



Hannover Re - The somewhat different reinsurer

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Volume-league table

WE ARE AMONG THE TOP REINSURERS IN THE WORLD2006 figures in million USD¹⁾

Rank	Group	Country	GWP	NPW
1	Swiss Re	CH	28,415	25,808
2	Munich Re	D	27,337	25,453
3	Berkshire Hathaway ²⁾	USA	14,126	13,474
4	Hannover Re	D	12,265	9,361
5	Lloyd's ³⁾	GB	10,887	8,726
6	RGA Re	USA	4,732	4,346
7	Everest Re	BDA	4,001	3,876
8	Transatlantic Re	USA	3,983	3,633
9	SCOR	F	3,875	3,620
10	Partner Re	BDA	3,734	3,689
11	XL Re	BDA	3,682	2,960
12	Korean Re	ROK	3,413	2,373
13	London Re	CDN	3,287	2,979
14	Assicurazioni Generali SpA	I	2,853	n.a.
15	Odyssey Re	USA	2,336	2,161

Volume is vanity, profit is sanity

1) Source: A.M. Best

3) 64 syndicates (as of July 2006)

2) GenRe Group; Berkshire Hathaway Re Group (National Indemnity)

n.a. = not available

Hannover Re Group

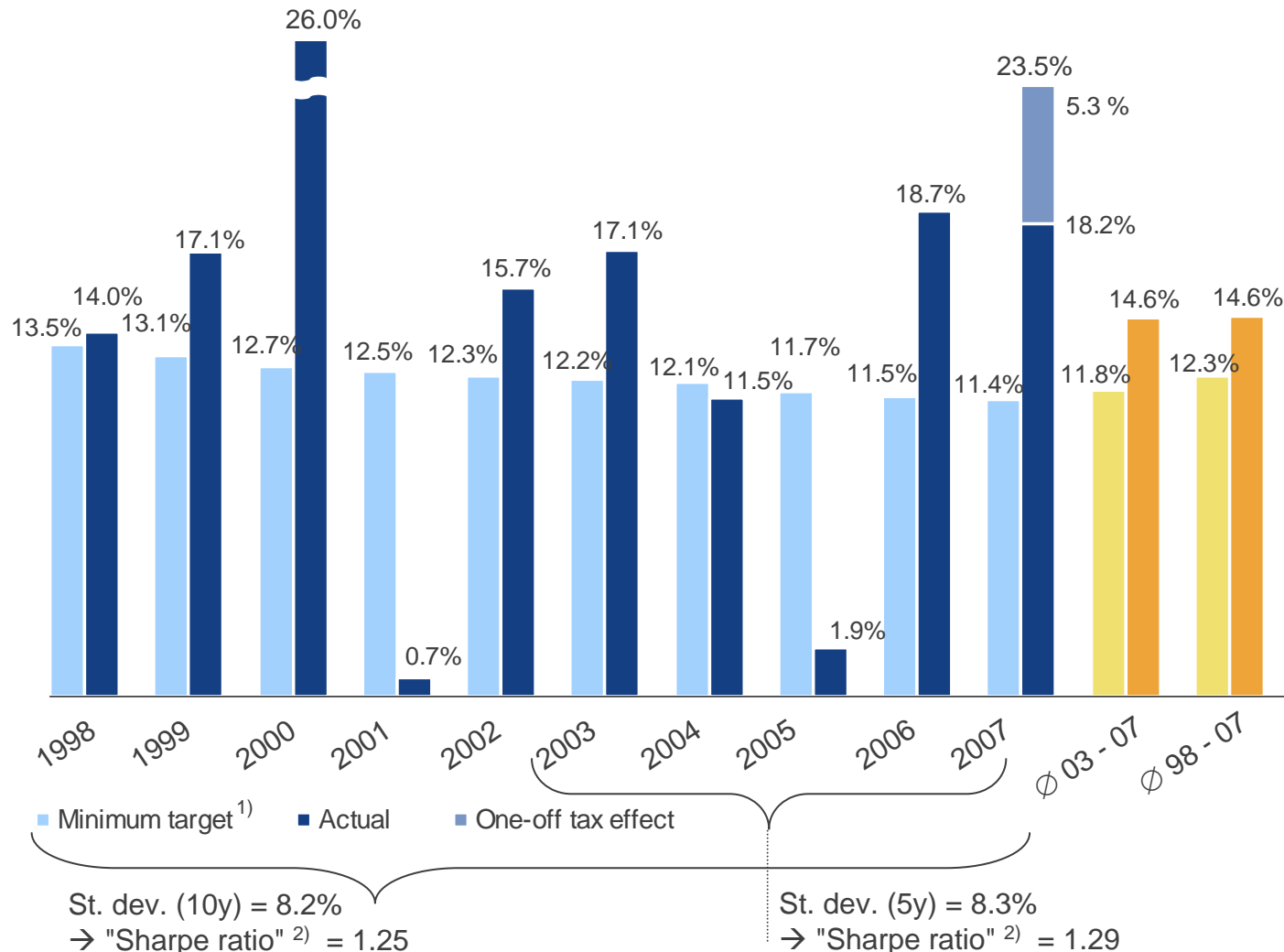
OUR OVERRIDING TARGET: PROFIT AND VALUE CREATION

All other strategic targets are derived from there

- Profit and value creation are the basis of sustainable development in the interest of our clients, shareholders, employees and other stakeholders
- Specific targets:
 - minimum Return on Equity (RoE) of 750 basis points above "risk free"
 - to be one of the three most profitable reinsurers worldwide
- Growth of EBIT, earnings per share and book value per share (Triple-10 target) by double-digit percentage annually
- Our share price outperforms the weighted AA Global R/I Index over a three-year period

Return on equity (RoE)

RETURN ON EQUITY CONSISTENTLY EXCEEDING MINIMUM TARGET



1) 750 bps above 5-year rolling average of 10-year government-bond rate ("risk-free"), after tax

2) (Average RoE – average risk-free rate)/standard deviation

Profit-league table

HNR1 CONSISTENTLY AMONG MOST PROFITABLE REINSURERS

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

Company	2003		2004		2005 ¹⁾		2006 ¹⁾		2007 ¹⁾		2003 - 2007 avg. RoE Rank	
	RoE	Rank	RoE	Rank	RoE	Rank	RoE	Rank	RoE	Rank	RoE	Rank
Odyssey Re	20.4%	2	12.6%	5	(10.5%)	8	28.3%	1	25.8%	1	15.3%	1
Hannover Re	18.4%	4	13.0%	4	1.9%	4	18.7%	4	23.5%	2	15.1%	2
Partner Re	20.0%	3	16.6%	1	(1.6%)	6	21.8%	3	17.7%	3	14.9%	3
Renaissance Re	30.5%	1	5.3%	10	(11.5%)	9	27.5%	2	16.9%	4	13.7%	4
Swiss Re	10.2%	7	13.7%	3	6.9%	3	16.5%	7	13.3%	9	12.1%	5
Transatlantic Re	13.8%	6	10.3%	7	1.5%	5	15.6%	8	15.4%	6	11.3%	6
Everest Re	15.4%	5	10.7%	6	(5.6%)	7	18.2%	6	15.6%	5	10.9%	7
Munich Re	(2.6%)	9	9.8%	8	11.9%	1	13.5%	9	14.9%	7	9.5%	8
XL Re ²⁾	5.5%	8	16.0%	2	(17.9%)	10	18.5%	5	3.6%	10	5.1%	9
SCOR	(26.1%)	10	5.6%	9	8.6%	2	12.7%	10	13.8%	8	2.9%	10

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

Ranking among shown peer group

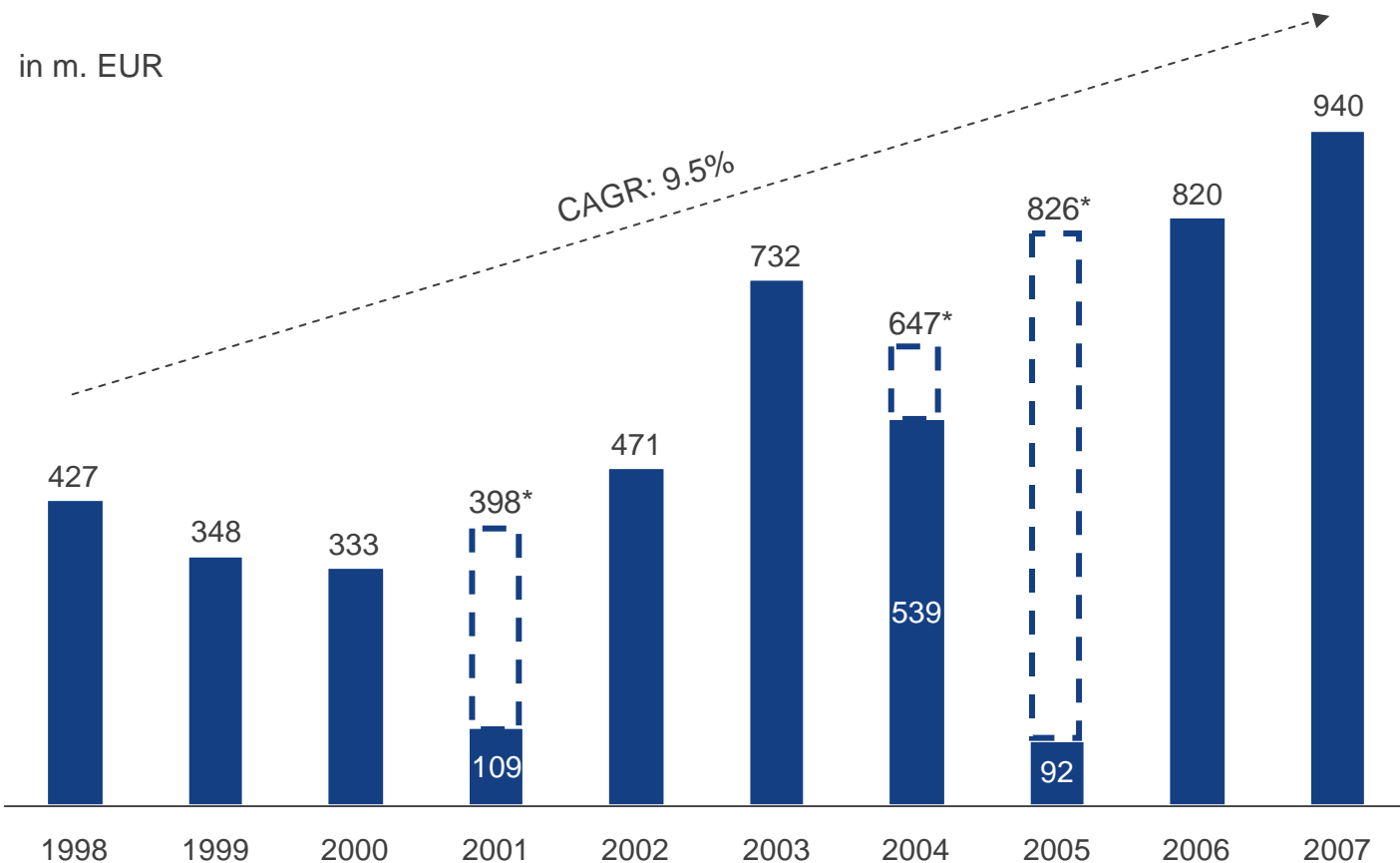
1) Based on company data

2) Based on XL Capital group figures

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Profitability targets: Triple-10 target

EBIT MORE THAN DOUBLED OVER THE CYCLE

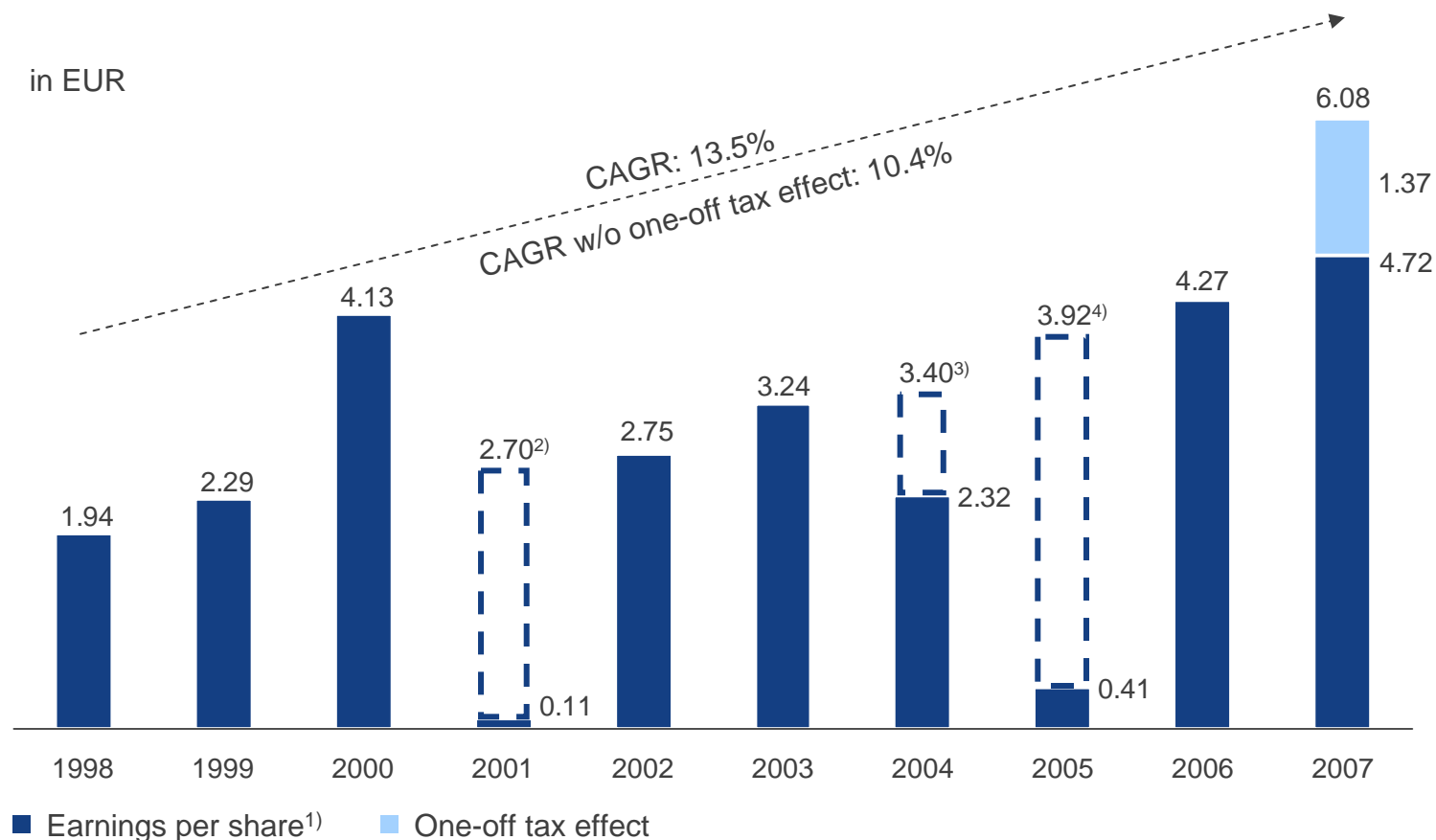


* Plan with catastrophe budget
1998 - 2003 US GAAP, as from 2004 IFRS

Profitability targets: Triple-10 target

EARNINGS-PER-SHARE¹⁾ DEVELOPMENT WELL ON TRACK

Even w/o 2007 one-off tax benefit



1998 – 2003 US GAAP, as from 2004 IFRS (fully diluted)

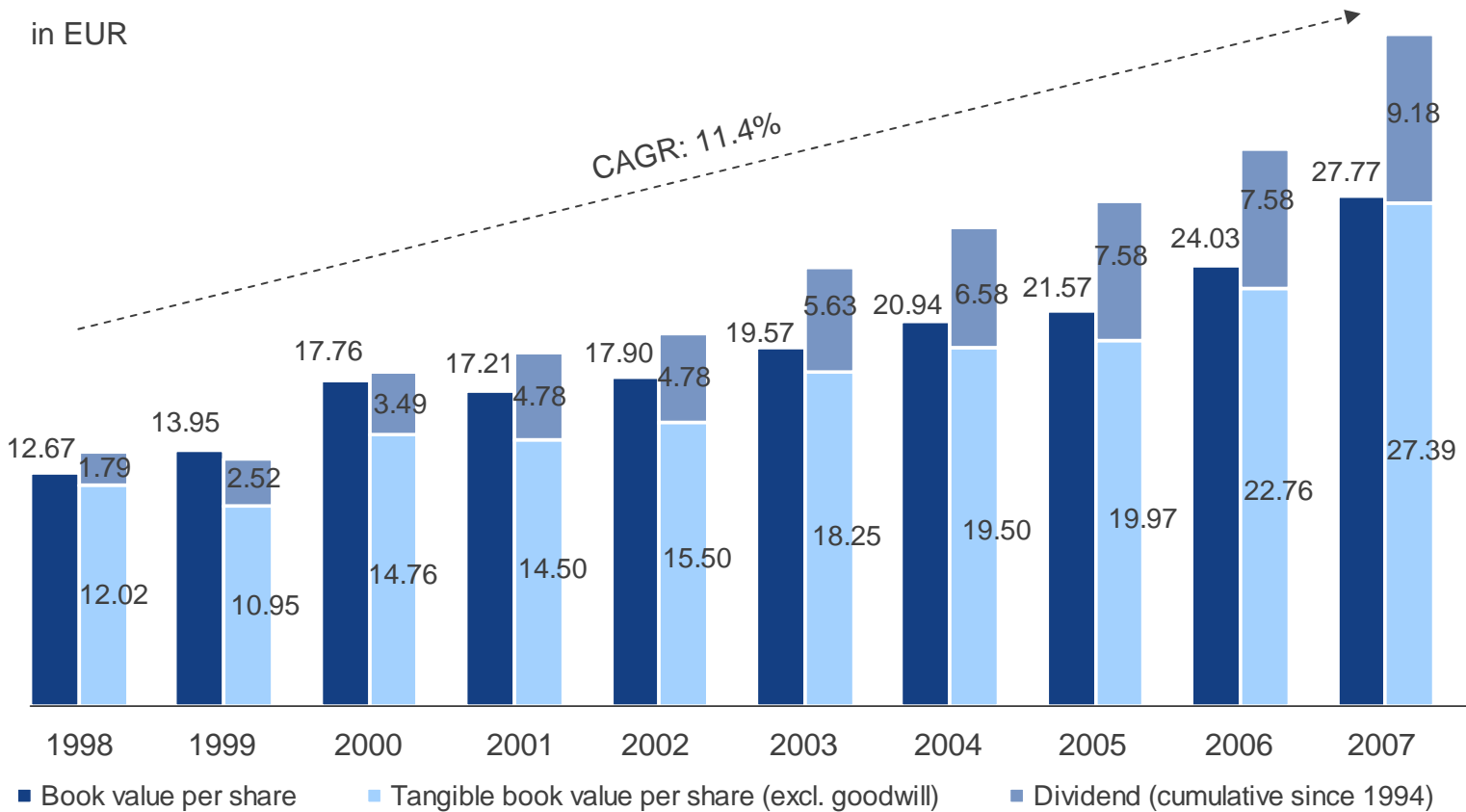
1) Figures have been adjusted for the 3-for-1 share split in July 2002

3) Analysts' consensus estimate before 4 Florida hurricanes

2) Analysts' consensus estimate before 9/11 losses

4) Analysts' consensus estimate before "KRW"

Profitability targets: Triple-10 target

BOOK VALUE PER SHARE UNDERLINING VALUE CREATION

1998 – 2003 US GAAP, as from 2004 IFRS

Hannover Re Group

THE SOMEWHAT DIFFERENT REINSURER

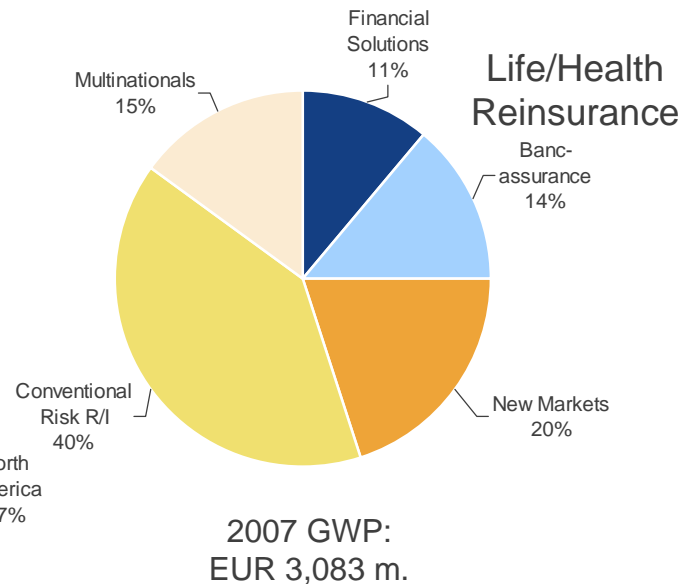
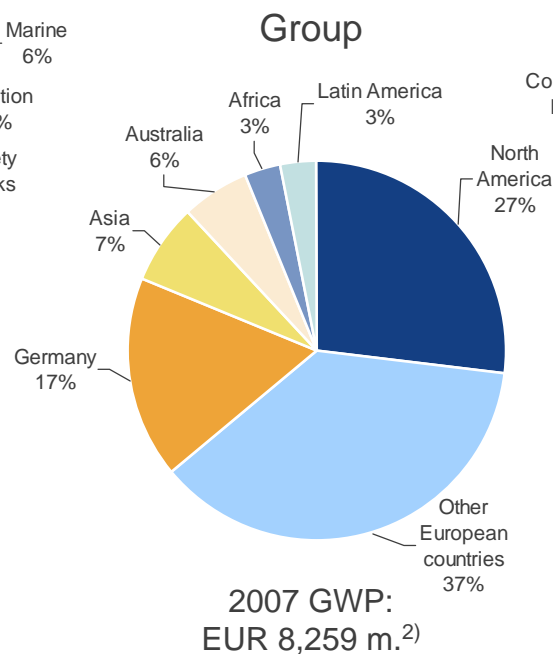
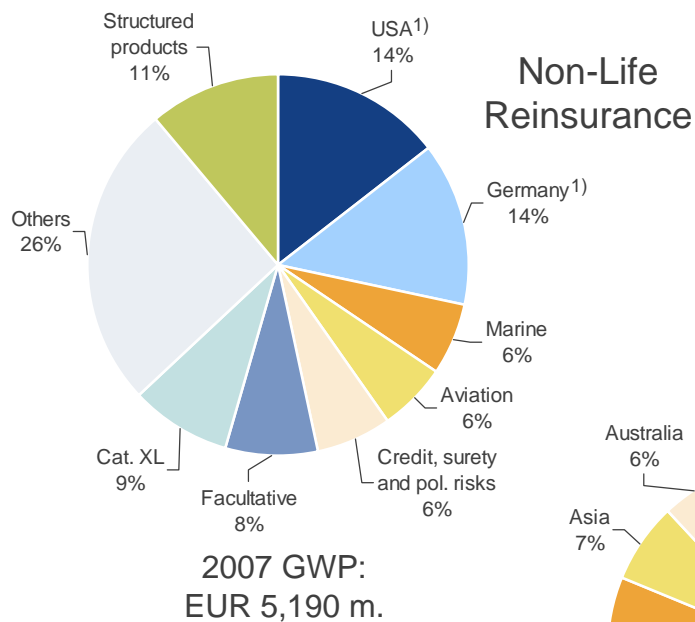
- Focus on profitability, not on premium volume, league tables or market share
- We are not all things to all people
 - We specialise in what we know best (= our definition of specialist)
 - Being a Multi Specialist with a global footprint reduces risk and stabilises earnings
- Capital management
 - Lean equity base with intelligent use of hybrids and soft capital
 - ↳ We have the lowest CoC in our industry (6.6%)
- Cost leadership
 - We have the lowest administrative-expense ratio in the industry (2.8%)
- Fast, flexible, and undogmatic approach to business opportunities

We often do exactly the opposite of what our peers do

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Diversification

A MULTI SPECIALIST WITH A GLOBAL FOOTPRINT



We are not all things to all people. We specialise in what we know best.

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1) All lines of Non-Life reinsurance except those stated separately

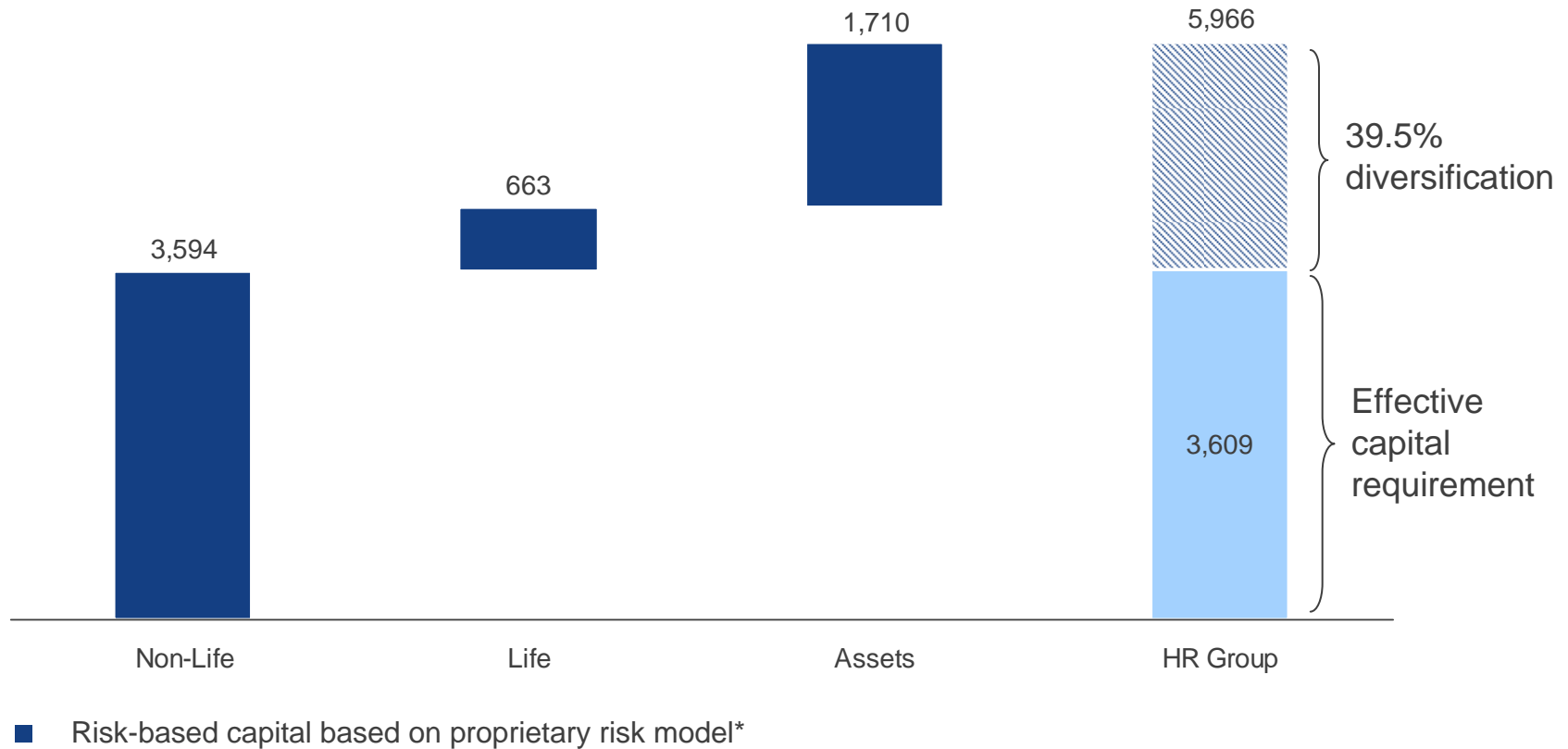
2) Incl. consolidation

Diversification

PERFECTLY DIVERSIFIED PORTFOLIO...

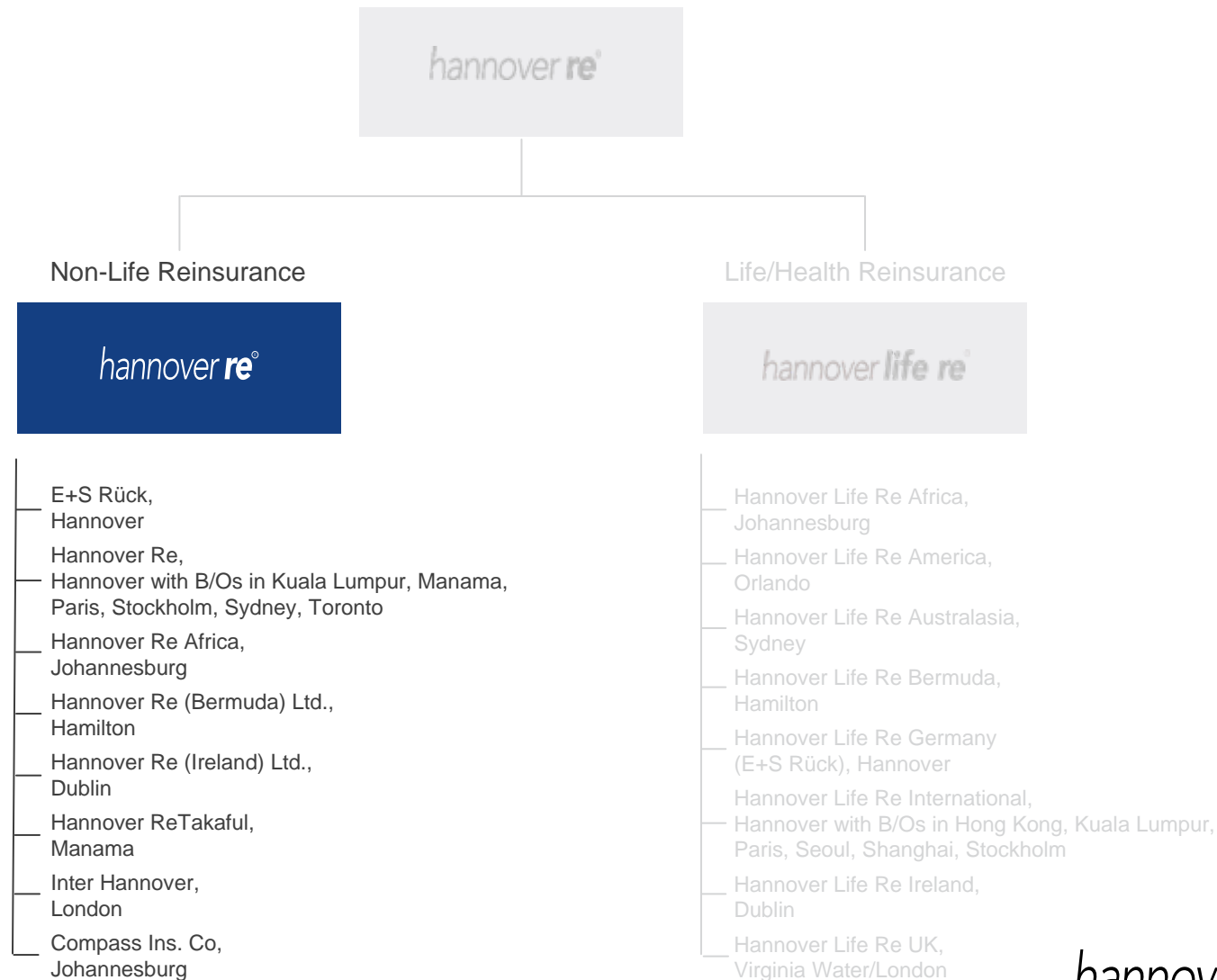
...reduces capital requirements by ~40%

in m. EUR



* Calibrated to 99.97% Value at Risk (VaR); equivalent to AA S&P-Rating

NON-LIFE REINSURANCE



Non-Life Reinsurance

THE SOMEWHAT DIFFERENT REINSURER

- Centralised underwriting approach
 - Secures U/W discipline and opportunistic cycle management
 - Lean, efficient infrastructure with no U/W authority in London or U.S.
- Reserve adequacy
 - No. 1 priority in our risk management
 - Traditionally high comfort level (> 50%); no material A&E* exposure
 - ↳ Never had to strengthen loss reserves
- Cycle management
 - We only grow our market share in "hard" markets
 - We have no premium-growth targets, only for earnings
- Distribution through brokers
- Specialty vs. commodity business
- No appetite for acquisitions
 - Our cycle management gets us all the business we want

A no frills, opportunistic player

* Asbestos & environmental

Non-Life Reinsurance

A MULTI SPECIALIST WITH A GLOBAL FOOTPRINT

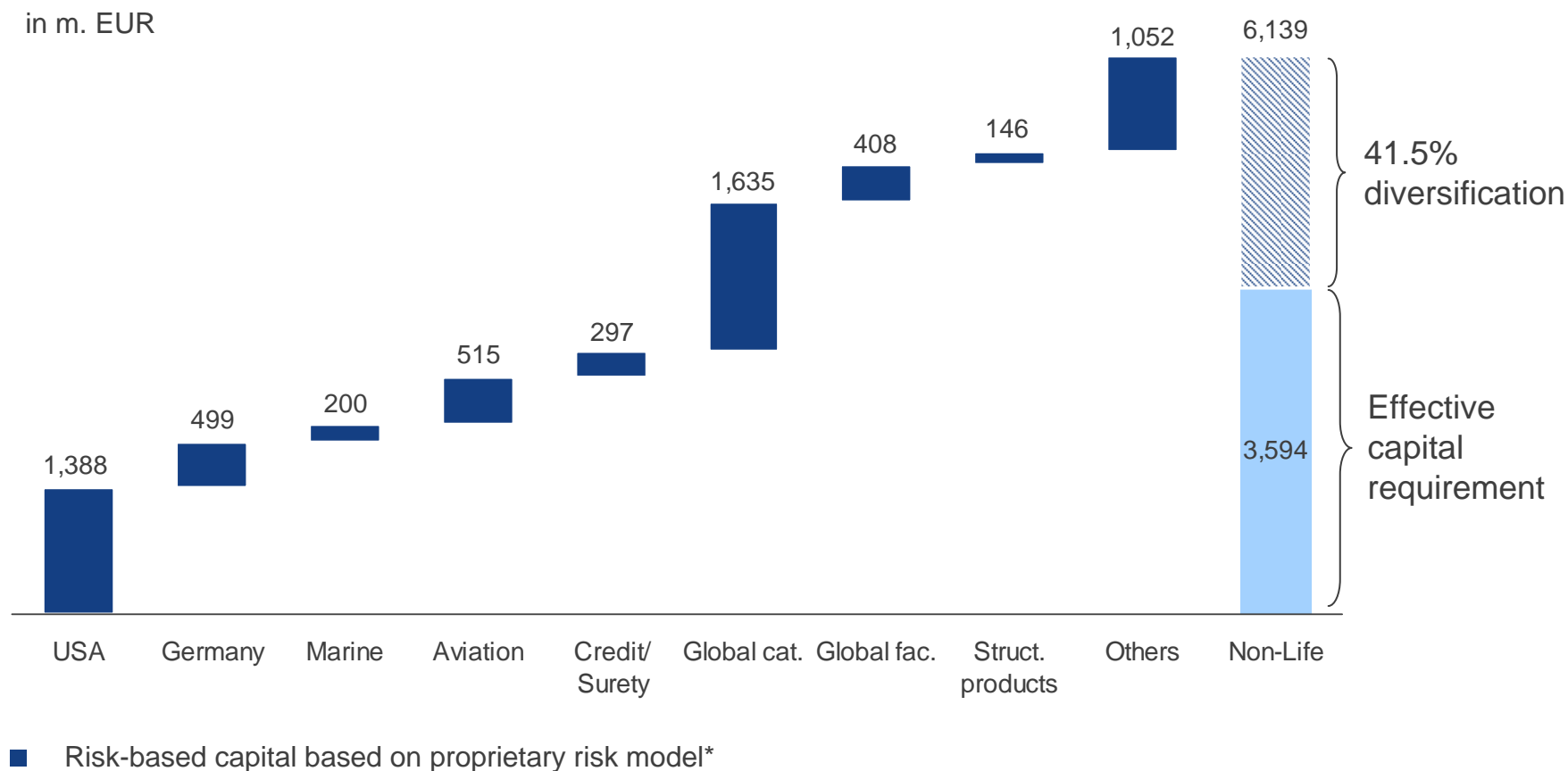
Non-Life Reinsurance		Trends
USA	"Best overall reinsurer 2004, 2006 and 2008"*	↘
Germany	"No. 2 R/I in Germany, the No. 2 P/C market"	↗
Marine (incl. energy)	"The leading XL Reinsurer"	↘
Aviation	"One of the market leaders"	→
Credit, surety & political risks	"No.3 worldwide" (Neg. correlation to rest of P/C)	↑
Global cat. XL business	"Dedicated cat. writer (~10% of GWP)"	↑
Global facultative business	"A truly global player"	↑
Structured products	"Advanced Solutions for more than 25 years"	↑

Hannover Re, a Multi Specialist

* As voted in Flaspoebler survey

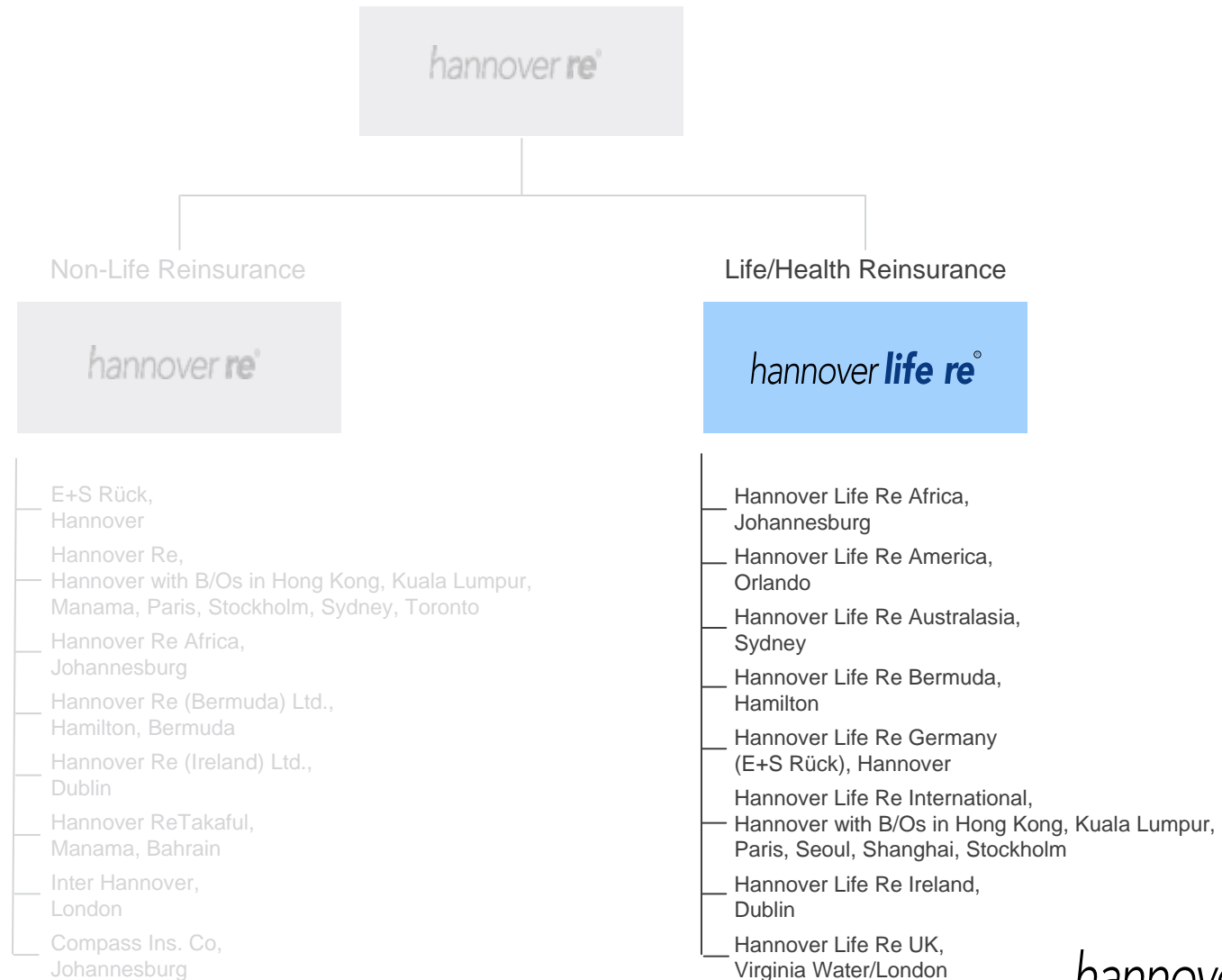
Diversification across Non-Life business lines and regions

REDUCES CAPITAL REQUIREMENTS OVER 40%



* Calibrated to 99.97% Value at Risk (VaR); equivalent to AA S&P-Rating

LIFE/HEALTH REINSURANCE



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→ Focus, focus, focus

- 10 key markets = 85% of our business; 50 main clients = 82% of our portfolio
- 4 special products stand for ~60% of our total business
 - Financial Solutions
 - Bancassurance
 - New Markets
 - Multinationals

→ Sophisticated client-relationship management

- Ability to differentiate between value-creating and value-destroying clients
- We create win-win situations (don't play zero-sum games)

→ We do consider acquisitions

- But only if strategic fit/complement
- No strategic prices

Focused, long-term, growth-oriented, win-win approach

Life/Health Reinsurance

THE FIVE-PILLAR BUSINESS MODEL

Our long-term unique business approach

Financial
Solutions

Worldwide:
new business
financing, block
assumption
transactions in life,
personal accident
and annuities

New Markets

Worldwide:
inventing and
pioneering new
markets , e.g.
enhanced annuities,
products for
senior citizens' and
takaful

Banc-
assurance

Current emphasis
on
Southern Europe,
Scandinavia,
selected Asian
markets

Conventional
Risk R/I

Selected line of
business:
life, critical illness
and health (niches!)

Selected markets:
UK, Australia, Asia,
South Africa and
Latin America

Multinationals

Preferred partner
of various major
international groups
of life companies

HOW TO GROW IN A SOFTENING (P/C) MARKET

Also in a softening market profitable growth is possible:

- disciplined P/C cycle management should secure C/R below MtCR
 - (somewhat) reduced quality of gross premium
 - to be (over) compensated by (strongly) reduced retro premium
- if, in a protracted soft P/C market, C/R should exceed MtCR
release of reserve redundancies (i.e. reduction of comfort level) can provide compensation
- Life/Health business group positioned such that double-digit growth of top and bottom line appears sustainable
- positive cash-flow will increase assets, NII
- reduced German corporation tax will support net income

As in previous soft(ening) markets

HNR1 is poised to fare better than most of its peers!

GUIDANCE FOR 2008

	Guidance
Hannover Re Group	
• Gross written premium (GWP) ¹⁾	±0%
• Net premium earned (NPE) ¹⁾	±0%
Non-Life R/I (NPE) ¹⁾	-5%
Life/Health R/I (NPE) ¹⁾	+12% to +15%
Group RoE	>15%
EPS	~ EUR 5
Dividend pay-out ratio	35% to 40%

We grow our profits²⁾ despite a softening P/C market!³⁾

1) Assuming EUR/USD f/x rate of ~1.55

2) 2007 basis w/o one-time tax-reform effect: EUR 569 m.

3) Subject to large losses within catastrophe budget and capital market normalisation