

Quarterly Statement
as at 31 March 2023

Key figures

in EUR million

	2023		2022	
	1.1.– 31.3.	+/- previous year	1.1.– 31.3. ¹	31.12. ¹
Results				
Reinsurance revenue (gross)	6,570.2	-0.6%	6,611.6	
Reinsurance service result (net)	568.3	+34.9%	421.4	
Net income from investments	380.8	-3.1%	393.0	
Operating profit / loss (EBIT)	720.3	+20.5%	597.6	
Group net income	484.5	+13.2%	427.9	
Balance sheet				
Policyholders' surplus	14,151.7	+3.4%		13,683.2
Equity attributable to shareholders of Hannover Rück SE	9,531.3	+5.2%		9,059.7
Non-controlling interests	893.3	-0.4%		897.2
Hybrid capital	3,727.1	+0.0%		3,726.3
Contractual service margin	7,432.2	+13.3%		6,557.4
Risk adjustment	3,824.6	+2.9%		3,717.1
Investments	56,997.1	+3.1%		55,285.1
Total assets	64,668.8	+2.7%		62,959.2
Ratios				
Combined ratio (property and casualty reinsurance) ²	92.3%		95.6%	
EBIT margin ³	12.3%		9.6%	
Return on investment	2.7%		2.9%	
Return on equity	20.8%		16.8%	
Share				
Earnings per share (basic and diluted) in EUR	4.02	+13.2%	3.55	
Book value per share in EUR	79.03	+5.2%	85.18	75.12
Share price at the end of the period in EUR	180.35	-2.8%	154.35	185.50
Market capitalisation at the end of the period	21,750	-2.8%	18,614	22,371

¹ Restated pursuant to IAS 8

² Reinsurance service result / reinsurance revenue (net)

³ EBIT / reinsurance revenue (net)

Content



Quarterly Statement	2
Business development	2
Results of operations, financial position and net assets	3
Property and casualty reinsurance	3
Life and health reinsurance	4
Investments	5
Outlook	7
Consolidated balance sheet as at 31 March 2023	8
Consolidated statement of income as at 31 March 2023	10
Consolidated statement of comprehensive income as at 31 March 2023	11
Group segment report as at 31 March 2023	12
Other information	16
Contact information	17

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 16 of this document.

Quarterly statement as at 31 March 2023

Business development

- Reinsurance revenue reaches EUR 6.6 billion
- Return on investment ahead of target at 2.7%
- Group net income of EUR 484.5 million very well on track to reach 2023 full-year target
- Return on equity significantly above minimum target at 20.8%
- Contractual service margin amounts to EUR 7.4 billion

Hannover Re is reporting its results for the 2023 financial year for the first time under the new financial reporting standards IFRS 17 and IFRS 9, both of which have been in effect since 1 January 2023.

In the first quarter of 2023 Hannover Re generated a result broadly in line with expectations.

The reinsurance revenue booked by Hannover Re reached EUR 6,570.2 million as at the end of March (previous year: EUR 6,611.6 million). The decrease would have been 0.9% at constant exchange rates. The new business value (net) rose to EUR 1,506.4 million (EUR 1,006.7 million).

The reinsurance service result, reflecting the profitability of underwriting activity including business ceded (primarily retrocessions and insurance-linked securities), increased by 34.9% to EUR 568.3 million (EUR 421.4 million). Adjusted for exchange rate effects, the reinsurance finance result amounted to EUR -166.9 million (EUR -122.1 million).

Our investments reached a total volume of EUR 57.0 billion, a level significantly higher than at year-end 2022. While net income from investments contracted by 3.1% to EUR 380.8 million (EUR 393.0 million) owing to special effects in the previous year, the annualised return on investment stood at 2.7% and thus surpassed the full-year target of at least 2.4%.

The net currency result amounted to EUR 42.8 million (EUR -12.0 million) owing to improved exchange rates relative to the euro.

Other income and expenses decreased to EUR -104.7 million (EUR -82.8 million).

The operating profit (EBIT) on the Group level improved by 20.5% to EUR 720.3 million (EUR 597.6 million).

Group net income rose by 13.2% to EUR 484.5 million (EUR 427.9 million). Earnings per share came in at EUR 4.02 (EUR 3.55).

The shareholders' equity of Hannover Re as at 31 March 2023 increased by 5.2% to EUR 9.5 billion (31 December 2022: EUR 9.1 billion). The annualised return on equity amounted to 20.8% (previous year: 16.8 %) and hence beat the minimum target of 1,000 basis points above the risk-free interest rate. The book value per share stood at EUR 79.03 (31 December 2022: EUR 75.12).

The contractual service margin (CSM) rose sharply by 13.3% to EUR 7,432.2 million (31 December 2022: EUR 6,557.4 million). The increase was attributable mainly to the very positive new business value. The risk adjustment increased by 2.9% to EUR 3,824.6 million (31 December 2022: EUR 3,717.1 million).

The capital adequacy ratio under Solvency II at the end of March was 261.2%, 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

- Reinsurance revenue for the business group reaches EUR 4.6 billion
- Major loss expenditure of EUR 333.9 million in line with the budgeted amount for the first quarter
- Significant improvement in risk-adjusted prices and conditions
- Combined ratio stands at 92.3%
- Operating profit of EUR 466.3 million very well on track for 2023 full-year target

The first quarter of 2023 in property and casualty reinsurance saw expenditures from catastrophe losses that remained within the expected bounds. At the same time, the main renewal season in traditional property and casualty reinsurance as at 1 January 2023 brought significantly improved risk-adjusted prices and conditions for Hannover Re.

Some 63% of Hannover Re's traditional property and casualty reinsurance portfolio (excluding facultative reinsurance, ILS activities and structured reinsurance) was up for renewal. The inflation- and risk-adjusted price increase amounted to 8.0%.

Reinsurance revenue in property and casualty reinsurance amounted to EUR 4,600.1 million in the first quarter (previous year: EUR 4,588.9 million) and thus remained broadly unchanged. The decrease would have been 0.5% at constant exchange rates. A key factor here, among others, was a quality-focused underwriting approach in recent renewals that contributed to a substantially higher new business value. The new business value (net), comprised of the CSM and the loss component from new business, surged by a gratifying 60.7% to EUR 1,429.0 million (EUR 889.3 million).

Expenditures from large losses in the first three months of the year totalled EUR 333.9 million (EUR 335.8 million). This was within the bounds of our large loss budget of EUR 356 million set aside for the first quarter.

Key figures for property and casualty reinsurance

in EUR million	2023		2022
	1.1.– 31.3.	+/- previous year	1.1.– 31.3. ¹
Reinsurance revenue (gross)	4,600.1	+0.2%	4,588.9
Reinsurance service result (net)	314.8	+66.6%	189.0
Net income from investments	298.1	+38.3%	215.5
Operating result (EBIT)	466.3	+56.0%	298.9
EBIT margin ²	11.4%		6.9%
Combined ratio	92.3%		95.6%

¹ Restated pursuant to IAS 8

² EBIT / reinsurance revenue (net)

The largest individual losses were the earthquake in Turkey and Syria with net expenditure of EUR 201.2 million as well as an intense February cyclone and major flooding in January that impacted New Zealand at a cost of EUR 51.7 million and EUR 47.0 million respectively.

The reinsurance service result improved by 66.6% to EUR 314.8 million (EUR 189.0 million). The previous year's result included provisions for losses from the Ukraine war and for additional reserves in connection with prior-year losses. The combined ratio in property and casualty reinsurance improved to 92.3% (95.6%). The reinsurance finance result, which includes in particular the interest accretion on technical reserves discounted in previous years, amounted to EUR -129.3 million (EUR -93.1 million).

Net income from investments grew by 38.3% to EUR 298.1 million (EUR 215.5 million).

The operating profit (EBIT) rose by 56.0% to EUR 466.3 million (EUR 298.9 million) We are thus well on track to achieve the full-year target of at least EUR 1.6 billion.

Life and health reinsurance

- Reinsurance revenue reaches EUR 1,970.1 million
- Sustained strong demand worldwide for financial solutions and coverage of longevity risks
- Operating result of EUR 253.1 million well on course to achieve 2023 full-year target

The business development in life and health reinsurance in the first quarter was shaped in particular by sustained strong demand in the financial solutions segment, especially in Asia and Germany. Demand for solutions designed to protect against longevity risks similarly remained brisk – most notably in Canada, Australia, Latin America and the United States. The United Kingdom, which is still the largest market in this segment, also continues to be attractive for our company despite fierce competition.

Reinsurance revenue in the Life & Health reinsurance business group retreated by a modest 2.6% to EUR 1,970.1 million (previous year: EUR 2,022.7 million), corresponding to a decline of 1.8% adjusted for exchange rate effects. The new business value (net) in the first quarter was below the previous year's level, amounting to EUR 77.4 million (EUR 117.3 million). The new business value (gross) amounted to EUR 83.9 million (EUR 117.3 million).

The Covid-19 pandemic has now transitioned to a milder endemic state. This has been accompanied by a trend towards fewer severe illnesses and more rapid recovery. Pandemic-related strains were not material in the first quarter at EUR 11.5 million.

The reinsurance service result improved accordingly by 9.0% to EUR 253.5 million (EUR 232.5 million), reflecting in particular better profitability in the area of mortality covers. The reinsurance finance result before currency effects fell by 29.7% to EUR -37.6 million (EUR -29.0 million).

Net income from investments, which had benefited from two sizeable special effects in the previous year, consequently contracted to EUR 82.6 million (EUR 177.2 million).

The operating result (EBIT) amounted to EUR 253.1 million (EUR 300.1 million) and hence reached a good level for achieving the full-year target of at least EUR 750 million.

Key figures for life and health reinsurance

in EUR million	2023		2022
	1.1.– 31.3.	+/- previous year	1.1.– 31.3. ¹
Reinsurance revenue (gross)	1,970.1	-2.6%	2,022.7
Reinsurance service result (net)	253.5	+9.0%	232.5
Net income from investments	82.6	-53.4%	177.2
Operating result (EBIT)	253.1	-15.7%	300.1
EBIT margin ²	14.3%		15.9%
New business value (gross) ³	83.9	-28.5%	117.3
New business value (net) ³	77.4	-34.0%	117.3

¹ Restated pursuant to IAS 8

² EBIT / reinsurance revenue (net)

³ New business value including loss component

Investments

- Portfolio growth driven by operating cash flow and slight decline in interest rates
- Portfolio of investments reaches EUR 57.0 billion
- Investment income amounts to EUR 380.8 million thanks to rising ordinary income
- Return on investment of 2.7% outperforms target of at least 2.4%

Our investments delivered a pleasing performance in the first three months of the year even though numerous geopolitical and economic challenges continued to cause volatility. Capital markets increasingly found themselves caught between the fight against inflation and fears of recession. Clear macroeconomic signals to counter the volatility were lacking on the interest rate and credit markets of particular relevance to our company.

Despite multiple moves by central banks to hike interest rates, the reduction of liquidity on capital markets was rather hesitant. Following the very steep rate rises in the previous year, interest rate declines – primarily in medium and longer maturity segments – were observed at the end of the reporting period in our main currency areas. These were reflected in a decrease in unrealised losses on our fixed-income securities. As an additional factor, uncertainties in the banking sector led to unease on credit markets at the end of the quarter. This manifested itself in sometimes highly volatile risk premiums on corporate bonds, although by the reporting date these had largely settled back to the level recorded at the end of the previous year.

Our investments benefited from the fact that we had already tended to adopt a more conservative posture from the beginning of the previous year onwards with an eye to anticipated central bank moves and inflationary developments; as an additional factor, we were not impacted by any failures in our exposure to banks. Furthermore, the well-balanced interest rate positioning of our investments and technical reserves as a consequence of initial application of the IFRS 17 and IFRS 9 financial reporting standards in the period under review was reflected in the balance sheet in greater resilience to changes in market interest rates.

Our investment portfolio amounted to EUR 57.0 billion as at 31 March, significantly higher than the level at the end of the previous year (31 December 2022: EUR 55.3 billion). This was favourably affected, on the one hand, by the lower interest rates observed in our main currency areas – especially in medium and longer maturity segments – since the beginning of the year as well as by inflows from the operating cash flow, while currency effects associated primarily with the US dollar were an opposing factor. Given that the sometimes highly volatile risk premiums on corporate bonds had largely reverted by the reporting date

to the level seen at the end of the previous year, they scarcely had any implications for the fair values of our fixed-income securities. The unrealised losses on our fixed-income portfolio consequently decreased to EUR 3.8 billion (31 December 2022: EUR 4.6 billion).

We kept our asset allocation broadly unchanged overall in the first quarter. It was only with respect to instruments in the credit market that we began to stabilise the allocation – following consistent reductions in previous quarters – on the current level. The modified duration of our fixed-income portfolio – at 4.7 (4.8) – remained stable in comparison with the end of the previous year.

Ordinary investment income amounted to EUR 448.6 million, a gratifying increase compared to the previous year's period (EUR 396.0 million) that was driven above all by a sharp rise in income from fixed-income securities. This is manifested both in the pure coupon earnings and in the positive amortisation amounts. Our holdings of inflation-linked bonds played a part here to the tune of EUR 38.7 million.

The net balance of gains realised on disposals totalled EUR -13.8 million (EUR -20.7 million) and can be attributed primarily to sales in connection with portfolio maintenance. We were able to leave the provisions established for expected credit losses (ECL) in accordance with IFRS 9 virtually unchanged in the reporting period. Depreciation recognised on directly held real estate totalled EUR 13.0 million (EUR 10.3 million).

The net changes in the fair value of our assets recognised at fair value through profit or loss amounted to EUR -3.9 million. They contrasted with positive fair value changes of EUR 86.9 million in the corresponding quarter of the previous year.

The net investment income of EUR 380.8 million (EUR 393.0 million) was only slightly below the level of the previous year's corresponding quarter. This was due primarily to robust income from our fixed-income portfolio that very largely offset the lower income from changes in the fair value of our assets recognised at fair value through profit or loss. Our investments thus delivered an annualised average return of 2.7%.

Net investment income

in EUR million	2023		2022
	1.1.– 31.3.	+/- previous year	1.1.– 31.3. ¹
Ordinary investment income	448.6	+13.3%	396.0
Expected credit losses, impairment, depreciation and appreciation of investments	(9.6)	-82.7%	(55.6)
Change in fair value of financial instruments	(3.9)	-104.5%	86.9
Profit / loss from investments in associated companies and joint ventures	2.5	-90.7%	27.0
Realised gains and losses on investments	(13.8)	-33.1%	(20.7)
Other investment expenses	43.0	+5.7%	40.7
Net income from investments	380.8	-3.1%	393.0

¹ Restated pursuant to IAS 8

Outlook

- Currency-adjusted reinsurance revenue to grow by at least 5%
- Return on investment of at least 2.4% from asset portfolio for the full year
- Group net income of at least EUR 1.7 billion

In 2023 geopolitical risks and inflation will likely once again present a number of challenges for insurers and reinsurers. The Covid-19 pandemic, on the other hand, is having far less of an effect on everyday life and our business. This trend should continue throughout 2023.

We are looking to grow the reinsurance revenue by at least 5% for the full year assuming constant exchange rates. The currency-adjusted growth in reinsurance revenue should again be stronger in property and casualty reinsurance than in life and health reinsurance. On the Group level we anticipate net income of at least EUR 1.7 billion for the 2023 financial year. This assumes that large loss expenditure does not materially exceed the budgeted level of EUR 1.725 billion, the Covid-19 pandemic does not have any further significant impact on the result in life and health reinsurance and no unforeseen distortions occur on capital markets.

For 2023 we expect property and casualty reinsurance to contribute at least EUR 1.6 billion to the operating result (EBIT). The contribution made by life and health reinsurance to the operating result (EBIT) should be at least EUR 750 million. We

do not expect any significant pandemic-related losses in life and health reinsurance over the course of the year.

In view of the anticipated positive cash flow generated from the technical account and the investments themselves, our asset portfolio should continue to show moderate growth – assuming roughly stable exchange rates and interest rate levels. The return on investment from the asset portfolio should reach at least 2.4%.

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 resulted in significantly improved prices and conditions. Volume growth of altogether 7.1% was achieved. The inflation- and risk-adjusted price increase for the renewed business amounted to 6.0%.

The dividend strategy remains unchanged. It is envisaged that the ordinary dividend will at least be on the level of the previous year. 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 2023

Assets

in EUR million	31.3.2023	31.12.2022 ¹
Financial investments – at fair value through OCI	47,794.4	46,941.9
Financial investments – at fair value through profit or loss	4,027.5	3,147.4
Investment property	2,297.7	2,319.3
Investments in associated companies and joint ventures	2,065.2	2,063.0
Other invested assets	812.3	813.5
Total investments	56,997.1	55,285.1
Reinsurance recoverables on liability for incurred claims	2,106.4	2,401.5
Reinsurance recoverables on liability for remaining coverage	122.7	188.0
Recoverables on reinsurance contracts ceded	2,229.1	2,589.6
Reinsurance contracts issued in an asset position	1,848.1	1,448.1
Goodwill	77.6	77.4
Deferred tax assets	445.0	457.7
Other assets	1,873.0	1,778.2
Cash and cash equivalents	1,198.9	1,323.2
Total assets	64,668.8	62,959.2

¹ Restated pursuant to IAS 8

Liabilities

in EUR million	31.3.2023	31.12.2022 ¹
Liabilities from reinsurance contracts issued	42,742.4	41,769.0
Reinsurance contracts ceded in a liability position	442.2	556.7
Provisions for pensions	151.9	153.8
Financing liabilities	5,466.6	5,510.4
Taxes	332.2	172.8
Deferred tax liabilities	2,040.7	2,178.6
Other liabilities	3,068.4	2,661.1
Total liabilities	54,244.3	53,002.3
Shareholders' equity		
Common shares	120.6	120.6
Nominal value: 120,6 Conditional capital: 60,3		
Additional paid-in capital	724.6	724.6
Common shares and additional paid-in capital	845.2	845.2
Cumulative other comprehensive income		
Unrealised gains and losses on investments	(2,586.4)	(3,154.0)
Cumulative foreign currency translation adjustment	350.8	509.0
Cumulative reinsurance finance income and expenses	2,452.0	2,871.1
Other changes in cumulative other comprehensive income	(39.6)	(36.4)
Total other comprehensive income	176.8	189.7
Retained earnings	8,509.3	8,024.8
Equity attributable to shareholders of Hannover Rück SE	9,531.3	9,059.7
Non-controlling interests	893.3	897.2
Total shareholders' equity	10,424.6	9,956.9
Total liabilities	64,668.8	62,959.2

¹ Restated pursuant to IAS 8

Consolidated statement of income as at 31 March 2023

in EUR million	1.1.-31.3.2023	1.1.-31.3.2022 ¹
Reinsurance revenue (gross)	6,570.2	6,611.6
Reinsurance service expenses (gross)	5,607.5	6,262.0
Reinsurance service result (gross)	962.7	349.5
Net result from reinsurance contracts (ceded)	(394.4)	71.9
Reinsurance service result (net)	568.3	421.4
Net finance income or expenses from reinsurance contracts issued	120.4	(383.2)
Net finance income or expenses from reinsurance contracts ceded	(22.7)	7.3
Reinsurance finance result (net)	97.7	(375.9)
thereof: Currency gains/losses from reinsurance finance result (net)	264.6	(253.8)
Net reinsurance finance result before currency gains or losses	(166.9)	(122.1)
Ordinary investment income	448.6	396.0
Expected credit losses, impairment, depreciation and appreciation of investments	(9.6)	(55.6)
Change in fair value of financial instruments	(3.9)	86.9
Profit / loss from investments in associated companies and joint ventures	2.5	27.0
Realised gains and losses on investments	(13.8)	(20.7)
Other investment expenses	43.0	40.7
Net income from investments	380.8	393.0
Currency gains / losses on investments	(238.8)	248.6
Currency gains / losses from reinsurance finance result (net)	264.6	(253.8)
Other currency gains/losses	16.9	(6.8)
Net currency result	42.8	(12.0)
Other income	46.3	52.1
Other expenses	151.0	134.9
Other income / expenses	(104.7)	(82.8)
Operating profit / loss (EBIT)	720.3	597.6
Financing costs	31.9	21.1
Net income before taxes	688.4	576.4
Taxes	170.2	118.0
Net income	518.1	458.5
thereof		
Non-controlling interest in profit and loss	33.7	30.6
Group net income	484.5	427.9
Earnings per share (in EUR)		
Basic earnings per share	4.02	3.55
Diluted earnings per share	4.02	3.55

¹ Restated pursuant to IAS 8

Consolidated statement of comprehensive income as at 31 March 2023

in EUR million	1.1.-31.3.2023	1.1.-31.3.2022 ¹
Net income	518.1	458.5
Not reclassifiable to the consolidated statement of income		
Actuarial gains and losses		
Gains (losses) recognised directly in equity	1.8	23.0
Tax income (expense)	(0.6)	(7.5)
	1.2	15.5
Investments in equity instruments		
Gains (losses) recognised directly in equity	(0.7)	1.8
	(0.7)	1.8
Income and expense recognised directly in equity that cannot be reclassified		
Gains (losses) recognised directly in equity	1.1	24.7
Tax income (expense)	(0.6)	(7.5)
	0.6	17.2
Reclassifiable to the consolidated statement of income		
Unrealised gains and losses on investments		
Gains (losses) recognised directly in equity	780.6	(2,440.3)
Transferred to the consolidated statement of income	16.6	29.1
Tax income (expense)	(207.4)	624.7
	589.8	(1,786.5)
Currency translation		
Gains (losses) recognised directly in equity	(200.0)	233.4
Transferred to the consolidated statement of income	2.0	–
Tax income (expense)	38.7	(28.6)
	(159.2)	204.9
Changes from insurance contracts		
Gains (losses) recognised directly in equity	(644.8)	1,847.6
Tax income (expense)	211.8	(533.2)
	(433.0)	1,314.4
Changes from hedging instruments		
Gains (losses) recognised directly in equity	(5.8)	(1.9)
Tax income (expense)	1.5	0.4
	(4.3)	(1.4)
Reclassifiable income and expense recognised directly in equity		
Gains (losses) recognised directly in equity	(70.0)	(361.1)
Transferred to the consolidated statement of income	18.6	29.1
Tax income (expense)	44.6	63.4
	(6.8)	(268.7)
Total income and expense recognised directly in equity		
Gains (losses) recognised directly in equity	(68.9)	(336.4)
Transferred to the consolidated statement of income	18.6	29.1
Tax income (expense)	44.0	55.9
	(6.3)	(251.4)
Total recognised income and expense	511.9	207.1
thereof		
Attributable to non-controlling interests	40.3	31.5
Attributable to shareholders of Hannover Rück SE	471.6	175.6

¹ Restated pursuant to IAS 8

Group segment report as at 31 March 2023

Segmentation of assets in EUR million	Property and casualty reinsurance	
	31.3.2023	31.12.2022 ¹
Assets		
Financial investments – at fair value through OCI	37,160.7	36,712.7
Financial investments – at fair value through profit or loss	3,363.5	2,436.9
Investment property	2,297.7	2,319.3
Investments in associated companies and joint ventures	1,973.2	1,972.5
Other invested assets	433.8	434.5
Total investments	45,228.9	43,875.9
Reinsurance recoverables on liability for incurred claims	1,928.0	2,269.6
Reinsurance recoverables on liability for remaining coverage	(105.7)	(100.9)
Recoverables on reinsurance contracts ceded	1,822.3	2,168.7
Reinsurance contracts issued in an asset position	795.6	318.9
Cash and cash equivalents	846.7	1,129.0
Other segment assets	3,677.7	3,756.3
Total segment assets	52,371.2	51,248.8
Deferred tax assets and tax receivables		
Total assets		
Segmentation of liabilities		
in EUR million		
Liabilities		
Liabilities from reinsurance contracts issued	33,464.8	32,409.3
Reinsurance contracts ceded in a liability position	121.6	221.0
Financing liabilities	939.8	982.6
Other segment liabilities	2,003.5	1,926.1
Total segment liabilities	36,529.8	35,539.0
Taxes		
Deferred tax liabilities		
Total liabilities		

¹ Restated pursuant to IAS 8

Life and health reinsurance		Consolidation		Total	
31.3.2023	31.12.2022 ¹	31.3.2023	31.12.2022 ¹	31.3.2023	31.12.2022 ¹
10,603.0	10,200.7	30.7	28.4	47,794.4	46,941.9
663.4	709.9	0.6	0.6	4,027.5	3,147.4
–	–	–	–	2,297.7	2,319.3
92.0	90.5	–	–	2,065.2	2,063.0
378.5	379.0	–	–	812.3	813.5
11,736.9	11,380.1	31.3	29.1	56,997.1	55,285.1
178.5	131.9	–	–	2,106.4	2,401.5
228.3	289.0	–	–	122.7	188.0
406.8	420.9	–	–	2,229.1	2,589.6
1,052.5	1,129.2	–	–	1,848.1	1,448.1
350.4	187.9	1.8	6.3	1,198.9	1,323.2
529.9	375.3	(2,398.7)	(2,438.8)	1,808.9	1,692.7
14,076.5	13,493.3	(2,365.5)	(2,403.4)	64,082.1	62,338.6
				586.7	620.6
				64,668.8	62,959.2
9,277.6	9,359.6	–	–	42,742.4	41,769.0
320.6	335.7	–	–	442.2	556.7
35.3	37.5	4,491.4	4,490.3	5,466.6	5,510.4
3,562.5	3,301.3	(2,345.8)	(2,412.5)	3,220.3	2,814.8
13,196.0	13,034.1	2,145.6	2,077.7	51,871.4	50,650.9
				332.2	172.8
				2,040.7	2,178.6
				54,244.3	53,002.3

Segment statement of income in EUR million	Property and casualty reinsurance	
	1.1. - 31.3.2023	1.1. - 31.3.2022 ¹
Reinsurance revenue (gross)	4,600.1	4,588.9
Reinsurance service expenses (gross)	3,917.2	4,477.5
Reinsurance service result (gross)	682.9	111.4
Net result from reinsurance contracts (ceded)	(368.0)	77.6
Reinsurance service result (net)	314.8	189.0
Net reinsurance finance result before currency gains or losses	(129.3)	(93.1)
Net income from investments	298.1	215.5
thereof		
Expected credit losses, impairment, depreciation and appreciation of investments	(11.7)	(54.0)
Change in fair value of financial instruments	(7.0)	26.0
Profit / loss from investments in associated companies and joint ventures	1.0	6.7
Net currency result	47.2	34.2
Other income / expenses	(64.5)	(46.7)
Operating profit / loss (EBIT)	466.3	298.9
Financing costs	0.5	0.6
Net income before taxes	465.8	298.4
Taxes		
Net income		
thereof		
Non-controlling interest in profit and loss		
Group net income		

¹ Restated pursuant to IAS 8

Life and health reinsurance		Consolidation		Total	
1.1. - 31.3.2023	1.1. - 31.3.2022 ¹	1.1. - 31.3.2023	1.1. - 31.3.2022 ¹	1.1. - 31.3.2023	1.1. - 31.3.2022 ¹
1,970.1	2,022.7	-	-	6,570.2	6,611.6
1,690.3	1,784.5	-	-	5,607.5	6,262.0
279.9	238.2	-	-	962.7	349.5
(26.4)	(5.7)	-	-	(394.4)	71.9
253.5	232.5	-	-	568.3	421.4
(37.6)	(29.0)	-	-	(166.9)	(122.1)
82.6	177.2	0.1	0.2	380.8	393.0
2.0	(1.5)	-	-	(9.6)	(55.6)
3.4	61.0	(0.3)	-	(3.9)	86.9
1.5	20.3	-	-	2.5	27.0
(4.5)	(46.2)	0.1	-	42.8	(12.0)
(40.9)	(34.3)	0.7	(1.7)	(104.7)	(82.8)
253.1	300.1	0.9	(1.5)	720.3	597.6
0.2	0.4	31.2	20.2	31.9	21.1
252.9	299.7	(30.3)	(21.7)	688.4	576.4
				170.2	118.0
				518.1	458.5
				33.7	30.6
				484.5	427.9

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".

In the first quarter the financial reporting standards IFRS 9 (issued on 24 July 2014) and IFRS 17 (issued on 18 May 2017 with supplementary amendments from June 2020) were applied to the Hannover Re Group for the first time. Initial application of both standards was basically retrospective in observance of any available options and simplifications. In this respect and with regard to the major methodological changes compared to the accounting principles used to date, we would refer to our remarks in the Group Annual Report as at 31 December 2022.

The opening balance sheet according to the principles of IFRS 9 and IFRS 17 was drawn up as at 1 January 2022.

The amount of the technical liabilities and assets under IFRS 17 changes due to the concepts enshrined in the standard relating to the discounting of future cash flows, the establishment of the contractual service margin, loss components and risk adjustment and other measurement differences compared to IFRS 4, including for example the diverging definition of contract boundaries or the grouping of contracts for

measurement purposes. In property and casualty reinsurance an overall decrease of EUR 743.0 million was recorded in the amount of the net technical liability. The technical liabilities in the life and health reinsurance segment increased significantly as expected by EUR 2,455.6 million. This is due primarily to the measurement of portfolios in the US and Asian markets as well as from the United Kingdom.

Principally due to the disclosure of hidden reserves on securities previously measured at amortised cost, the transition in the recognition of financial instruments under the new standard IFRS 9 gave rise to an increase of EUR 312.8 million in the book values of financial instruments.

Reduced by the mitigating effect of deferred taxes, the transition to the financial reporting standards IFRS 9 and IFRS 17 resulted in a decrease of EUR 1,707.2 million in the shareholders' equity reported for Hannover Re as at 1 January 2022. The decrease in the reported shareholders' equity is opposed by the establishment of the contractual service margin (CSM) as the present value of expected future profits. The CSM for Hannover Re amounted to EUR 6,144.1 million at the date of transition and thus far exceeds the decrease in the reported shareholders' equity.

The accounting policies are otherwise essentially the same as those applied in the consolidated financial statement as at 31 December 2022.

Contact information

Corporate Communications

Gunilla Pendt

Tel. + 49 511 5604-0019
gunilla.pendt@hannover-re.com

Media Relations

Oliver Süß

Tel. + 49 511 5604-1502
oliver.suess@hannover-re.com

Investor Relations & Rating Agency Relations

Karl Steinle

Tel. + 49 511 5604-1500
karl.steinle@hannover-re.com

Investor Relations

Axel Bock

Tel. + 49 511 5604-1736
axel.bock@hannover-re.com

Published by

Hannover Rück SE

Karl-Wiechert-Allee 50
30625 Hannover, Germany
Tel. + 49 511 5604-0

