR reserve of EUR 330.8 million for possible losses from the war in Ukraine.

Furthermore, additional reserves were constituted in the first nine months for sizeable losses from the previous year based on corresponding loss advices, including in the amount of EUR 130 million for the drought in Brazil. We designate events for which we anticipate gross loss payments of more than EUR 10 million as major losses.

We are now also in a better position to quantify the pandemic-related losses incurred in property and casualty reinsurance. Among other things, a positive run-off was recorded in the first nine months in the area of credit, surety and political risks, whereas the pandemic strains in accident and health insurance in the Asia-Pacific region, for example, proved to be higher than anticipated.

The underwriting result for property and casualty reinsurance including interest on funds withheld and contract deposits stood at EUR 120.8 million (EUR 252.6 million). The combined ratio amounted to 99.2 % (97.9 %).

The income from assets under own management booked for property and casualty reinsurance improved slightly by 3.8% to EUR 993.1 million (EUR 956.9 million). The other income and expenses include exchange rate losses of EUR 138.8 million (EUR 104.7 million), although these are opposed by corresponding exchange rate gains booked in equity.

The operating profit (EBIT) for the Property&Casualty reinsurance business group fell by 16.4 % to EUR 887.3 million (EUR 1,061.2 million). Net income retreated by 26.3 % to EUR 544.6 million (EUR 739.2 million).

### Key figures for property and casualty reinsurance

in EUR million	2022					2021	
	1.1.– 30.6.	1.7.– 30.9.	+/- previous year	1.1.– 30.9.	+/- previous year	1.7.– 30.9.	1.1.– 30.9.
Gross written premium	12,921.9	6,562.2	+31.2%	19,484.1	+27.6%	5,002.8	15,269.3
Net premium earned	9,819.4	5,742.4	+35.8%	15,561.8	+28.9%	4,229.3	12,075.9
Net underwriting result <sup>1</sup>	95.6	25.2		120.8	-52.2%	(64.1)	252.6
Net investment income	693.5	349.5	-13.7%	1,043.0	+5.4%	404.9	989.3
Operating result (EBIT)	586.1	301.2	+6.3%	887.3	-16.4%	283.3	1,061.2
Group net income	398.6	146.0	-0.8%	544.6	-26.3%	147.1	739.2
Earnings per share in EUR	3.30	1.21	-0.8%	4.52	-26.3%	1.22	6.13
EBIT margin <sup>2</sup>	6.0%	5.2%		5.7%		6.7%	8.8%
Combined ratio <sup>1</sup>	99.0%	99.6%		99.2%		101.5%	97.9%
Retention	91.7%	90.6%		91.3%		88.4%	90.4%

<sup>1</sup> Including interest on funds withheld and contract deposits

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

## Life and health reinsurance

- Gross premium grows by 6.6%
- Sustained customer interest in tailor-made financial solutions and longevity covers
- Significant decrease in pandemic-related losses
- Operating result doubles to EUR 441.3 million

Brisk customer interest in financial solutions and longevity covers remains undiminished in life and health reinsurance. When it comes to mortality covers, on the other hand, the Covid-19 pandemic continues to be a dominant issue, even though the disease progressions caused by the currently dominant virus variants are less life-threatening.

The pandemic-related losses incurred by Hannover Re in life and health reinsurance in the first nine months totalled EUR 227.8 million. Of this, the third quarter accounted for EUR 33.6 million. By way of comparison, the second-quarter losses amounted to EUR 71.6 million after EUR 122.6 million in the first quarter. Overall, it remains our assumption that the expenditures for Hannover Re will progressively diminish.

As at the end of September we booked income of EUR 97.3 million from our extreme mortality cover – layers of which we have placed on the capital market on a regular basis since 2013 – on the investments side in life and health

reinsurance under assets recognised at fair value through profit or loss.

Russia's war on Ukraine, on the other hand, did not have any direct implications for our Life&Health reinsurance business group because we have not written significant business in either of the two countries.

In our financial solutions business we continued to expand our portfolio in numerous markets, including in China and the United States. Furthermore, demand around the world for solutions designed to protect against longevity risks is showing sustained growth. The writing of our first longevity reinsurance treaties in both Australia and Germany during the year was a particularly gratifying development. Along with pleasing demand in the United Kingdom, which remains our largest market, the surge in interest seen in the United States, Canada and Australia similarly shows no signs of abating.

The gross premium written in the Life&Health reinsurance business group climbed by 6.6 % as at 30 September to EUR 6.8 billion (previous year: EUR 6.4 billion). Adjusted for exchange rate effects, growth stood at 1.1%. Net premium earned increased by 8.4 % to EUR 6.0 billion (EUR 5.6 billion). At constant exchange rates the increase would have reached 2.5%.

The income generated for life and health reinsurance from assets under own management improved by 24.2 % to EUR 229.1 (EUR 184.5 million). This includes the aforementioned income of EUR 97.3 million booked from the extreme mortality cover as well as a negative valuation effect of EUR 144.1 million from a derivative associated with a reinsurance treaty in the United Kingdom.

The underwriting result including interest on funds withheld and contract deposits stood at EUR -176.7 million (EUR -315.3 million). The restructuring of a treaty with a cedant in the second quarter resulted in a positive one-time effect of EUR 40 million, which was recognised under other income.

The operating result (EBIT) doubled to EUR 441.3 million (EUR 220.1 million). The contribution made by life and health reinsurance to Group net income improved even more appreciably to EUR 369.2 million (EUR 149.7 million).

### Key figures for life and health reinsurance

in EUR million	2022					2021	
	1.1.– 30.6.	1.7.– 30.9.	+/- previous year	1.1.– 30.9.	+/- previous year	1.7.– 30.9.	1.1.– 30.9.
Gross written premium	4,420.5	2,346.8	+9.0%	6,767.2	+6.6%	2,152.2	6,350.3
Net premium earned	3,947.3	2,076.4	+9.9%	6,023.7	+8.4%	1,889.2	5,557.7
Investment income	286.0	50.4	-41.4%	336.4	-8.3%	86.0	366.6
Operating result (EBIT)	333.8	107.6	+162.0%	441.3	+100.5%	41.1	220.1
Net income after tax	279.6	89.6	+99.4%	369.2	+146.6%	44.9	149.7
Earnings per share in EUR	2.32	0.74	+99.4%	3.06	+146.6%	0.37	1.24
Retention	88.8%	88.8%		88.8%		88.4%	88.3%
EBIT margin <sup>1</sup>	8.5%	5.2%		7.3%		2.2%	4.0%

<sup>1</sup> Operating result (EBIT)/net premium earned

## Investments

- Sharply higher interest rates in main currency areas affect fixed-income securities
- Portfolio of assets under own management reaches EUR 58.0 billion
- Ordinary investment income improves by 30.1 %
- Net investment income up slightly by 1.7%
- Return on investment reaches 2.9%

Our investments performed broadly in line with our expectations in the first nine months of the year despite numerous geopolitical and economic difficulties. Most notably, the war in Ukraine and the still ongoing Covid-19 pandemic as well as the associated sharp surge in inflation are currently confronting the global economy with particular challenges. Our investments benefited overall from the fact that we had already tended to adopt a more cautious posture from the end of last year onwards with an eye to anticipated central bank moves and inflationary developments.

Our fixed-income portfolio has been significantly affected by the monetary policy pursued by central banks. Skyrocketing inflation prompted the US Federal Reserve and many other central banks to decisively tighten their monetary policy by raising short-term interest rates and stopping their bond buying programmes. Inflation concerns and elevated government debt levels are also taking a toll on many countries. This has led to a steep rise in interest rates across virtually all maturity segments in our main currency areas, in turn causing the valuation reserves for our fixed-income securities to fall into clearly negative territory. Nevertheless, higher interest rates also have

substantially favourable implications for new investments and reinvestment activities.

While prices for bonds issued by developing countries and lower-quality issuers initially remained relatively stable, risk premiums here subsequently increased appreciably from the second quarter onwards. The declines in fair value resulting from the interest rate and spread movements were partially offset by our high proportion of foreign currency holdings and the sharp strengthening of some currencies – especially the US dollar – against the euro.

Equity markets posted the poorest performance seen in recent years over the period under review. Through timely liquidation of our positions we nevertheless generated a positive profit contribution here of EUR 94 million.

At the same time high inflation remains a major preoccupation, although we are countering this very successfully with income from our holding of inflation-linked bonds. They played a very pleasing part in our ordinary investment income with a positive profit contribution of EUR 300.9 million.

Our portfolio of assets under own management grew to EUR 58.0 billion as at 30 September (31 December 2021: EUR 56.2 billion). Higher interest rates and risk premiums significantly reduced the fair values of our fixed-income securities. These declines were, however, offset by the strong operating cash flow and positive exchange rate effects. The unrealised losses in our fixed-income portfolio amounted to EUR 5.9 billion as at the end of September. This contrasted with unrealised gains of EUR 1.4 billion recognised as at 31 December 2021.

Leaving aside the liquidation of our holdings of listed equities, we kept our asset allocation broadly stable in the first nine months of the year. In the real estate sector we acted on market opportunities to strengthen our portfolio in South America and Europe.

The modified duration of our fixed-income portfolio – at 4.8 (5.8) – was lower in comparison with the end of the previous year. This was not, however, due to any active reduction in the maturity profile of our securities; rather, the calculation merely reflects the larger fair value declines on instruments with longer maturities.

Totalling EUR 1,409.1 million (EUR 1,083.2 million), it is pleasing to note that the ordinary investment income excluding interest on funds withheld and contract deposits came in comfortably above the level of the previous year's period.

Ordinary income from fixed-income securities and the real estate sector was considerably higher than in the comparable period. Significantly stronger earnings from our portfolio of inflation-linked bonds, which we hold to limit possible inflation risks, were also a factor here. On the other hand, income booked from alternative investment funds was down year-on-year. Interest on funds withheld and contract deposits similarly came in lower at EUR 157.2 million (EUR 214.5 million).

The net balance of gains realised on disposals amounted to EUR 15.0 million (EUR 237.6 million) and can be attributed primarily to the liquidation of our portfolio of listed equities and regrouping moves in our credit portfolios as well as to general portfolio maintenance. In addition, we sold parts of our holdings of Russian and Ukrainian bonds in the first quarter. At the end of the reporting period our portfolio still contained Russian and Ukrainian government bonds with volumes of EUR 97.0 million and EUR 3.1 million respectively.

Impairments of altogether EUR 112.7 million (EUR 51.8 million) were taken on our investments. Of this, EUR 13.3 million (EUR 16.0 million) was attributable to alternative investments and EUR 9.6 million (EUR 7.1 million) to real estate funds. Fixed-income securities accounted for EUR 51.8 million (EUR 0.2 million). The majority of issuers involved here were Russian or Ukrainian. The depreciation recognised on directly held real estate climbed to EUR 35.3 million (EUR 27.9 million), reflecting the further increase in our exposure to this sector.

Income of EUR 97.3 million was booked from our extreme mortality cover in the investments recognised at fair value through profit or loss. This was opposed by a negative valuation effect of altogether EUR 144.1 million from a derivative associated with a reinsurance treaty in the United Kingdom, of which EUR 25.6 million is included under disposal gains and losses.

Altogether, the unrealised gains in our assets recognised at fair value through profit or loss amounted to EUR 10.3 million. This contrasted with losses of EUR 48.5 million in the previous year.

Thanks to strong ordinary income, the investment income of EUR 1,380.3 million (EUR 1,356.9 million) was on the level of the comparable period despite lower net realised gains and higher impairments. Income from assets under own management actually increased to EUR 1,223.1 million (EUR 1,142.4 million), producing an annualised average return (including effects from derivatives) of 2.9%.



## Key figures for investments

in EUR million	2022					2021	
	1.1.– 30.6.	1.7.– 30.9.	+/- previous year	1.1.– 30.9.	+/- previous year	1.7.– 30.9.	1.1.– 30.9.
Ordinary investment income <sup>1</sup>	869.6	539.5	+34.4%	1,409.1	+30.1%	401.5	1,083.2
Result from participations in associated companies	33.5	(10.2)		23.2	+2.8%	6.6	22.6
Realised gains/losses	52.3	(37.3)	-139.0%	15.0	-93.7%	95.6	237.6
Appreciation <sup>2</sup>	51.9	60.7		112.7	+117.7%	13.4	51.8
Change in fair value of financial instruments <sup>3</sup>	27.9	(17.6)		10.3	-121.2%	(5.3)	(48.5)
Investment expenses	78.0	43.9	+21.2%	121.9	+20.9%	36.2	100.8
Net investment income from assets under own management	853.3	369.8	-17.6%	1,223.1	+7.1%	448.7	1,142.4
Net investment income from funds withheld	126.6	30.5	-28.0%	157.2	-26.7%	42.4	214.5
<b>Total investment income</b>	<b>980.0</b>	<b>400.3</b>	<b>-18.5%</b>	<b>1,380.3</b>	<b>+1.7%</b>	<b>491.1</b>	<b>1,356.9</b>

<sup>1</sup> Including interest on funds withheld and contract deposits

<sup>2</sup> Including depreciation / impairments on real estate

<sup>3</sup> Portfolio measured at fair value through profit or loss and held for trading

## Outlook for 2022

- Earnings guidance for 2022 still achievable despite considerable large loss expenditures
- Group gross premium expected to grow by more than 7.5% adjusted for exchange rate effects
- Return on investment of more than 2.5% expected

Even at this stage, after nine months, 2022 can already be considered a year in which large losses clearly exceeded expectations. At the same time, it is not possible to accurately predict the effects of the war in Ukraine on worldwide insurance markets or the further course of the pandemic. In view of Hannover Re's considerable resilience and strong profitability, we nevertheless believe that our full-year earnings guidance remains attainable.

After the substantial major losses incurred in the third quarter, however, the combined ratio of 96% or better targeted for the medium term can no longer be achieved in this financial year.

In life and health reinsurance, the future pandemic-related loss experience will be dependent on the success of vaccination campaigns and containment efforts around the world as well as on the danger posed by emerging virus variants. On the whole, it remains our expectation that losses due to Covid-19 will diminish progressively.

Our anticipated return on investment of more than 2.5% remains unchanged for the current financial year. Gross premium for the Group should grow by more than 7.5% adjusted for exchange rate effects.

On the Group level we still consider the net income guidance for the 2022 financial year of EUR 1.4 billion to EUR 1.5 billion to be attainable and anticipate a Group profit at the lower end of this range. Achievement of these targets is dependent on large loss expenditure in the fourth quarter not significantly exceeding the budgeted level and assumes that the Covid-19 pandemic does not have a major unexpected influence on the result in life and health reinsurance and that there are no unforeseen distortions on capital markets.

The anticipated significant overshoot of the large loss budget will be offset in the current financial year by, in particular, investment income from inflation-linked bonds that is above the expected level and a good underlying result in life and health reinsurance. In the fourth quarter, too, Hannover Re expects to book a positive profit contribution from its holding of inflation-linked bonds.

The capital adequacy ratio at the end of the year should remain comfortably above our limit of 180% and our threshold of 200%.

Hannover Re continues to aim for an ordinary dividend at least on the level of the previous year or higher. 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 30 September 2022

### Assets

in EUR thousand	30.9.2022	31.12.2021
Fixed-income securities - held to maturity	48,298	48,632
Fixed-income securities - loans and receivables	2,329,226	2,443,629
Fixed-income securities - available for sale	45,329,813	45,473,677
Fixed-income securities - at fair value through profit or loss	128,268	81,308
Equity securities - available for sale	15,522	314,453
Other financial assets - at fair value through profit or loss	511,784	248,233
Investment property	2,282,930	1,818,754
Real estate funds	1,002,942	805,912
Investments in associated companies	242,755	238,110
Other invested assets	3,480,642	2,941,633
Short-term investments	1,001,522	443,793
Cash and cash equivalents	1,642,431	1,355,114
<b>Total investments and cash under own management</b>	<b>58,016,133</b>	<b>56,213,248</b>
Funds withheld	12,103,337	10,803,071
Contract deposits	668,705	503,412
<b>Total investments</b>	<b>70,788,175</b>	<b>67,519,731</b>
Reinsurance recoverables on unpaid claims	2,910,943	2,674,107
Reinsurance recoverables on benefit reserve	231,042	192,039
Prepaid reinsurance premium	365,202	204,597
Reinsurance recoverables on other technical reserves	549	2,703
Deferred acquisition costs	4,254,892	3,350,633
Accounts receivable	9,564,537	7,207,750
Goodwill	82,046	83,933
Deferred tax assets	2,070,878	676,344
Other assets	914,705	972,167
Accrued interest and rent	22,898	18,248
<b>Total assets</b>	<b>91,205,867</b>	<b>82,902,252</b>

## Liabilities

in EUR thousand	30.9.2022	31.12.2021
Loss and loss adjustment expense reserve	47,373,425	40,777,703
Benefit reserve	7,446,980	7,541,881
Unearned premium reserve	9,201,970	6,195,961
Other technical provisions	1,145,393	841,591
Funds withheld	781,674	632,195
Contract deposits	3,614,857	3,586,740
Reinsurance payable	3,210,698	2,380,681
Provisions for pensions	141,600	208,750
Taxes	182,179	92,023
Deferred tax liabilities	2,622,916	2,836,374
Other liabilities	2,008,767	681,867
Financing liabilities	4,533,893	4,370,255
<b>Total liabilities</b>	<b>82,264,352</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	(3,266,673)	1,768,312
Cumulative foreign currency translation adjustment	1,544,601	366,231
Changes from hedging instruments	(3,302)	(8,618)
Other changes in cumulative other comprehensive income	(31,661)	(71,851)
<b>Total other comprehensive income</b>	<b>(1,757,035)</b>	<b>2,054,074</b>
Retained earnings	9,162,966	8,985,770
<b>Equity attributable to shareholders of Hannover Rück SE</b>	<b>8,251,090</b>	<b>11,885,003</b>
Non-controlling interests	690,425	871,228
<b>Total shareholders' equity</b>	<b>8,941,515</b>	<b>12,756,231</b>
<b>Total liabilities</b>	<b>91,205,867</b>	<b>82,902,252</b>

## Consolidated statement of income as at 30 September 2022

in EUR thousand	1.7. - 30.9.2022	1.1. - 30.9.2022	1.7. - 30.9.2021	1.1. - 30.9.2021
Gross written premium	8,908,990	26,251,341	7,155,047	21,619,646
Ceded written premium	878,651	2,452,351	827,680	2,212,223
Change in gross unearned premium	(234,532)	(2,349,546)	(243,350)	(1,905,724)
Change in ceded unearned premium	23,250	136,290	34,539	132,155
<b>Net premium earned</b>	<b>7,819,057</b>	<b>21,585,734</b>	<b>6,118,556</b>	<b>17,633,854</b>
Ordinary investment income	539,491	1,409,072	401,511	1,083,212
Profit / loss from investments in associated companies	(10,240)	23,227	6,565	22,584
Realised gains and losses on investments	(37,260)	15,039	95,622	237,643
Change in fair value of financial instruments	(17,555)	10,299	(5,329)	(48,470)
Total depreciation, impairments and appreciation of investments	60,736	112,659	13,385	51,757
Other investment expenses	43,913	121,866	36,245	100,823
<b>Net income from investments under own management</b>	<b>369,787</b>	<b>1,223,112</b>	<b>448,739</b>	<b>1,142,389</b>
Income / expense on funds withheld and contract deposits	30,514	157,156	42,359	214,510
<b>Net investment income</b>	<b>400,301</b>	<b>1,380,268</b>	<b>491,098</b>	<b>1,356,899</b>
Other technical income	-	-	-	112
<b>Total revenues</b>	<b>8,219,358</b>	<b>22,966,002</b>	<b>6,609,654</b>	<b>18,990,865</b>
Claims and claims expenses	5,931,517	16,320,040	4,988,467	13,619,006
Change in benefit reserves	(96,468)	(259,581)	(144,949)	(258,450)
Commission and brokerage, change in deferred acquisition costs	1,884,736	5,307,168	1,378,443	4,164,024
Other acquisition costs	1,475	4,286	865	3,108
Administrative expenses	144,182	426,647	125,121	383,556
<b>Total technical expenses</b>	<b>7,865,442</b>	<b>21,798,560</b>	<b>6,347,947</b>	<b>17,911,244</b>
Other income	240,170	817,386	155,115	551,296
Other expenses	185,188	656,663	92,289	350,277
Other income and expenses	54,982	160,723	62,826	201,019
<b>Operating profit / loss (EBIT)</b>	<b>408,898</b>	<b>1,328,165</b>	<b>324,533</b>	<b>1,280,640</b>
Financing costs	21,498	63,996	21,307	61,432
<b>Net income before taxes</b>	<b>387,400</b>	<b>1,264,169</b>	<b>303,226</b>	<b>1,219,208</b>
Taxes	121,775	306,136	106,053	318,198
<b>Net income</b>	<b>265,625</b>	<b>958,033</b>	<b>197,173</b>	<b>901,010</b>
thereof				
Non-controlling interest in profit and loss	43,714	87,438	11,806	45,091
<b>Group net income</b>	<b>221,911</b>	<b>870,595</b>	<b>185,367</b>	<b>855,919</b>
<b>Earnings per share (in EUR)</b>				
Basic earnings per share	1.84	7.22	1.54	7.10
Diluted earnings per share	1.84	7.22	1.54	7.10

# Consolidated statement of comprehensive income as at 30 September 2022

in EUR thousand	1.7. - 30.9.2022	1.1. - 30.9.2022	1.7. - 30.9.2021	1.1. - 30.9.2021
<b>Net income</b>	<b>265,625</b>	<b>958,033</b>	<b>197,173</b>	<b>901,010</b>
<b>Not reclassifiable to the consolidated statement of income</b>				
<b>Actuarial gains and losses</b>				
Gains (losses) recognised directly in equity	3,597	65,579	4,852	23,367
Tax income (expense)	(1,169)	(21,395)	(1,579)	(7,620)
	<b>2,428</b>	<b>44,184</b>	<b>3,273</b>	<b>15,747</b>
<b>Changes from the measurement of associated companies</b>				
Gains (losses) recognised directly in equity	-	-	32	166
	<b>-</b>	<b>-</b>	<b>32</b>	<b>166</b>
<b>Income and expense recognised directly in equity that cannot be reclassified</b>				
Gains (losses) recognised directly in equity	3,597	65,579	4,884	23,533
Tax income (expense)	(1,169)	(21,395)	(1,579)	(7,620)
	<b>2,428</b>	<b>44,184</b>	<b>3,305</b>	<b>15,913</b>
<b>Reclassifiable to the consolidated statement of income</b>				
<b>Unrealised gains and losses on investments</b>				
Gains (losses) recognised directly in equity	(2,168,674)	(7,249,536)	34,973	(383,499)
Transferred to the consolidated statement of income	57,154	27,471	(93,843)	(222,661)
Tax income (expense)	603,794	1,935,907	44,775	198,178
	<b>(1,507,726)</b>	<b>(5,286,158)</b>	<b>(14,095)</b>	<b>(407,982)</b>
<b>Currency translation</b>				
Gains (losses) recognised directly in equity	542,778	1,310,967	211,486	566,597
Tax income (expense)	(41,391)	(115,776)	(19,744)	(65,582)
	<b>501,387</b>	<b>1,195,191</b>	<b>191,742</b>	<b>501,015</b>
<b>Changes from the measurement of associated companies</b>				
Gains (losses) recognised directly in equity	(9,042)	(9,036)	(1,829)	(1,884)
	<b>(9,042)</b>	<b>(9,036)</b>	<b>(1,829)</b>	<b>(1,884)</b>
<b>Changes from hedging instruments</b>				
Gains (losses) recognised directly in equity	7,908	4,266	2,889	491
Tax income (expense)	(801)	1,025	(640)	(252)
	<b>7,107</b>	<b>5,291</b>	<b>2,249</b>	<b>239</b>
<b>Reclassifiable income and expense recognised directly in equity</b>				
Gains (losses) recognised directly in equity	(1,627,030)	(5,943,339)	247,519	181,706
Transferred to the consolidated statement of income	57,154	27,471	(93,843)	(222,661)
Tax income (expense)	561,602	1,821,156	24,391	132,344
	<b>(1,008,274)</b>	<b>(4,094,712)</b>	<b>178,067</b>	<b>91,388</b>
<b>Total income and expense recognised directly in equity</b>				
Gains (losses) recognised directly in equity	(1,623,433)	(5,877,760)	252,403	205,238
Transferred to the consolidated statement of income	57,154	27,471	(93,844)	(222,661)
Tax income (expense)	560,433	1,799,761	22,812	124,724
	<b>(1,005,846)</b>	<b>(4,050,528)</b>	<b>181,372</b>	<b>107,301</b>
<b>Total recognised income and expense</b>	<b>(740,221)</b>	<b>(3,092,495)</b>	<b>378,545</b>	<b>1,008,311</b>
thereof				
Attributable to non-controlling interests	(22,012)	(151,981)	20,052	52,046
Attributable to shareholders of Hannover Rück SE	(718,209)	(2,940,514)	358,493	956,265

## Group segment report as at 30 September 2022

Segmentation of assets in EUR thousand	Property and casualty reinsurance	
	30.9.2022	31.12.2021
<b>Assets</b>		
Fixed-income securities - held to maturity	47,915	48,286
Fixed-income securities - loans and receivables	1,849,364	1,954,457
Fixed-income securities - available for sale	35,647,351	34,837,639
Equity securities - available for sale	15,522	314,453
Financial assets at fair value through profit or loss	147,001	87,403
Other invested assets	6,134,258	5,050,754
Short-term investments	841,295	379,437
Cash	1,109,601	907,873
<b>Total investments and cash under own management</b>	<b>45,792,307</b>	<b>43,580,302</b>
Funds withheld	4,707,155	3,247,068
Contract deposits	2,929	3,290
<b>Total investments</b>	<b>50,502,391</b>	<b>46,830,660</b>
Reinsurance recoverables on unpaid claims	2,767,816	2,527,916
Reinsurance recoverables on benefit reserve	-	-
Prepaid reinsurance premium	365,056	204,456
Reinsurance recoverables on other reserves	336	1,446
Deferred acquisition costs	2,186,067	1,474,442
Accounts receivable	7,625,510	5,637,585
Other assets in the segment	4,637,638	3,157,485
<b>Total assets</b>	<b>68,084,814</b>	<b>59,833,990</b>
<b>Segmentation of liabilities</b>		
in EUR thousand		
<b>Liabilities</b>		
Loss and loss adjustment expense reserve	41,206,020	35,089,423
Benefit reserve	-	-
Unearned premium reserve	8,790,310	5,795,849
Provisions for contingent commissions	754,318	513,280
Funds withheld	525,444	383,106
Contract deposits	13,557	28,221
Reinsurance payable	2,289,256	1,630,320
Financing liabilities	757,319	590,751
Other liabilities in the segment	3,619,267	2,587,905
<b>Total liabilities</b>	<b>57,955,491</b>	<b>46,618,855</b>



Life and health reinsurance		Consolidation		Total	
30.9.2022	31.12.2021	30.9.2022	31.12.2021	30.9.2022	31.12.2021
383	346	-	-	48,298	48,632
464,139	474,123	15,723	15,049	2,329,226	2,443,629
9,655,120	10,620,228	27,342	15,810	45,329,813	45,473,677
-	-	-	-	15,522	314,453
496,222	242,138	(3,171)	-	640,052	329,541
875,011	753,655	-	-	7,009,269	5,804,409
156,490	62,923	3,737	1,433	1,001,522	443,793
527,506	434,657	5,324	12,584	1,642,431	1,355,114
<b>12,174,871</b>	<b>12,588,070</b>	<b>48,955</b>	<b>44,876</b>	<b>58,016,133</b>	<b>56,213,248</b>
7,396,182	7,556,003	-	-	12,103,337	10,803,071
665,776	500,122	-	-	668,705	503,412
<b>20,236,829</b>	<b>20,644,195</b>	<b>48,955</b>	<b>44,876</b>	<b>70,788,175</b>	<b>67,519,731</b>
143,127	146,191	-	-	2,910,943	2,674,107
231,042	192,039	-	-	231,042	192,039
234	141	(88)	-	365,202	204,597
213	1,257	-	-	549	2,703
2,068,825	1,876,191	-	-	4,254,892	3,350,633
1,939,253	1,570,165	(226)	-	9,564,537	7,207,750
827,611	526,930	(2,374,722)	(1,933,723)	3,090,527	1,750,692
<b>25,447,134</b>	<b>24,957,109</b>	<b>(2,326,081)</b>	<b>(1,888,847)</b>	<b>91,205,867</b>	<b>82,902,252</b>
6,167,405	5,688,280	-	-	47,373,425	40,777,703
7,446,980	7,541,881	-	-	7,446,980	7,541,881
411,660	400,112	-	-	9,201,970	6,195,961
391,075	328,311	-	-	1,145,393	841,591
256,230	249,089	-	-	781,674	632,195
3,601,300	3,558,519	-	-	3,614,857	3,586,740
921,794	750,361	(352)	-	3,210,698	2,380,681
32,782	37,787	3,743,792	3,741,717	4,533,893	4,370,255
3,727,859	3,188,682	(2,391,664)	(1,957,573)	4,955,462	3,819,014
<b>22,957,085</b>	<b>21,743,022</b>	<b>1,351,776</b>	<b>1,784,144</b>	<b>82,264,352</b>	<b>70,146,021</b>

Segment statement of income	Property and casualty reinsurance	
	1.1. - 30.9.2022	1.1. - 30.9.2021
in EUR thousand		
Gross written premium	19,484,111	15,269,339
Net premium earned	15,561,819	12,075,930
Net investment income	1,043,001	989,295
thereof		
Change in fair value of financial instruments	4,127	4,089
Total depreciation, impairments and appreciation of investments	106,489	51,734
Income / expense on funds withheld and contract deposits	49,888	32,390
Claims and claims expenses	10,968,774	8,436,706
Change in benefit reserve	–	–
Commission and brokerage, change in deferred acquisition costs and other technical income / expenses	4,314,588	3,233,639
Administrative expenses	207,590	185,354
Other income and expenses	(226,576)	(148,360)
<b>Operating profit / loss (EBIT)</b>	<b>887,292</b>	<b>1,061,166</b>
Financing costs	1,705	1,545
<b>Net income before taxes</b>	<b>885,587</b>	<b>1,059,621</b>
Taxes	256,893	276,043
<b>Net income</b>	<b>628,694</b>	<b>783,578</b>
thereof		
Non-controlling interest in profit or loss	84,113	44,342
<b>Group net income</b>	<b>544,581</b>	<b>739,236</b>

Life and health reinsurance		Consolidation		Total	
1.1. - 30.9.2022	1.1. - 30.9.2021	1.1. - 30.9.2022	1.1. - 30.9.2021	1.1. - 30.9.2022	1.1. - 30.9.2021
6,767,230	6,350,307	-	-	26,251,341	21,619,646
6,023,673	5,557,677	242	247	21,585,734	17,633,854
336,356	366,635	911	969	1,380,268	1,356,899
6,172	(52,559)	-	-	10,299	(48,470)
6,170	23	-	-	112,659	51,757
107,268	182,120	-	-	157,156	214,510
5,351,266	5,182,300	-	-	16,320,040	13,619,006
(259,581)	(258,450)	-	-	(259,581)	(258,450)
996,866	933,381	-	-	5,311,454	4,167,020
218,850	197,855	207	347	426,647	383,556
388,696	350,890	(1,397)	(1,511)	160,723	201,019
<b>441,324</b>	<b>220,116</b>	<b>(451)</b>	<b>(642)</b>	<b>1,328,165</b>	<b>1,280,640</b>
1,051	1,137	61,240	58,750	63,996	61,432
<b>440,273</b>	<b>218,979</b>	<b>(61,691)</b>	<b>(59,392)</b>	<b>1,264,169</b>	<b>1,219,208</b>
67,739	68,531	(18,496)	(26,376)	306,136	318,198
<b>372,534</b>	<b>150,448</b>	<b>(43,195)</b>	<b>(33,016)</b>	<b>958,033</b>	<b>901,010</b>
3,325	749	-	-	87,438	45,091
<b>369,209</b>	<b>149,699</b>	<b>(43,195)</b>	<b>(33,016)</b>	<b>870,595</b>	<b>855,919</b>

## Consolidated cash flow statement as at 30 September 2022

in EUR thousand	1.1. - 30.9.2022	1.1. - 30.9.2021
<b>I. Cash flow from operating activities</b>		
Net income	958,033	901,010
Appreciation / depreciation	159,296	87,597
Realised gains and losses on investments	(15,039)	(237,643)
Change in fair value of financial instruments (through profit or loss)	(10,299)	48,470
Amortisation	(222,495)	15,856
Changes in funds withheld	(607,824)	(763,800)
Changes in contract deposits	(446,158)	125,512
Change in prepaid reinsurance premium	2,213,119	1,773,637
Change in tax assets / provisions for taxes	218,706	277,048
Change in benefit reserve	(326,393)	(140,463)
Change in claims reserves	3,307,090	3,289,123
Change in deferred acquisition costs	(655,368)	(408,867)
Change in other technical provisions	239,958	25,924
Change in accounts receivable / payable	(1,208,208)	(1,006,611)
Change in other assets and liabilities	165,083	206,041
<b>Cash flow from operating activities</b>	<b>3,769,501</b>	<b>4,192,834</b>
<b>II. Cash flow from investing activities</b>	<b>(2,996,448)</b>	<b>(4,147,411)</b>
<b>III. Cash flow from financing activities</b>	<b>(627,022)</b>	<b>300,578</b>
<b>IV. Exchange rate differences on cash</b>	<b>141,286</b>	<b>63,154</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>287,317</b>	<b>409,155</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>1,642,431</b>	<b>1,687,226</b>
<b>Supplementary information on the cash flow statement <sup>1</sup></b>		
Income taxes paid (on balance)	(27,936)	(53,670)
Dividend receipts <sup>2</sup>	180,193	217,721
Interest received	1,308,040	1,198,427
Interest paid	(264,264)	(315,083)

<sup>1</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>2</sup> Including dividend-like profit participations from investment funds

## Other information

The present document is a quarterly statement pursuant to Section 53 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 Covid-19 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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