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Insurance. Investments.

Roadshow Dublin

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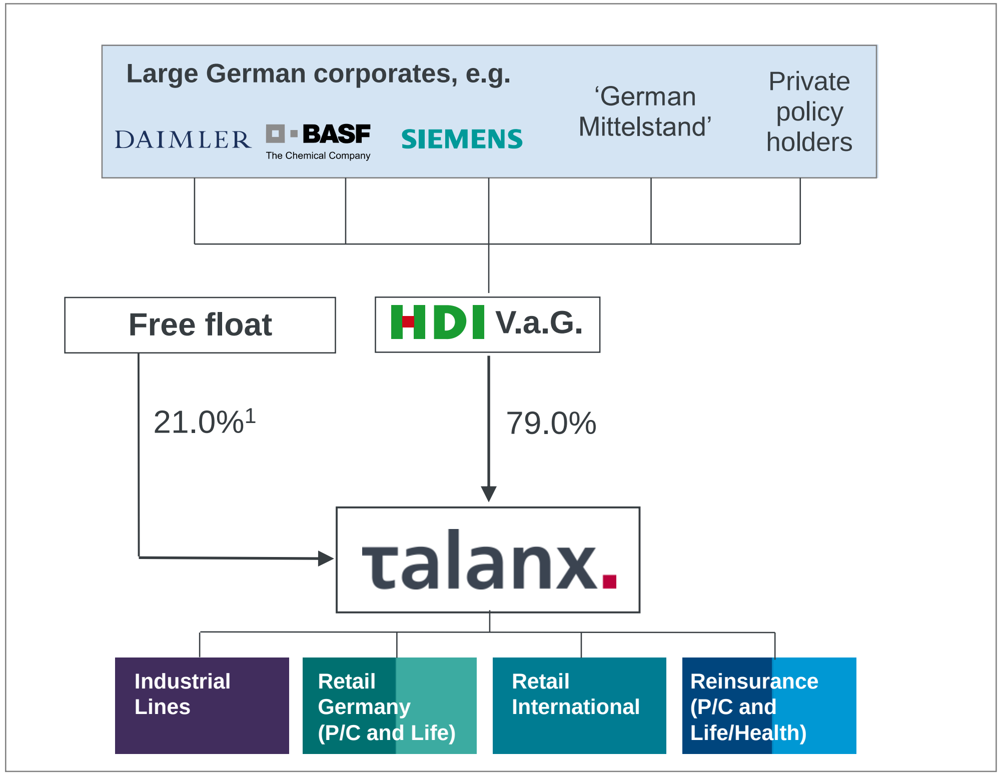
21 September 2017

Founded as a lead insurer by German corporates

Group structure



1 Including employee shares and stake of Meiji Yasuda (below 5%)

History

1903	Foundation as 'Haftpflichtverband der deutschen Eisen- und Stahlindustrie'in Frankfurt
1919	Relocation to Hannover
1953	Companies of all industry sectors are able to contract insurance with HDI V.a.G.
1966	Foundation of Hannover Rückversicherungs-AG
1991	Diversification into life insurance
1994	IPO of Hannover Rückversicherungs-AG
1998	Renaming of HDI Beteiligungs AG to Talanx AG
2001	Start transfer of business from HDI V.a.G. to individual Talanx subsidiaries
2006	Acquisition of Gerling insurance group by Talanx AG
2012	IPO of Talanx AG
2014	Listing at Warsaw Stock Exchange

Strong roots: originally founded by German corporate clients; HDI V.a.G still key shareholder

Four divisions with a strong portfolio of brands

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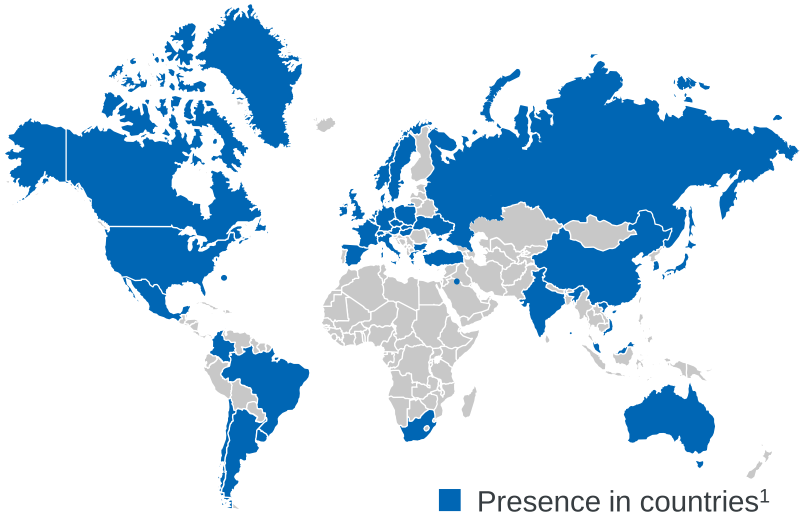
Industrial Lines	Retail Germany	Retail International	Reinsurance	Financial Services
HDI	HDI	HDI	hannover re	talanx. Asset Management
	TARGO·VERSICHERUNG Schutz und Vorsorge	warta.	e+s rück	ampega.
	PB Versicherungen Partner der Postbank	Europa ubezpieczenia		talanx. Immobilien Management
	neue leben Versicherungen	Posta Biztosító		talanx. Reinsurance
	LifeStyle Protection	CiV Life		talanx. Reinsurance Broker

Integrated international insurance group following a multi-brand approach

International footprint and focussed growth strategy

International presence



Presence in countries[1]

- Total GWP: €31.1bn (2016)
- 2016 GWP: 50% in Primary Insurance (2015: 49%), 50% in Reinsurance (2015: 51%)
- Group wide presence in >150 countries
- 20,039 employees (FTE) in 2016

International strategy by divisions

Industrial Lines	▪ Local presence by own risk carriers, branches and partners create efficient network in >130 countries ▪ Key target growth regions: Latin America, Southeast Asia/India, Arabian Peninsula
Retail International	▪ Target regions: CEE (incl. Turkey) and Latin America ▪ # 2 motor insurer in Poland[2] # 5 motor insurer in Brazil[2] # 3 motor insurer in Chile[2] # 7 motor insurer in Mexico[2]
Reinsurance	▪ Global presence focussing on Western Europe, North- and South America as well as Asia ▪ ~5.000 customers in >150 countries

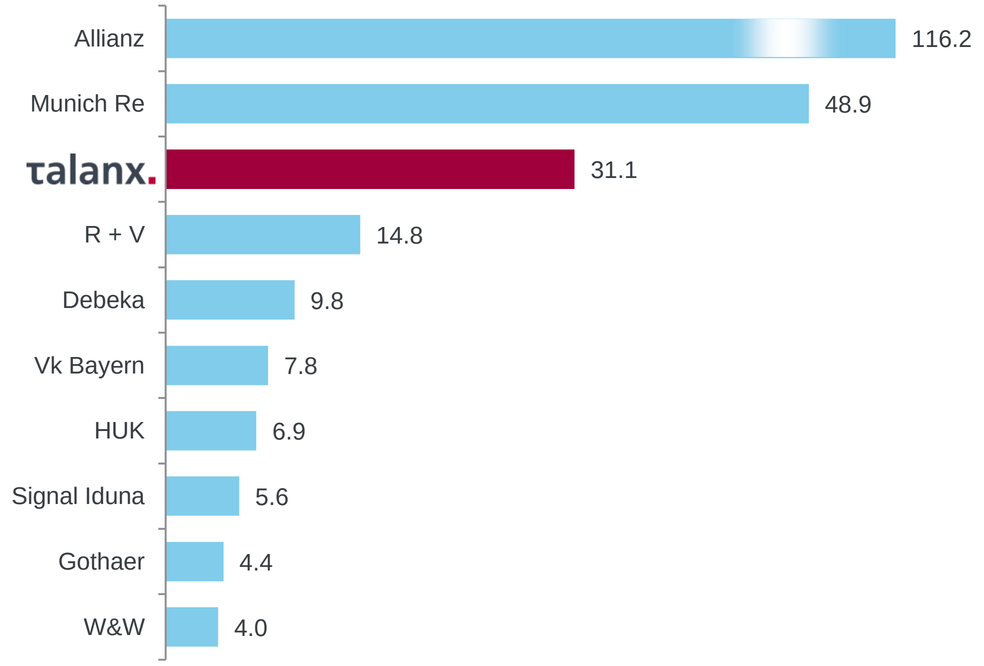
1 By branches, agencies, risk carriers, representative offices
2 Source: local regulatory authorities, Talanx AG

Global network in Industrial Lines and Reinsurance – leading position in retail target markets

Among the leading European insurance groups

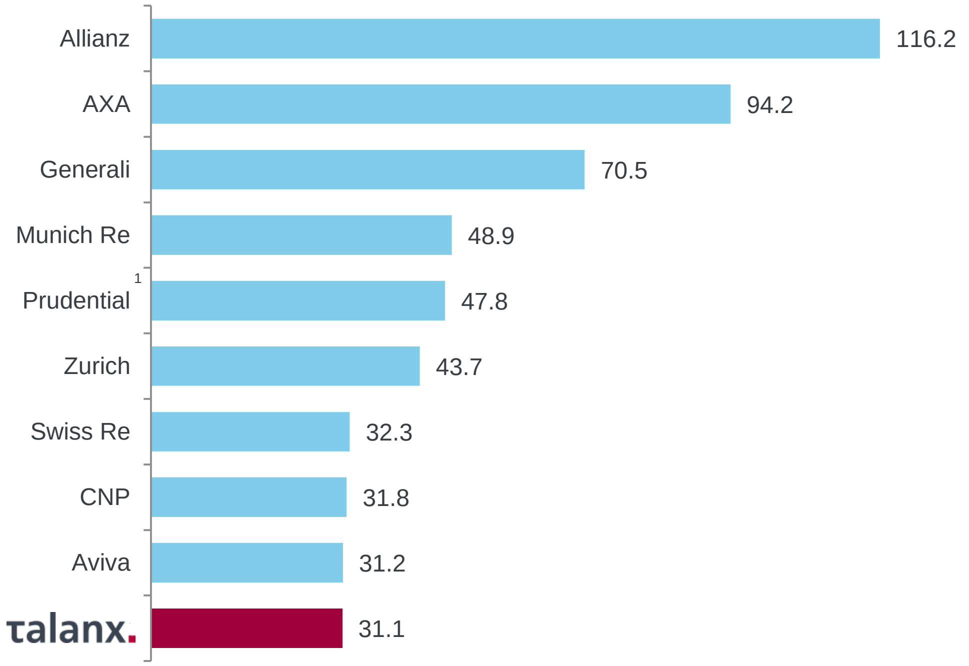
Top 10 German insurers

German insurers by global GWP (2016, €bn)



Top 10 European insurers

European insurers by global GWP (2016, €bn)

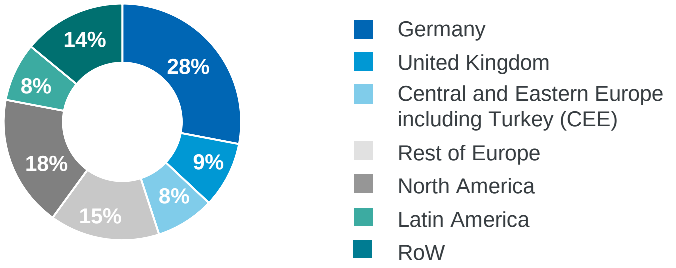


1 Gross earned premium
Source: Company publications

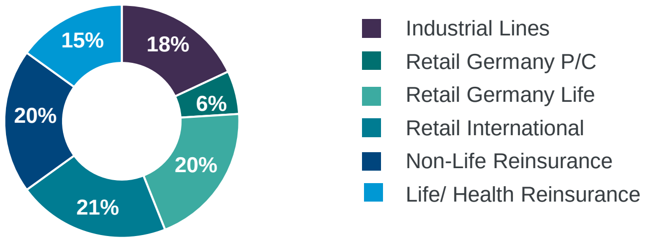
Third-largest German insurance group with leading position in Europe

Regional and segmental split of GWP and EBIT

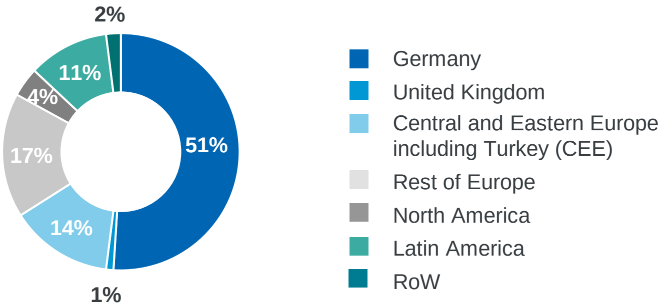
GWP by regions 2016 (consolidated Group level)



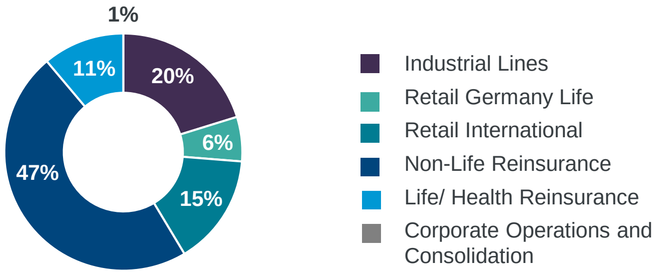
GWP by segments 2016[1]



GWP by regions 2016 (Primary Insurance)



EBIT by segments 2016[1,2]



1 Adjusted for the 50.2% stake in Hannover Re
2 Calculation excludes Retail Germany P/C, which reported a negative EBIT of €2m

Well-diversified sources of premium and EBIT generation

B2B competence as a key differentiator

Strategic focus on B2B and B2B2C

Industrial Lines	▪ Core focus on corporate clients with relationships often for decades ▪ Blue-chip client base in Europe ▪ Capability and capacity to lead international programs
Retail Germany	▪ Market leader in Bancassurance ▪ Market leader in employee affinity business
Retail International	▪ ~35% of segment GWP generated by Bancassurance ▪ Distribution focus on banks, brokers and independent agents
Reinsurance	▪ Typically non-German business generated via brokers

Unique strategy with clear focus on B2B business models

Excellence in distribution channels[1]

Bancassurance	Postbank, citibank, BB Bank, Degussa Bank, Targo Bank, Magyar Posta, HSBC Brazil, getin holding, BRE Bank SA, Sparkasse
Automotive	Volvo, Daimler, Porsche, Chevrolet
Brokers	Retail: MLP, SwissLife Select Industrial/Reinsurance: Marsh, Willis, Aon
Employee affinity business	Siemens, Volkswagen Aktiengesellschaft, Bayer, RWE The energy to lead, Daimler

1 Samples of clients/partners

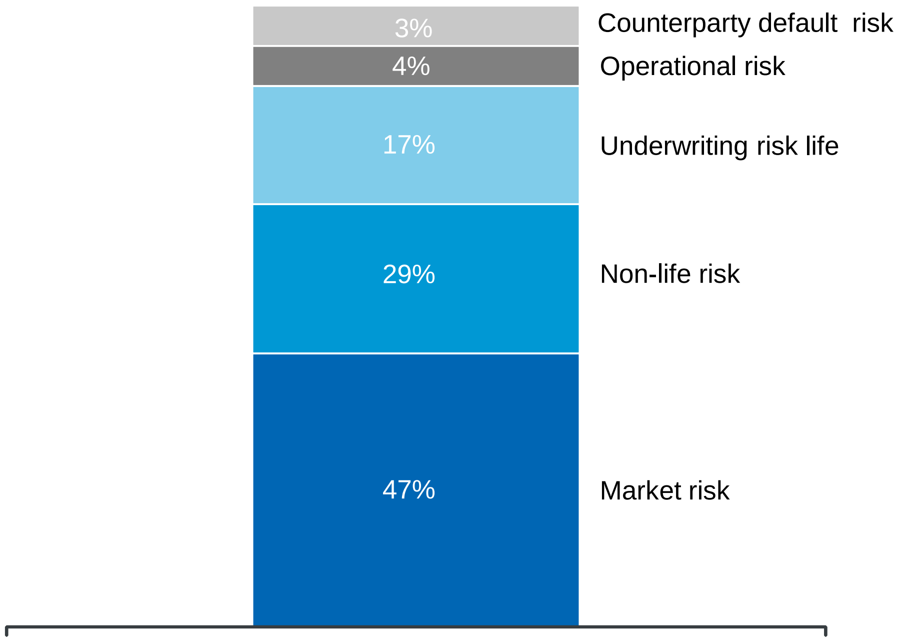
Superior service of corporate relationships lies at heart of our value proposition

Key Pillars of our risk management

1	2	3
Asset risk is limited to less than 50% of our SCR (solvency capital require-ment)	Generating positive annual earnings with a probability of 90%	Sufficient capital to withstand at least an aggre-gated 3,000-year shock

Focus on insurance risk

Risk components of Talanx Group [1]



Comments

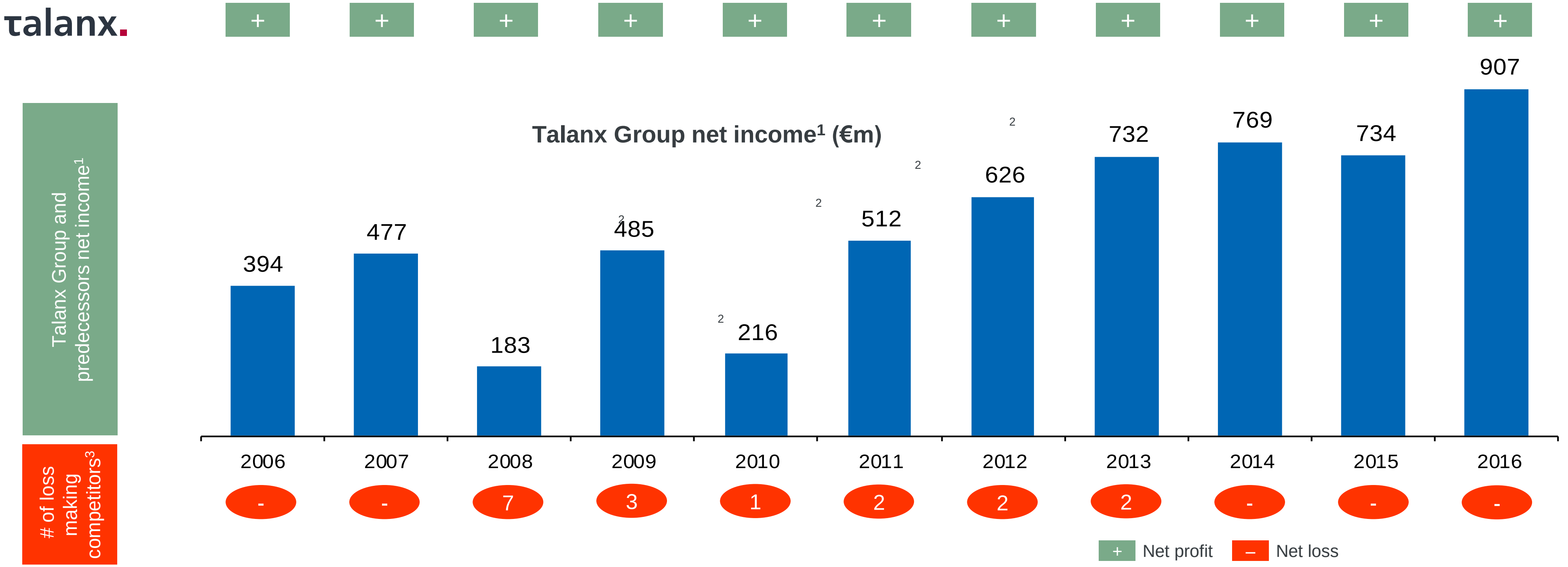
- Total market risk stands at 47% of solvency capital requirements, which is comfortably below the 50% limit
- Self-set limit of 50% reflects the dedication to primarily focus on insurance risk
- Non-Life is the dominating insurance risk category, comprising premium and reserve risk, NatCat and counterparty default risk
- Equities ~2% of investments under own management
- Over 75% of fixed-income portfolio invested in “A“ or higher-rated bonds – broadly stable over recent quarters

1 Figures show risk categorisation, in terms of solvency capital requirements, of the Talanx Group in the economic view (based on Basic Own Funds) as of FY2016

Market risk sensitivity (limited to less than 50% of solvency capital requirement) is deliberately low

2 Diversification of business model leads to earnings resilience

Talanx Group net income



1 Net income of Talanx after minorities, after tax based on restated figures as shown in annual reports (2005–2015 according to IFRS)
2 Adjusted on the basis of IAS 8
3 Top 20 European peers, each year measured by GWP; on group level; IFRS standards
Source: Bloomberg, annual reports

Robust cycle resilience due to diversification of segments

TERM 6M 2017 results – Capitalisation perspectives

Economic View (BOF CAR)	276% (FY 2016: 264%)	Limit ≥ 200 %

- Basic Own Funds (including hybrids and surplus funds as well as non-controlling interests)
- Risk calculated with the full internal model

- with haircut ⬇
- operational risk modeled with standard formula ⬇
- HDI solo-funds ⬆

Solvency II Ratio[1]	197% (FY 2016: 186%)	Target corridor 150%-200%

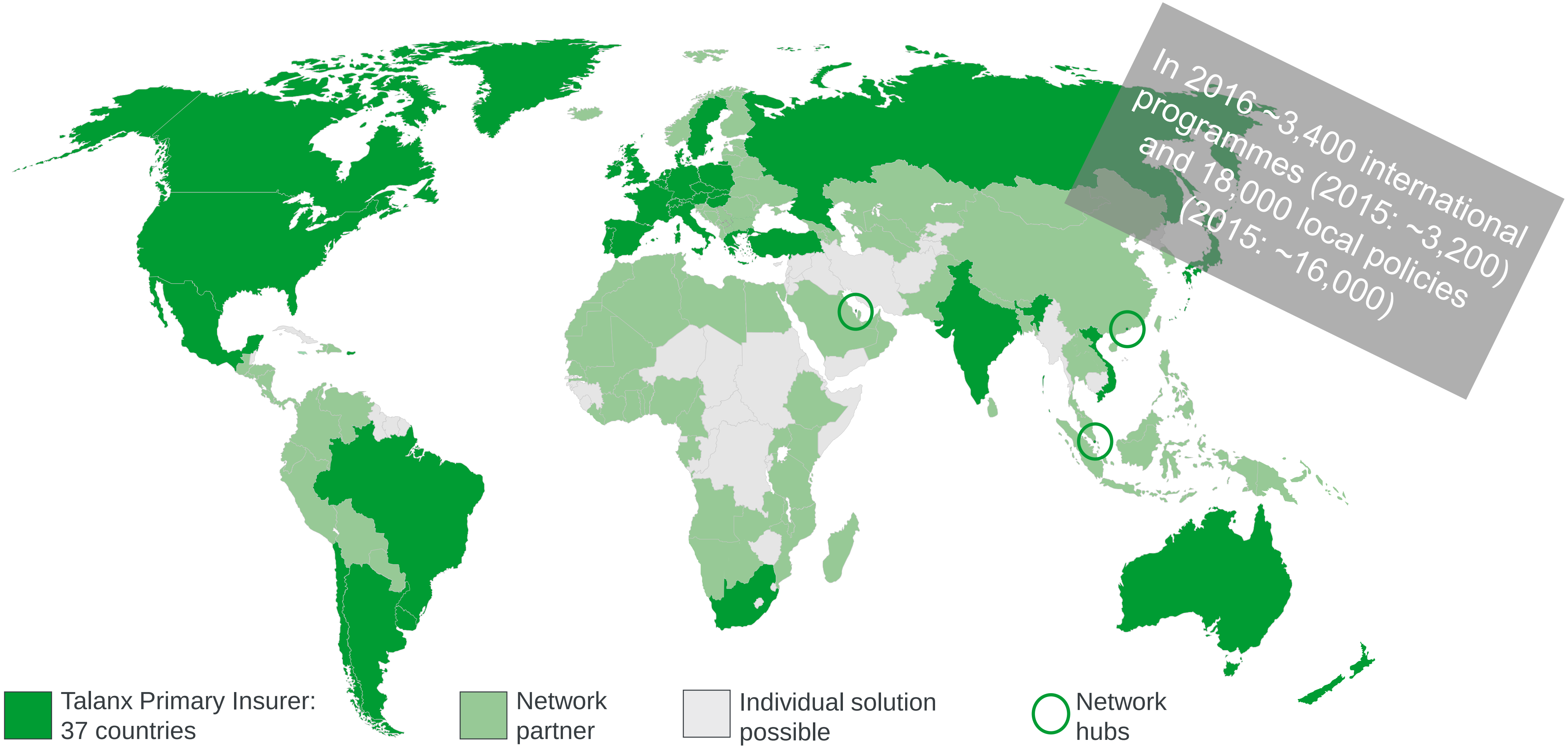
- Eligible Own Funds, i.e. Basic Own Funds (including hybrids and surplus funds as well as non-controlling interests) with haircut on Talanx's minority holdings
- Operational risk modeled with standard formula, („partial internal model")
- For the Solvency II perspective, the HDI V.a.G. as ultimate parent is the addressee of the regulatory framework for the Group

1Group Solvency II Ratios including transitional (i.e. Regulatory View): 6M 2017: 243%, FY2016: 236%

Note: In the entire presentation, calculations of Solvency II Capital Ratios are based on a 99.5% confidence level, including volatility adjustments yet without the effect of applicable transitionals – if not explicitly stated differently

Capital ratios improved despite a continuing low level of interest rates

Industrial Lines – International programmes as competitive edge



Industrial Lines – An impressive long-standing client franchise

Overview of selected key customers by customer segment

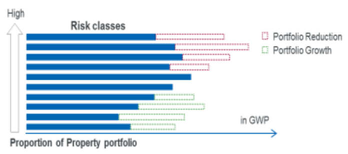
German mid-market (SMEs)	German corporates (multinationals)	International corporates (multinationals)
DEUTZ	ThyssenKrupp	PIRELLI
MAX BÖGL Fortschritt baut man aus Ideen.	BASF The Chemical Company	Nestlé
nobilia	VOLKSWAGEN AKTIENGESELLSCHAFT	gsk GlaxoSmithKline
SMA	Bayer	MICHELIN
GASAG	SAP	ALSTOM
Dräger	SIEMENS	ArcelorMittal
FUCHS	e·on	Ferrari
POSSEHL	DAIMLER	engie
DIEHL	METRO GROUP	AIR FRANCE
		GROUPE RENAULT
		PHILIPS
		LouisDreyfus

Well-established relationships with main players in targeted segments

Industrial Lines – Three initiatives to optimise performance

Strategic 3-element-programme

1 “Balanced Book” – raising profitability in our domestic market



2 Generating profitable growth in foreign markets

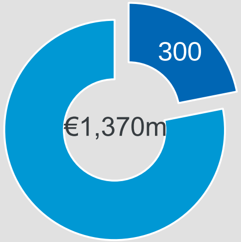
3 Establishing best-in-class efficiency and processes

Industrial Lines – Profitabilisation measures in Germany

2015/16

Portfolios under review (GWP) | **Results from negotiations (gross) and portfolio improvement**

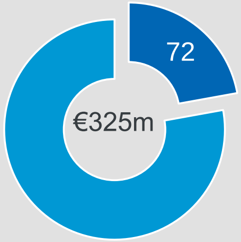
Property



Negotiated	€303.7m
Effects on premium	- 8.4%
Capacity	- 21.7%

Premium to capacity ratio +25%[1,2]

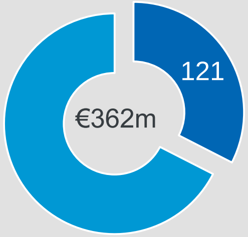
Marine



Negotiated	€71.8m
Effects on premium	-5.3%
Capacity	-26.9%

Premium to capacity ratio +30%[1]

Motor[3]



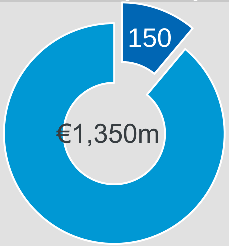
Negotiated	€121m
Effects on premium	-10.1%
Effect on losses[4]	~ -14%

Expected improvement in loss ratio by FY2016 ≥ 3%pts[5]

2016/17

Portfolios under review (GWP) | **Results from negotiations (gross) and portfolio improvement**

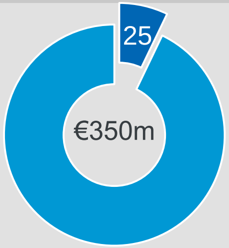
Property



Negotiated	€150m
Effects on premium	- 2.0%
Capacity	- 19.0%

Premium to capacity ratio +20.7%[1,2]

Marine



Negotiated	€24.5m
Effects on premium	+23.2%
Capacity	-15.0%

Premium to capacity ratio +44%[1]

Motor[3]

Successfully completed in 2016

1 For portfolio under review
2 Including effect of additional specific reinsurance measures
3 German business only
4 Expected, in terms of loss volume
5 Assuming constant claims statistic; FY2015 loss ratio: 84.4% (gross)

■ Premium negotiated

Retail Germany - Divisional breakdown

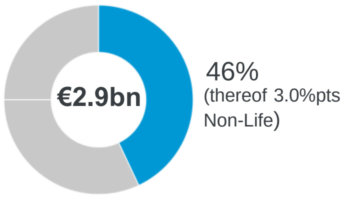
Retail Germany

Bancassurance

- Strategic focus on credit risk protection and annuities business
- Talanx cooperates through banc-assurance agreements with two of the three pillars of the German banking market (private and public sectors)

LifeStyle Protection
TARGO·VERSICHERUNG
neue leben Versicherungen
PB Versicherungen Partner der Postbank

Share in 2016 divisional GWP

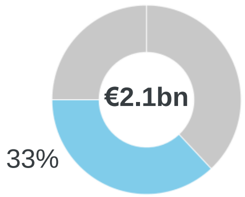


Life

- Non-bancassurance Life business distributed through various external channels as well as own branches and tied agents
- Focus on corporate pension business, disability insurance and "new classic" products (e.g. TwoTrust brand)

HDI

Share in 2016 divisional GWP

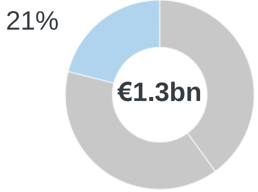


P&C

- Distribution through various external channels as well as own branches, brokers and tied agents
- Offers full product spectrum of P&C insurance products

HDI

Share in 2016 divisional GWP



Multi-brand, multi-channel and high-penetration approach to customers

Retail Germany - Key Messages from Capital Markets Day 2016

- Retail Germany stands for 21% of Talanx's GWP and 47% of its assets under own management. It adds Life exposure to the Talanx Group which is overall strongly geared to P/C business
- Retail Germany has a strong and highly committed management team with an excellent professional track-record in handling challenges and in turning businesses around
- Management initiatives and the central strategic programme KuRS focus on optimising the position in Bancassurance and on turning HDI around. Based on a customer-centric, sustainable and stable business model, we target for a material improvement of the risk-return profile for shareholders
- KuRS combines three substantial strategic pillars: a new Life strategy, a new P/C strategy and investments in Digitalisation/IT in combination with ongoing cost management
- KuRS is the by far largest initiative with ~€330m of investments and a targeted cost cutting of ~€240m. Targeted strategic investments comprise overall ~€420m. This includes ~€90m for Voyager4life targeting at a joint IT Life platform
- All interim goals have been met. In 2017, the KuRS programme savings are likely to first-time exceed costs on EBIT level
- Retail Germany targets for a sustainable EBIT contribution of at least €240m from 2021 onwards

Retail Germany – Market position

Market position Germany Life (2016)

Rank	in €bn	GWP[1]	Market share in %
1.	Allianz	16.4	18.9
2.	Generali	11.0	12.7
3.	RuV	5.6	6.4
4.	**Talanx**	4.9	5.7
5.	Ergo	4.1	4.8
6.	Zürich	4.1	4.7
7.	Debeka	3.5	4.1
8.	AXA	3.3	3.8
9.	VK Bayern	2.9	3.4
	thereof BA	2.7	3.3
10.	Alte Leipziger	2.3	2.7
11.	Nürnberger	2.3	2.7
12.	Provinzial NW	2.3	2.6
13.	W&W	2.1	2.4
	thereof HDI	1.9	2.4
14.	Sparkassen Vers.	1.8	2.1
15.	Volkswohl-Bund	1.4	1.6

Market position Germany P/C (2016)

Rank	in €bn	GWP[1]	Market share in %
1.	Allianz	9.6	13.8
2.	RuV	5.3	7.6
3.	HUK	4.7	6.8
4.	AXA	4.1	5.9
5.	Generali	3.6	5.2
6.	Ergo	3.3	4.8
7.	VK Bayern	2.4	3.4
8.	LVM	2.2	3.2
9.	Provinzial NW	1.8	2.6
10.	VHV	1.8	2.6
11.	DEVK	1.8	2.6
12.	Gothaer	1.7	2.5
13.	W & W	1.7	2.4
14.	**Talanx**	1.5	2,2
15.	SV Konzern	1.5	2.1
	thereof HDI	1.3	1.9
	thereof BA	0.2	0.2

Ranking as of August 2017

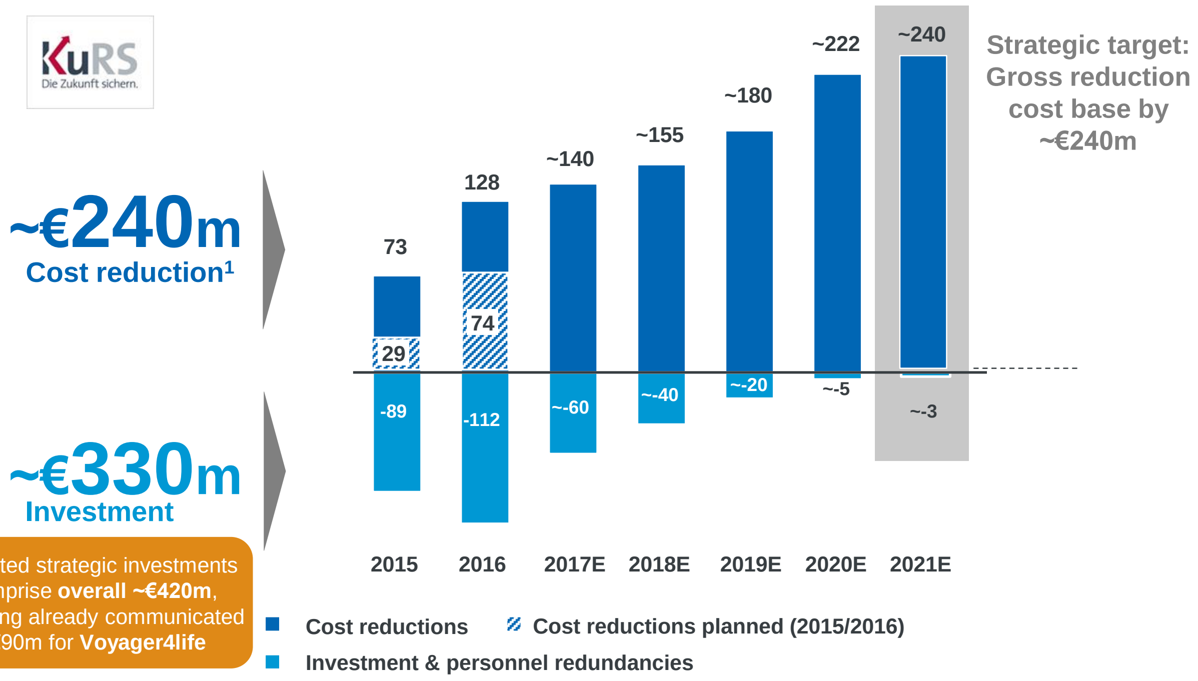
1 Own underwriting business

Retail Germany with a TOP-5 position in Life and among TOP-15 in German Non-Life

Retail Germany – KuRS programme: Investment and cost reduction targets

Estimated project costs and savings

in €m



Targeted strategic investments comprise **overall ~€420m**, including already communicated ~€90m for **Voyager4life**

1 Cost reduction before inflation

Comments

- Targeted strategic investments for KuRS are expected to be ~€330m
- The related cost saving target is ~€240m p.a.
- Both numbers refer to Life and P/C business in sum
- Target is to implement all initiatives in full by the end of 2020 with the full cost benefit to be reached in 2021

Strategic investments target at restructuring HDI (catching up with market) and optimising BA (strengthening excellent market positions)

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Retail Germany – KuRS programme: Strategic approach P/C

P/C

Selective growth

- Growth within target segment corporate business in 2016:
  - New business in total grew about +44% y/y
  - therof exclusive distribution (incl. direct sales) + 26%
  - thereof third-party distribution + 77%
- 50k new motor policies via direct sales in 2016

Modernisa-tion IT & processes

- Implementation of a new inventory management system in Motor within one year
- By the help of the new system, a straight-through processing rate of more than 80% in the motor year-end business has been achieved
- The migration of Motor legacy systems is planned until the beginning of 2019

Digitalisation

- Succesful implementation of a claims app with more than 13k settled damages within one year (the app has been installed in April 2016)
- HDI – together with cooperation partners – offers innovative telematics services via the app “TankTaler“; nearly 3k customers have already registered

Strong base for the ongoing turnaround

Retail Germany – KuRS programme: Strategic approach Life

Life

New business

- Strong growth in biometric products[1] of more than 11% in 2016 (~ €200m[2])
- Successful launch of new capital-efficient products in all carriers
- Strategy-conform reduction of single-premium business by around 12.5% compared to 2015 for the Retail Germany Life carriers

Solvency II

- Approval of the internal model for all four German Life carriers

Digitalisation

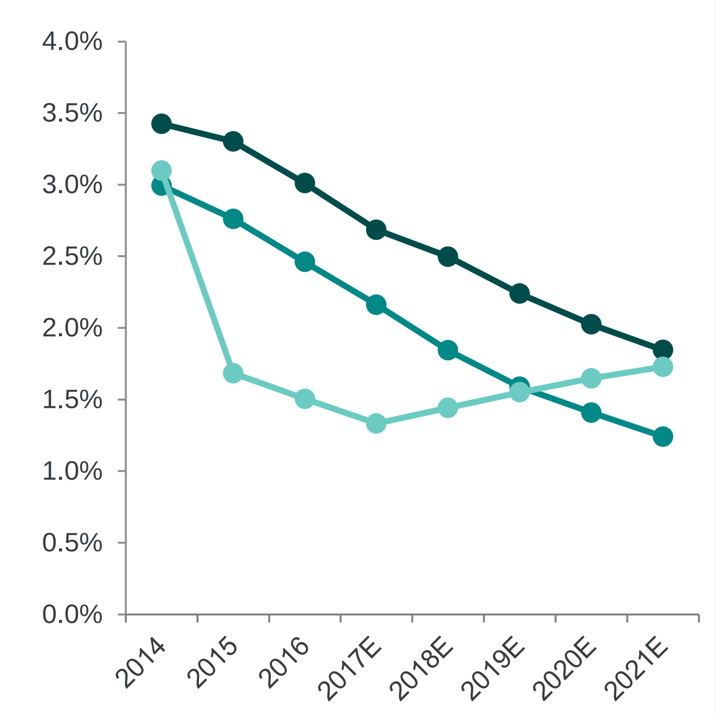
- Digitalisation of bAV services (pension scheme business) has been further boosted, with 62k active contracts until May 2017
- Service apps have been introduced for all bancassurance companies until the end of 2016 *(e.g. SmartCapture@BA)*

1 includes the following products: term life insurance, funeral expense insurance, disabilitiy insurance, nursing care insurance, credit life insurance
2 in terms of total premiums paid

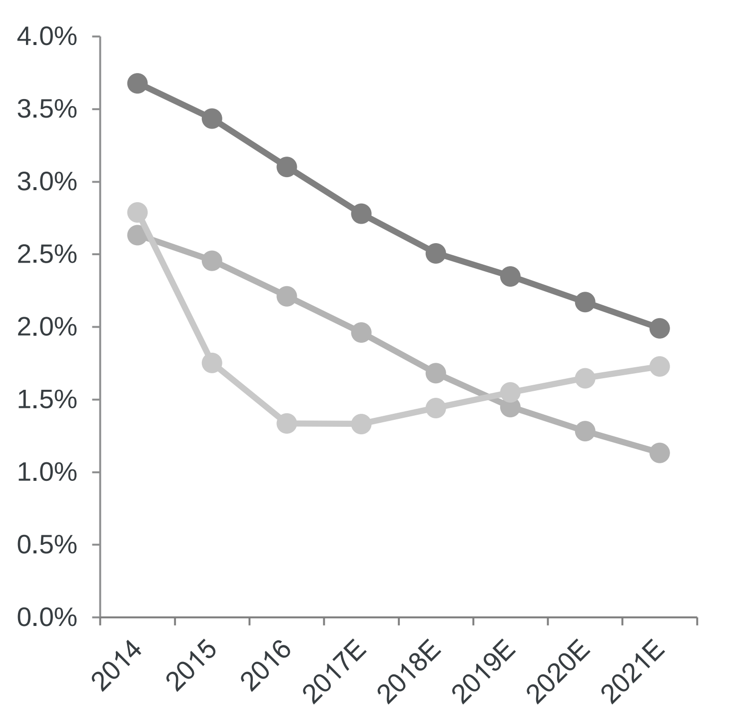
Key measures taken to allow for a successful performance in the low-interest environment

Retail Germany – Asset Management Strategy: Comparison of average running yields versus average guarantee rates

HDI Life



Bancassurance



Comments

- The implicit market expectation for 20-year AAA euro government bonds plus 50 bps is taken as the assumed reinvestment yield for 2017 - 2021 in the two diagrams - e.g. 1.33% for 2017
- The fixed-income reinvestment yield in 2016 was higher at 1.34% for Bancassurance and at 1.50% for HDI Life

avg. running yields avg. guarantee rates (incl. ZZR) reinvestment yield (fixed income)

All numbers refer to German GAAP (HGB)

Based on these assumptions, the average running yields will be sufficient to finance the guarantees for policyholders

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Retail Germany – Targets from Capital Markets Day 2016

Targets Retail Germany	
Gross premium growth (p.a.)	≥ 0%
Life	~ 0%
P/C	≥ 3%
Cost cutting initiatives to be implemented by end of 2020	~ €240m
Combined ratio 2021[1]	≤ 95%
Life new business: share of traditional life products by 2021 (new business premium)	≤ 25%
P/C: Growth in Property & Liability to SMEs and self-employed professionals by 2021[2]	≥ 25%
EBIT contribution (targeted sustainably from 2021)	≥ €240m

1 Talanx definition: incl. net interest income on funds withheld and contract deposits
2 Compared to base year 2014

Talanx targets for a combined ratio of ~96% until 2019 in Primary Insurance

Targets are subject to no large losses exceeding budget (cat), no turbulences on capital markets (capital), and no material currency fluctuations (currency)

Retail International – Core Markets: 6M 2017 overview

% = market share 2016 in %

Brazil

Motor: 8.8%
Non-Life: 4.6%

GWP growth (local currency)	+1.3%	
Combined ratio	101.6%	-0.4%pts
EBIT (€)	12.5m	-24.7%

Mexico

Motor: 4.9%
Non-Life: 2.2%

GWP growth (local currency)	+37.9%	
Combined ratio	94.8%	+0.9%pts
EBIT (€)	4.9m	-7.2%

Chile[1]

Motor: 17.5%
Non-Life: 10.1%

GWP growth (local currency)	+7.1%	
Combined ratio	90.7%	-0.1%pts
EBIT (€)	11.3m	+0.8%

Poland

Motor: 14.8%
Non-Life: 12.8%

GWP growth (local currency)	+23.4%	
o/w Life	+9.7%	
o/w Non-Life	+29.5%	
Combined ratio[2]	96.2%	+0.4%pts
EBIT (€)	56.0m	+8.9%
o/w Life	5.6m	+14.2%
o/w Non-Life	50.4m	+8.3%

Turkey

Motor: 2.7%
Non-Life: 2.5%

GWP growth (local currency)	+28.2%	
Combined ratio	101.9%	-0.6%pts
EBIT (€)	2.8m	-5.3%

1 Includes all entities of HDI Chile Group operating in the Chilean market; Magallanes integrated in February 2015
2 Combined ratio for Warta only
Note: Market shares based on regional supervisory authorities or insurance associations (Polish KNF, Turkish TSB, Brazilian Siscorp, Mexican AMIS, Chilean AACH)

Most of our core markets in Retail International with business growth

Retail International – Cycle management: Strategic initiatives in Core Markets

Brazil

- Behavioral economics to improve claims & service process
- HDI Digital & Recycle to optimise profitability
- Increase usage ratio of "Bate Prontos"

Combined Ratio in %:

2016	2017E
102.1	↘

Mexico

- Channel consolidation
- P&C diversification
- Pricing intelligence & Behavioral economics

Combined Ratio in %:

2016	2017E
95.3	↘

Chile

- Increase direct online sales
- Focus on customer service
- Increase sales through mid-sized brokers

Combined Ratio in %:

2016	2017E
88.7	→

Poland (Warta)

- Innovation in pricing („Big Data")
- Data driven claims handling
- 360° sales management

Combined Ratio in %:

2016	2017E
96.1	↘

Turkey

- Focus on non-motor, pro-active risk selection in motor own damage
- Cost management in claims handling
- Offer "best in class" IT processes

Combined Ratio in %:

2016	2017E
102.5	↘

1 Magallanes integrated in February 2015

Strategic initiatives as key drivers of combined ratio improvement – supported by transfer of best practices

Challenges & Opportunities – Digitalisation

Pursuing and implementing a stringent innovation and digitalisation strategy

In-house expertise – partner of leading global accelerators – group-internal know-how transfer

Outlook for Talanx Group[1]

Gross written premium	>4%
Return on investment	≥3.0%
Group net income	~850 EURm
Return on equity	~9.0%
Dividend payout ratio	35-45% target range

Please note:
Targets are subject to no large losses exceeding budget **(cat)**, no turbulences on capital markets **(capital)**, and no material currency fluctuations **(currency)**

1 The targets are based on a large loss budget of EUR 290m (2016: EUR 300m) in Primary Insurance, of which EUR 260m (2016: EUR 270m) in Industrial Lines. The large loss budget in Reinsurance stands at an unchanged EUR 825m

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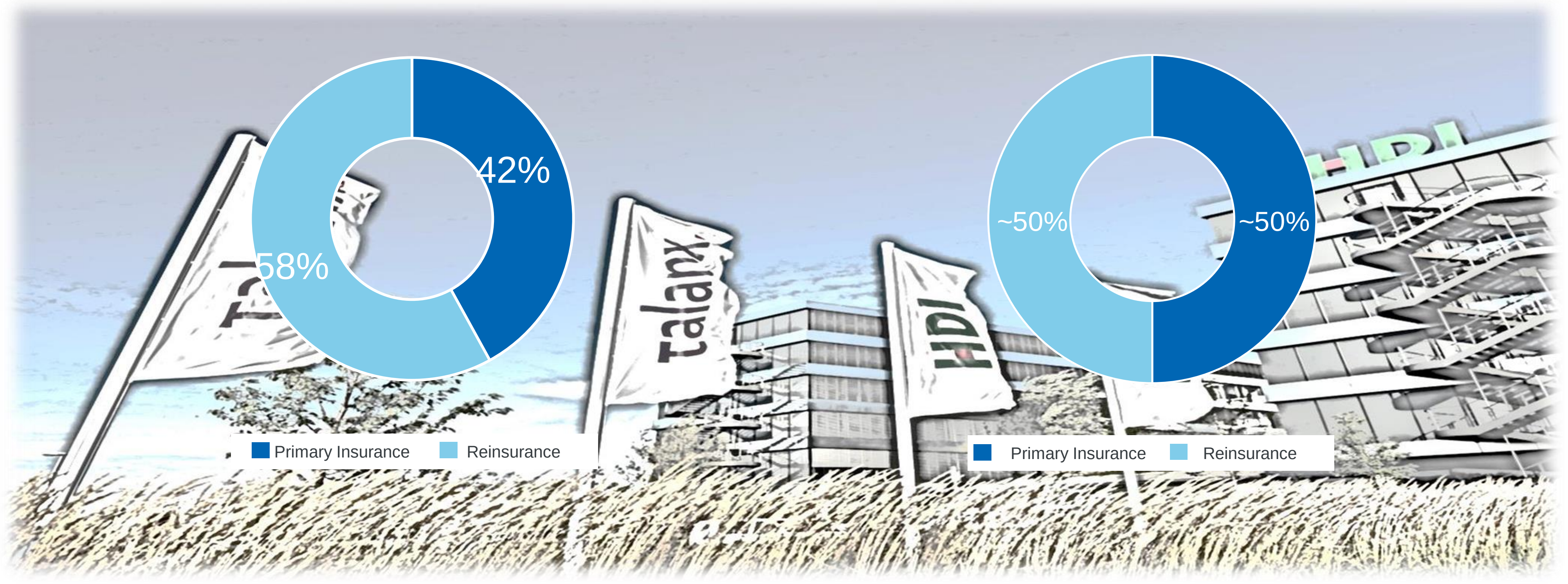
Management ambition – Earnings balance Primary Insurance vs. Reinsurance

EBIT 2016[1]

EBIT ambition by 2021[1]

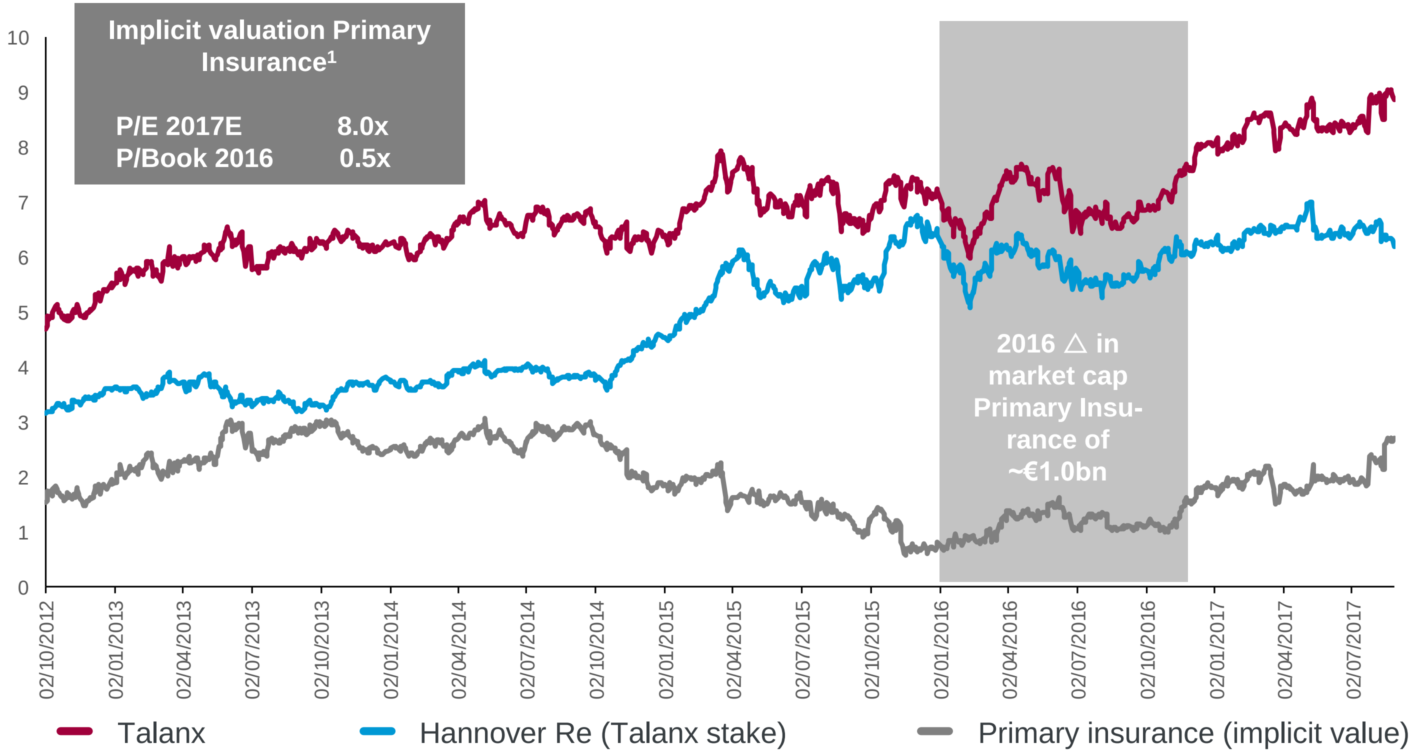


1 Adjusted for the 50.2% stake in Hannover Re

Profitability improvement in Primary Insurance to lead to a balanced EBIT split

Management ambition – Reducing the valuation discount on Primary Insurance

Implicit valuation Primary Insurance in €bn



1 In this analysis, Primary insurance also contains Corporate Operations and Consolidation. Calculated as of end-August 2017

Key measures

Industrial Lines

- optimisation of domestic portfolios
- pushing profitable foreign growth
- process excellence

Retail International

- continuing focused profitable growth

Retail Germany

- consequent de-risking of our Life business
- forceful profitabilisation of our P/C business
- specific focus on investments in Digitalisation/IT

Corporate Operations / Holding

- further cost reductions
- strict capital discipline

A comprehensive set of measures to raise the profitability in Primary Insurance

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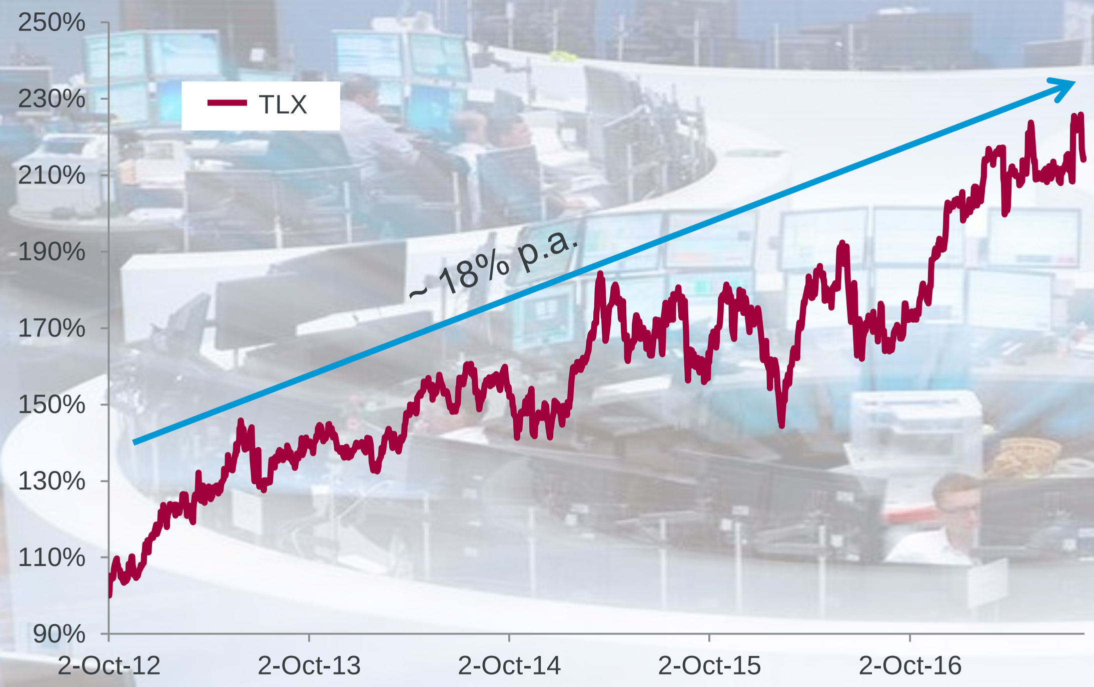
Total shareholder return – More than four and half years since IPO

Performance of the Talanx share



€m	14 Sept 2017
Market cap 31 Dec 2016	8,759
Market cap IPO	./. 4,623
Dividends	+ 1,554
Value creation since IPO	**5,690**

Total shareholder return since IPO close to 18% p.a.

Summary - Investment highlights

- Global insurance group with leading market positions and strong German roots
- Leading and successful B2B insurer
- Value creation through group-wide synergies
- Profitability measures implemented in Industrial Lines and Retail Germany
- Dedication to focus on insurance rather than market risks
- Commitment to continuously fulfill a „AA“ capital requirement by Standard & Poor‘s
- Dedication to pay out 35-45% of IFRS earnings to shareholders

Mid-term target matrix & current status

Segments	Key figures	Strategic targets (2015 - 2019)	2016	2015/2016[8]
Group	Gross premium growth[1]	3 - 5%	(0.3%)	2.2%
	Return on equity	≥ 750 bps above risk free[2]	10.4% [≥8.4%]	9.7% [≥8.6%]
	Group net income growth	mid single-digit percentage growth rate	23.6%	9.5%
	Dividend payout ratio	35 - 45%	37.6%	41.2%
	Return on investment	≥ risk free + (150 to 200) bps[2]	3.6% [≥2.4 – 2.9%]	3.6% [≥2.6 – 3.1%]
Primary Insurance – Industrial Lines	Gross premium growth[1]	3 - 5%	(0.1%)	1.2%
	Retention rate	60 - 65%	53.4%	52.6%
Primary Insurance – Retail Germany	Gross premium growth[1]	≥ 0%	(5.7%)	(4.5%)
Primary Insurance – Retail International	Gross premium growth[1]	≥ 10%	10.2%	8.4%
Primary Insurance	Combined ratio[3]	~ 96%	98.1%	-
	EBIT margin[4]	~ 6%	5.3%	4.5%
P/C Reinsurance[7]	Gross premium growth[6]	3 - 5%	(0.2%)	4.1%
	Combined ratio[3]	≤ 96%	93.7%	-
	EBIT margin[4]	≥ 10%	17.2%	17.2%
Life & Health Reinsurance[7]	Gross premium growth[1]	5 - 7%	(4.3%)	2.5%
	Average value of New Business (VNB) after minorities[5]	≥ EUR 110m	EUR 448m	EUR 361m
	EBIT margin[4] financing and longevity business	≥ 2%	9.4%	10.2%
	EBIT margin[4] mortality and health business	≥ 6%	3.4%	3.5%

[1] Organic growth only; currency-neutral; [2] Risk-free rate is defined as the 5-year rolling average of the 10-year German government bond yield; [3] Talanx definition: incl. net interest income on funds withheld and contract deposits; [4] EBIT/net premium earned, [5] Reflects Hannover Re target of at least EUR 220m; [6] Average throughout the cycle; currency-neutral; [7] Targets reflect Hannover Re's targets for 2015-2017 strategy cycle; [8] Growth rates calculated as 2014 – 2016 CAGR; otherwise arithmetic mean; Note: growth targets are based on 2014 results. Growth rates, CoR and EBIT margins are average annual targets

- 6M 2017 -

Key essentials:
6M 2017 results significantly up triggering the increase in FY Outlook

- 6M 2017 Group net income up 15% y/y to EUR 463m – all divisions contributing to this improvement
- The Group‘s combined ratio largely stable at 97.0% (6M 2016: 96.8%). Large losses in Primary Insurance as well as in Reinsurance below the previous year‘s level and within their respective large loss budgets
- Retail Germany P/C business growth has picked up - combined ratio, also when adjusted for KuRS effects, further down
- Shareholders' equity stood at EUR 8,968, or EUR 35.48 per share at the end of Q2 2017. Strong RoE at 10.3% (FY2016: 10.4%), driven by the double-digit RoEs in Reinsurance and in Industrial Lines
- Guidance up: the Group now expects a FY2017 Group net income of ~EUR 850m (up from ~EUR 800m). GWP growth expected >4% (up from >1%), RoE ~9.0% (up from >8.0%)

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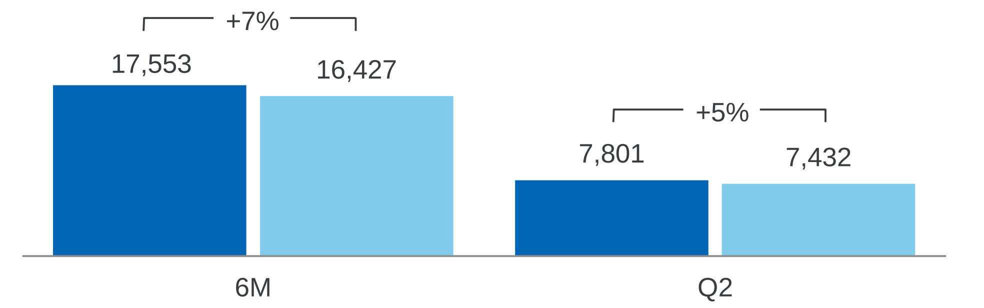
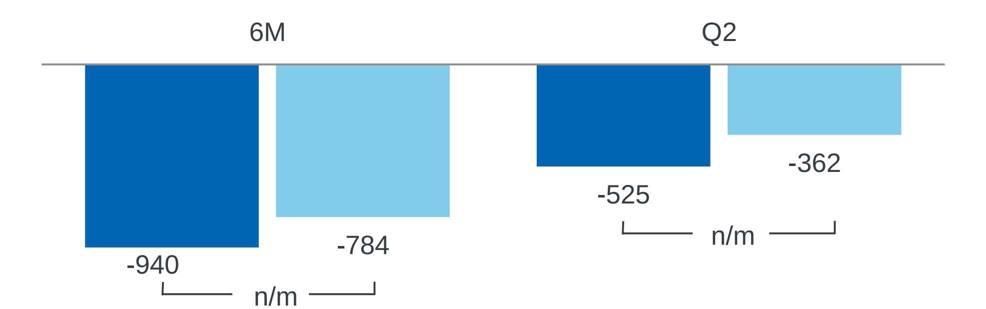
6M 2017 results – Key financials

Gross written premium



Net underwriting result



Retention rate in %

Combined ratio in %

- 6M 2017 GWP markedly up +6.9% y/y (curr.-adj. GWP growth rate of +6.5%). Main growth contribution from Retail International and P/C Reinsurance. Q2 2017 GWP up +5.0% (curr.-adj.: +5.3%)
- Retention rate slightly up – in line with strategic plan
- Large losses on Group level well within the pro-rata large loss budget

- Net underwriting result deteriorated, mainly due to higher policyholder participation in German Life
- Combined ratio largely stable in 6M 2017 y/y, slightly up in Q2 2017. The latter mainly due to the higher cost ratio in P/C Reinsurance

EURm, IFRS **2017** **2016**

Strong top-line growth continued over 6M 2017 – combined ratio largely stable y/y

1 Large losses[1] in 6M 2017 (in EURm)

NatCat	Primary Insurance	Reinsurance	Talanx Group
Storms	27.6 (Cyclone „Debbie“: 7.2 Storm „Quirin: 20.5)	57.4 (Cyclone „Debbie“: 46.4 Tornadoes, USA: 11.0)	85.1 (Cyclone „Debbie“: 53.6 Tornadoes, USA: 11.0 Storm „Quirin: 20.5)
Wildfire	2.9 (Chile)	19.8 (Chile)	22.7 (Chile)
Total NatCat	30.5	77.2	107.8

Man-made	Primary Insurance	Reinsurance	Talanx Group
Fire/Property	41.6	29.2	70.8
Credit		16.4	16.4
Total Man-made	41.6	45.6	87.2

Total large losses			
	Primary Insurance **72.1** (142.4)	**Reinsurance** **122.9** (352.7)	**Talanx Group** **195.0** (495.1)

[1] Definition „large loss“: in excess of EUR 10m gross in either Primary Insurance or Reinsurance

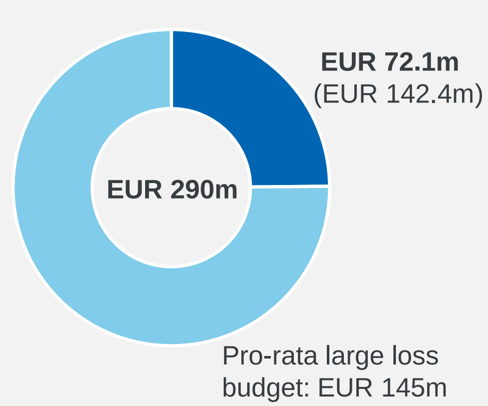
6M 2017 (6M 2016)

Note: 6M 2017 Primary Insurance large losses (net) are split as follows: Industrial Lines: EUR 62.5m; Retail Germany: EUR 6.7m; Retail International: EUR 2.9m, Corporate Operations: EUR 0m; since FY2016 reporting onwards, the table includes large losses from Industrial Liability line, booked in the respective FY.

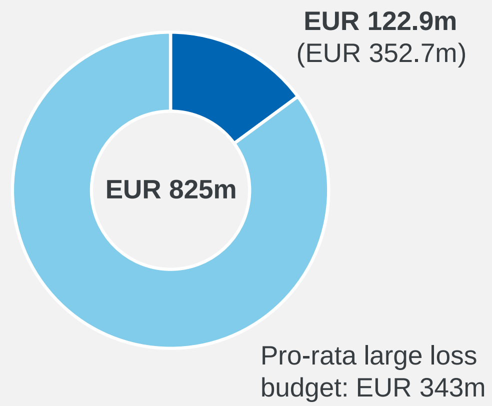
1 Large loss budget in 6M 2017

Primary Insurance	Reinsurance	Talanx Group

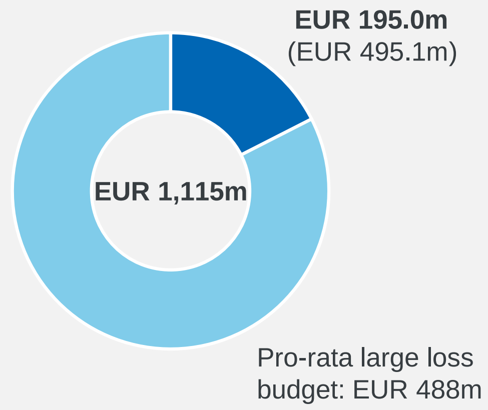
Primary Insurance



Reinsurance



Talanx Group



Impact on large loss ratio (incurred)	Impact on large loss ratio (incurred)	Impact on large loss ratio (incurred)
2.1%pts (4.6%pts) — budgeted 4.3%pts	**2.8%pts** (9.2%pts) — budgeted 7.9%pts	**2.5%pts** (7.1%pts) — budgeted 6.3%pts

FY large loss budget thereof used budget

6M 2017 (6M 2016)

Primary Insurance as well as Reinsurance well within their respective pro-rata large loss budgets

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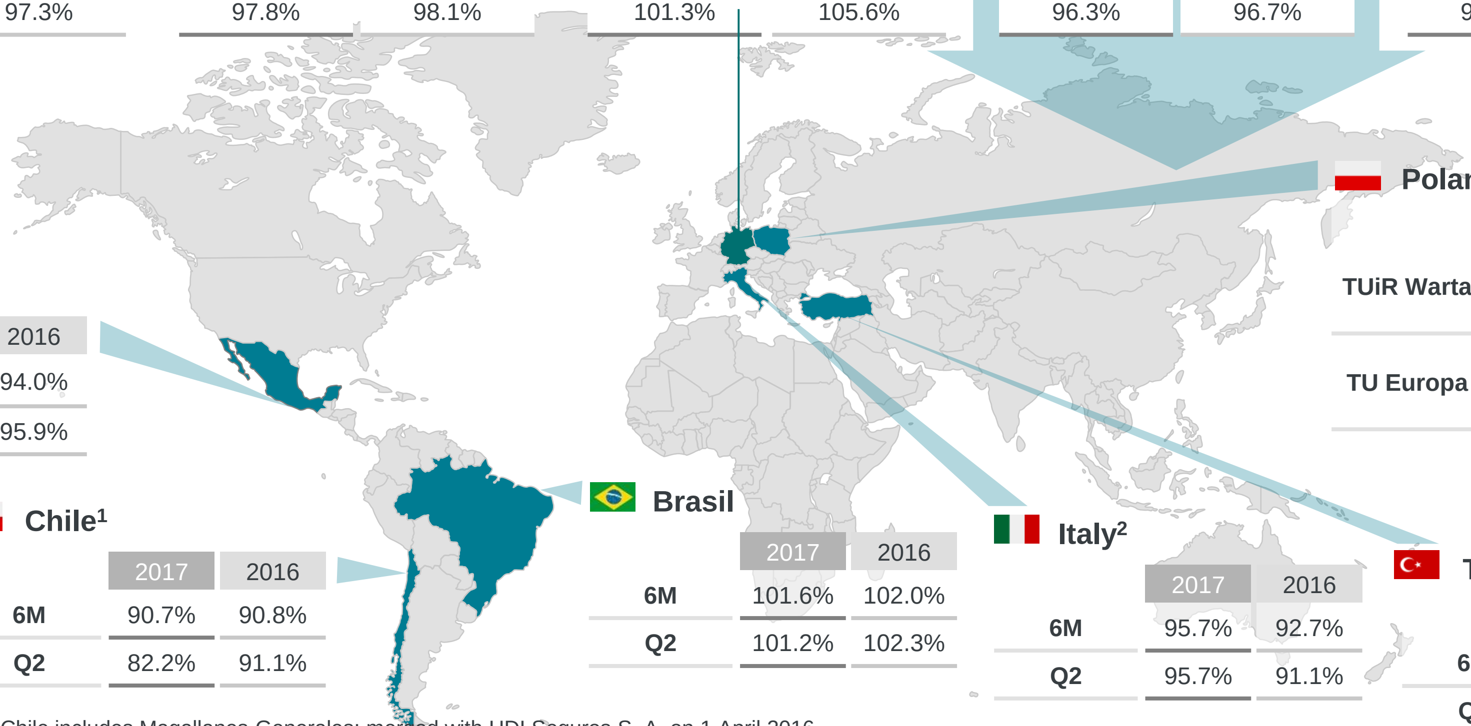
1 Combined Ratios

	Talanx-Group 2017	Talanx-Group 2016	Industrial Lines 2017	Industrial Lines 2016	Retail Germany P/C 2017	Retail Germany P/C 2016	Retail International 2017	Retail International 2016	Reinsurance P/C 2017	Reinsurance P/C 2016
6M	97.0%	96.8%	97.2%	97.8%	101.5%	104.7%	96.5%	96.4%	96.5%	95.4%
Q2	97.6%	97.3%	97.8%	98.1%	101.3%	105.6%	96.3%	96.7%	97.4%	96.1%



Poland

		2017	2016
TUiR Warta	6M	96.2%	95.8%
	Q2	96.7%	95.8%
TU Europa	6M	84.8%	82.2%
	Q2	82.6%	82.8%

Mexico

	2017	2016
6M	94.8%	94.0%
Q2	95.4%	95.9%

Chile[1]

	2017	2016
6M	90.7%	90.8%
Q2	82.2%	91.1%

Brasil

	2017	2016
6M	101.6%	102.0%
Q2	101.2%	102.3%

Italy[2]

	2017	2016
6M	95.7%	92.7%
Q2	95.7%	91.1%

Turkey

	2017	2016
6M	101.9%	102.5%
Q2	101.8%	102.5%

1 HDI Seguros S.A., Chile includes Magallanes Generales; merged with HDI Seguros S. A. on 1 April 2016
2 Incl. InChiaro (P/C); merged with HDI Italy on 29 June 2017; numbers for 2016 are as-if-numbers

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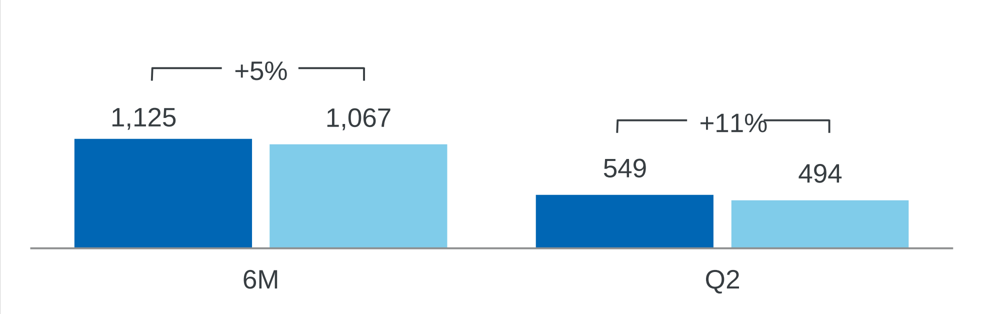
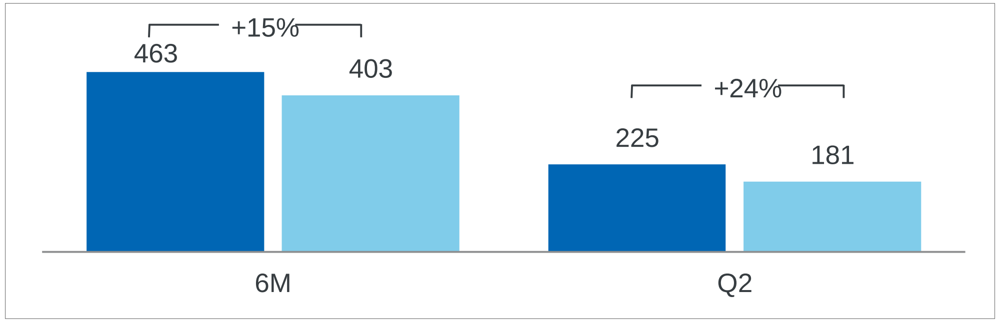
1 6M 2017 results – Key financials

Operating result (EBIT)



Group net income



RoI in %

6M: 3.7 | 3.5

Q2: 3.8 | 3.3

RoE in %

6M: 10.3 | 9.5

Q2: 9.8 | 8.4

- 6M 2017 investment result up +6%, partly due to higher extraordinary gains; ordinary investment result also up, e.g. in Reinsurance and Retail International
- EBIT up, reflecting premium growth at largely stable combined ratios in P/C segments and the improved „other result" in Retail Germany – the latter as a result of no further provisions for personnel redundancies

- Industrial Lines and Retail Germany P/C are the main drivers of the improved operating result
- Net income with a lower tax rate (6M 2017: 25.4%; 6M 2016: 30.4%), resulting from tax benefits from previous years in Retail Germany and from international entities with below-average tax rates, e.g. Industrial Lines and Retail Internat.

EURm, IFRS **2017** **2016**

Strong top-line growth and profitable underwriting lead to significantly higher bottom-line result

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1 6M 2017 – Divisional contribution to change in Group net income

Improvement of Group net income driven by all operating divisions

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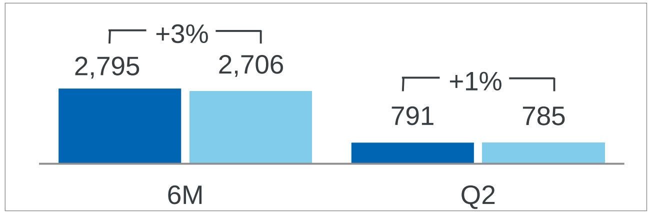
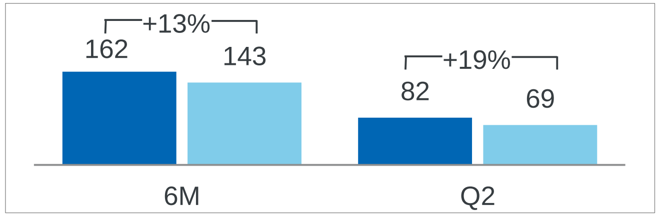
2 Segments – Industrial Lines

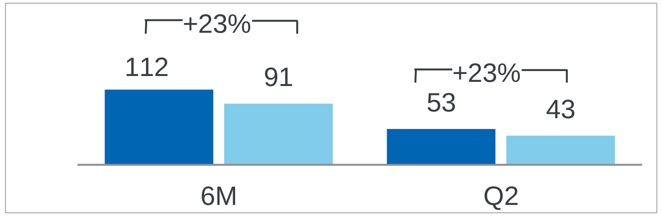
GWP



Operating result (EBIT)



Group net income



Retention rate in %

	6M		Q2	
	54.4	52.7	49.3	46.0

Combined ratio in %

	6M		Q2	
	97.2	97.8	97.8	98.1

RoE in %

	6M		Q2	
	10.1	8.5	9.4	8.0

- Underlying growth from European markets, e.g. France and Belgium as well as from Japan underwriting. 6M 2017 curr.-adj. GWP growth of +2.6% y/y
- Positive impact from takeover of Motor fleet business of Retail Germany, partly compensated by disposal effect of Norwegian Marine portfolio
- Somewhat higher retention in Liability and Marine lines

- 6M 2017 combined ratio slightly improved. Loss ratio broadly stable, while cost ratio is down by -0.5%pts. Run-off result without major anomalies
- Large losses remain well within the pro-rata large loss ratio

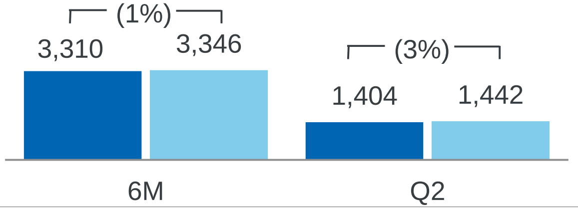
- 6M 2017 investment result improved. Ordinary investment result with lower contribution from private equity vehicles. Extraordinary investment result supported by gains from equities and lower writedowns
- Bottom-line helped by lower tax rate due to above-average contribution from lower-taxed entities, already seen in Q1 2017

EURm, IFRS ■ **2017** ■ **2016**

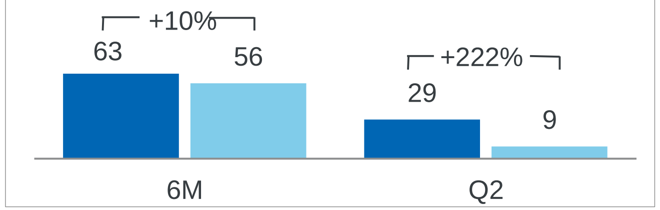
Improved net underwriting and investment result lead to higher profitability

Segments – Retail Germany Division

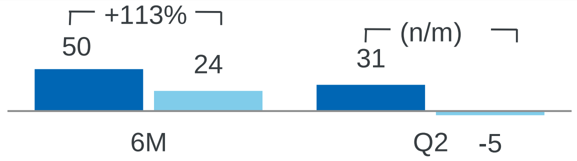
GWP



Operating result (EBIT)



Group net income



Retention rate in %

	2017	2016
6M	95.2	95.6
Q2	95.1	95.3

Combined ratio in %

	2017	2016
6M	101.5	104.7
Q2	101.3	105.6

RoE in %

	2017	2016
6M	4.0	1.8
Q2	5.1	(0.8)

- 6M 2017 GWP broadly flat. Pleasing top-line growth in P/C segment - still compensated by the (strategy-conform) GWP reduction in the Life segment. Both trends continued in Q2 2017
- Net underwriting result down by -12%. However, while significantly improved in P/C, the impact in Life is significantly negative due to the higher RfB contribution. This mainly results from a higher extraordinary investment result to finance the ZZR

- Cost impact from KuRS affected the Division by a total of EUR 25m in 6M 2017 (6M 2016: 59m), the cost impact on EBIT was EUR 20m, significantly below the level of 6M 2016 (EUR 40m)
- EBIT burdened by the higher RfB allocation due to the pass-through of tax benefits to policyholders in Life. Nevertheless, divisional EBIT is up due to the significantly improved profitability in P/C business

- Significant improvement in divisional net income due to operating performance and due to the lower tax rate in Life business

EURm, IFRS **2017** **2016**

Bottom line significantly up - improved profitability in P/C segment

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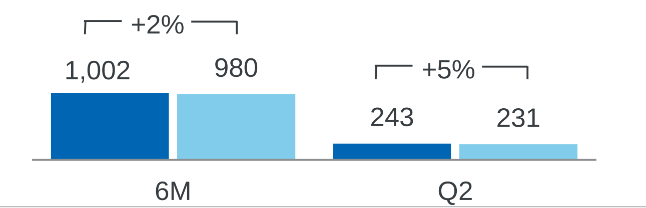
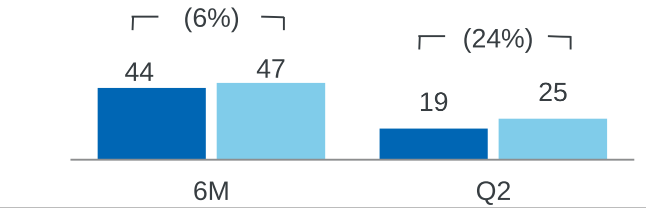
Segments – Retail Germany P/C

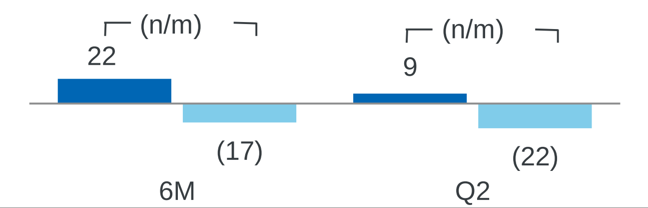
GWP



Investment income



Operating result (EBIT)



Retention rate in %

	2017	2016
6M	94.8	95.4
Q2	94.2	93.7

Combined ratio in %

	2017	2016
6M	101.5	104.7
Q2	101.3	105.6

EBIT margin in %

	2017	2016
6M	3.1	(2.5)
Q2	2.4	(6.4)

- Increase in 6M 2017 despite shift of fleet business towards Industrial Lines (~EUR 26m impact, or 2.6%pts)
- Growth contribution from unemployment insurance products, business with SMEs/self-employed professionals and increasing digital motor business
- Increasing growth momentum (Q2 2017: +5.4% y/y; Q1 2017: +1.3% y/y)

- Combined ratio improves due to better claims experience, incl. lower NatCat losses; partly compensated by a portfolio shift towards Non-Motor P/C, leading to higher commission payments
- 6M 2017 combined ratio impacted by EUR 19m costs for KuRS programme (6M 2016: EUR 18m). Adjusting for this effect, 6M 2017 combined ratio continued to decline to 98.8% (6M 2016: 102.2%)

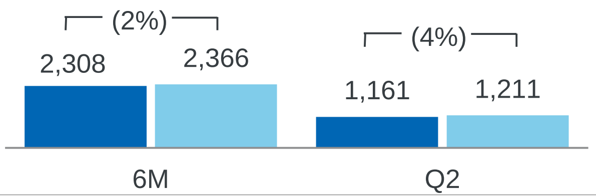
- Decline in 6M 2017 investment result, impacted by the decline in ordinary as well as in the extraordinary investment result
- Positive EBIT development – due to improvement in underwriting result and in the "other result" – in 6M 2016 the latter had been burdened by ~EUR 20m KuRS restructuring provisions for personnel redundancies

EURm, IFRS **2017** **2016**

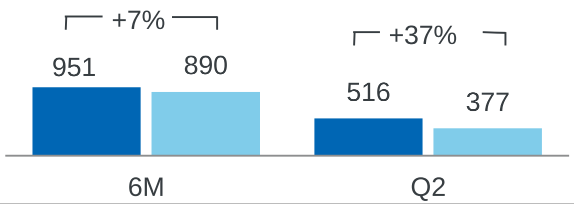
Significant EBIT improvement due to lower KuRS costs and due to the further improved underlying technical performance

Segments – Retail Germany Life

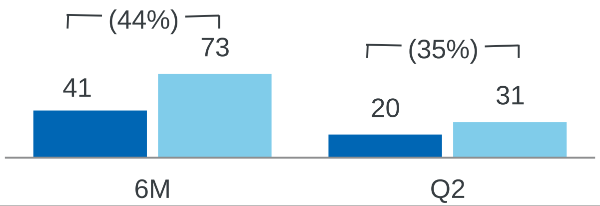
GWP



Investment income



Operating result (EBIT)



Retention rate in %

	2017	2016
6M	95.4	95.6
Q2	95.4	95.7

RoI in %

	2017	2016
6M	4.2	4.0
Q2	4.5	3.3

EBIT margin in %

	2017	2016
6M	2.4	4.2
Q2	2.3	3.7

- Moderate decline in GWP due to the well-known phase-out of traditional Life insurance products mainly in single-premium business, but also due to above-average expiry of Life insurance contracts; premiums in credit-life business up (+21% y/y)
- Decline in technical result is due to higher policyholder participation, predominantly from additions to the shadow RfB (ZZR equivalent)

- 6M 2017 investment result is significantly up, driven by higher extraordinary gains, mainly to finance the ZZR. Ordinary result is below the level of 6M 2016
- Net underwriting result deteriorated, mainly due to higher policyholder participation
- 6M 2017 ZZR allocation – according to HGB – of EUR 417m. Total ZZR stock reached EUR 2.7bn, expected to rise to EUR 3.1bn until year-end 2017

- EUR 5m cost impact from KuRS – significantly lower compared to 6M 2016 (EUR 20m), but virtually irrelevant for the EBIT (due to policyholder participation)
- EBIT affected by higher RfB allocation from a pass-through of tax benefits to policyholders, compensated on net income level

EURm, IFRS **2017** **2016**

Strategy-conform decline in traditional business – EBIT improved when adjusting for ZZR and tax effects

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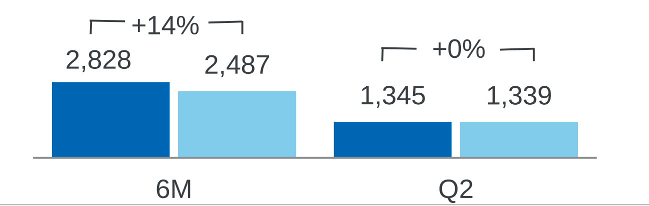
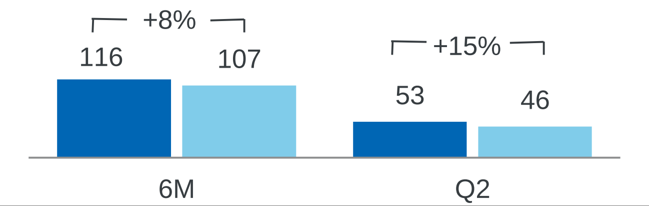
Segments – Retail International

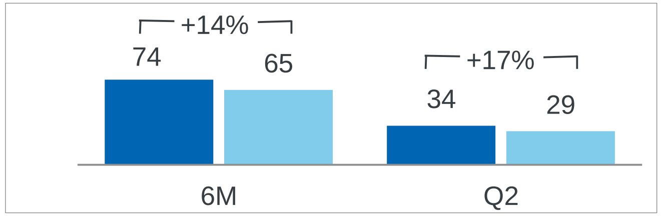
GWP



Operating result (EBIT)



Group net income



Retention rate in %

	6M		Q2	
	2017	2016	2017	2016
Retention rate in %	90.9	90.3	92.0	91.9
Combined ratio in %	96.5	96.4	96.3	96.7
RoE in %	7.1	6.5	6.5	5.6

- 6M GWP up by +13.7%, supported by currency tailwind, e.g. in Brazil and Chile (curr.-adj.:+11.3%)
- All core markets with underlying growth in 6M 2017; Q2 2017 GWP development in sum flat, mainly due to significantly lower single-premium business in Italy

- 6M 2017 P/C premiums up by +19.1% (curr.-adj.: +15.8%); in Q2 2017 +15.2% (+13.6%). Poland (curr.-adj.:~+30%) and Mexico (curr.-adj.:~+38%) with extraordinary growth. Turkey affected by MTPL price cap in Q2 2017 and currency headwind
- 6M 2017 combined ratio rather stable y/y. Higher loss ratio due to higher loss experience in Brazil, Poland and Italy. Compensated by cost measures in Poland and Brazil

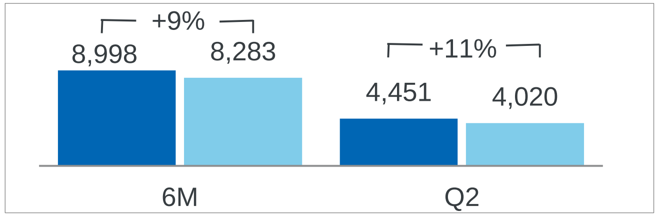
- Ordinary and extraordinary investment result up in Q1 2017 as well as in Q2 2017
- 6M 2017 EBIT improved with increasing momentum in Q2 2017. Contribution from newly consolidated CBA Vita is partly compensated by discontinued consolidation of OpenLife. This leads to a net positive low single-digit EUR EBIT effect in 6M 2017
- Net income benefits both from the improved operating result and from the slightly lower tax rate

EURm, IFRS ■ **2017** ■ **2016**

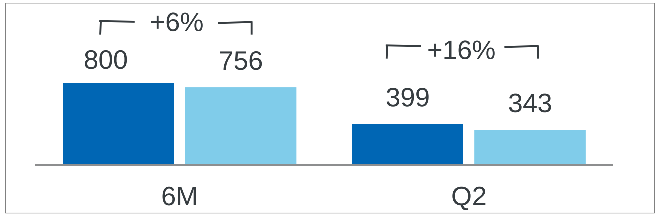
Strong top-line growth and significant improvement of profitability

2 Segments – Reinsurance Division

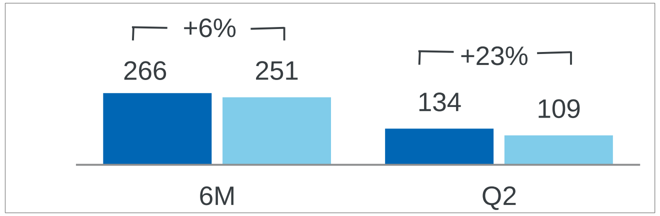
GWP



Operating result (EBIT)



Group net income



Retention rate in %

	2017	2016
6M	90.3	89.8
Q2	90.9	90.6

Combined ratio in %

	2017	2016
6M	96.5	95.4
Q2	97.4	96.1

RoE in %

	2017	2016
6M	12.6	12.6
Q2	12.4	10.7

- 6M 2017 GWP growth of +8.6% y/y (curr.-adj.: +8.7%)
- Net premium is up by +5.0% on a reported basis and grew by +4.9% on a currency-adjusted basis

- EBIT driven by strong investment performance as well as solid earnings contribution from P&C
- Large losses of EUR 123m in P/C Reinsurance well below expected level
- Combined ratio slightly inflated mainly due to growth in Structured Reinsurance

- RoE remains well above our minimum target

EURm, IFRS ■ **2017** ■ **2016**

6M 2017 results in line with full-year targets

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3 Net investment income

Net investment income Talanx Group

EUR m, IFRS	6M 2017	6M 2016	Change
Ordinary investment income	**1,683**	**1,639**	**+3%**
thereof current investment income from interest	1,359	1,374	(1%)
thereof profit/loss from shares in associated companies	7	3	+133%
Realised net gains/losses on investments	466	330	+41%
Write-ups/write-downs on investments	(95)	(106)	(10%)
Unrealised net gains/losses on investments	30	44	(32%)
Investment expenses	(113)	(118)	(4%)
Income from investments under own management	**1,971**	**1,789**	**+10%**
Income from investment contracts	**(2)**	**6**	**(133%)**
Interest income on funds withheld and contract deposits	**116**	**167**	**(31%)**
Total	**2,085**	**1,962**	**+6%**

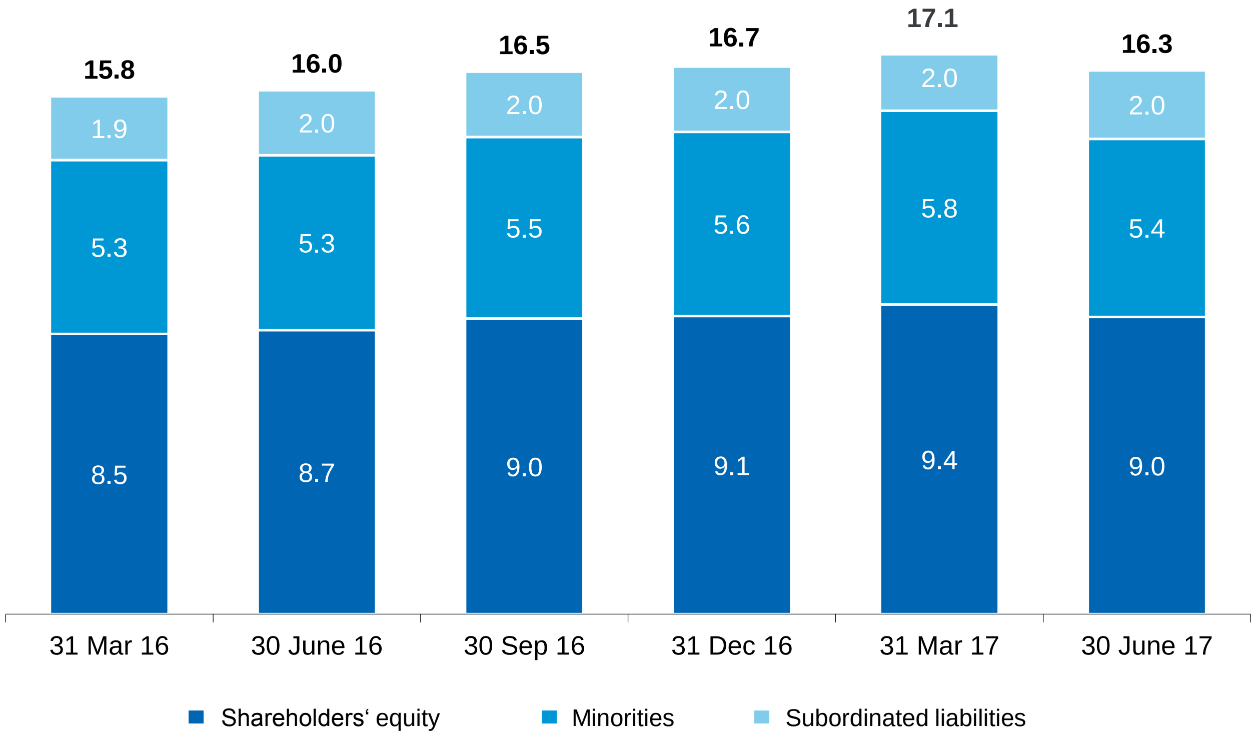
Comments

- Ordinary investment income up. Distributions in real estate and other alternative investments one driver overcompensating the effects from the low-interest environment
- Realised investment net gains ~EUR 140m up y/y to EUR 466m in 6M 2017, predominantly used to finance ZZR. 6M 2017 ZZR allocation: EUR 417m vs. 6M 2016: EUR 295m
- Investment writedowns 10% lower compared to 6M 2016, still at moderate level
- Decent 6M 2017 RoI at 3.7% - slightly higher compared to previous year's level (6M 2016: 3.5%), supported by higher realised gains on investments. Well on track to reach FY2017 outlook of "at least 3.0%"
- Impact from ModCo derivatives was EUR 3m in 6M 2017 vs. 6M 2016: EUR -2m; in Q2 2017 impact was EUR 2m (Q2 2016: EUR 0)

6M 2017 RoI of 3.7% at decent level - well on track to reach FY2017 Outlook of "at least 3.0%"

3 Equity and capitalisation – Our equity base

Capital breakdown (EUR bn)



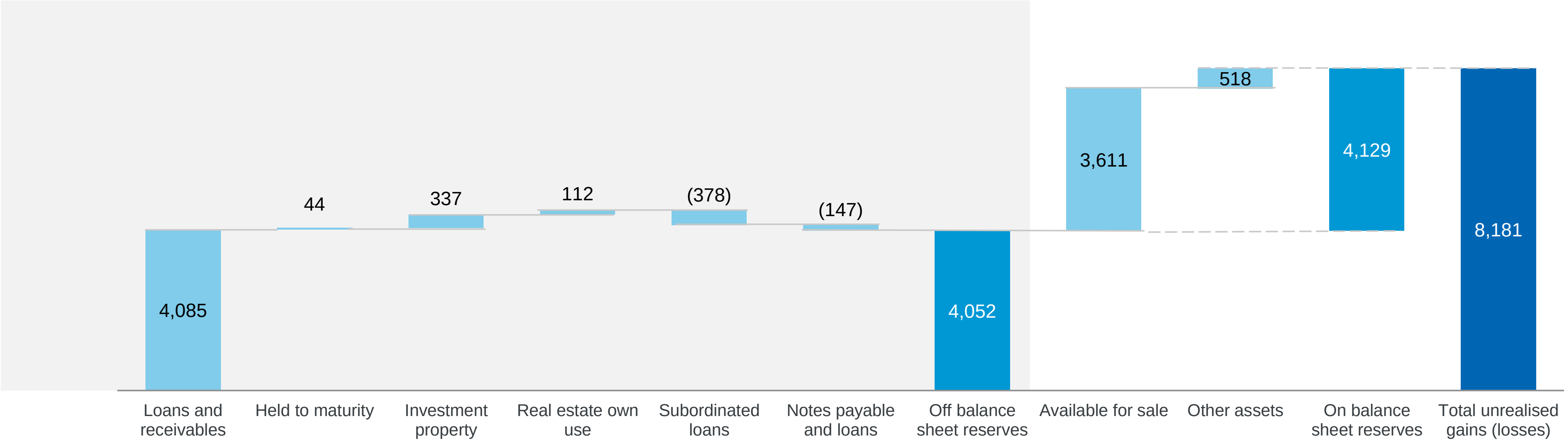
Comments

- Compared to the end of FY2016, shareholders' equity is slightly down by EUR 110m to EUR 8,968m. The decline results from the dividend payout in May 2017 (EUR 341m) and from the EUR 231m lower OCI, which in total could not be fully compensated by the strong 6M 2017 Group net income
- Book value per share at EUR 35.48 (FY2016: 35.91), NAV (excl. Goodwill) per share was EUR 31.35 (EUR 31.80)
- Off-balance sheet reserves amounted to EUR 231m (see next page), or EUR 0.92 per share (shareholder share only), neither included in book value nor in the NAV calculation

Shareholders' equity at EUR 8,968m, or EUR 35.48 per share

Equity and capitalisation – Unrealised gains

Unrealised gains and losses (off and on balance sheet) as of 30 June 2017 (EURm)



31 Dec 16	4,928	47	333	104	(296)	(168)	4,948	4,191	528	4,718	9,666

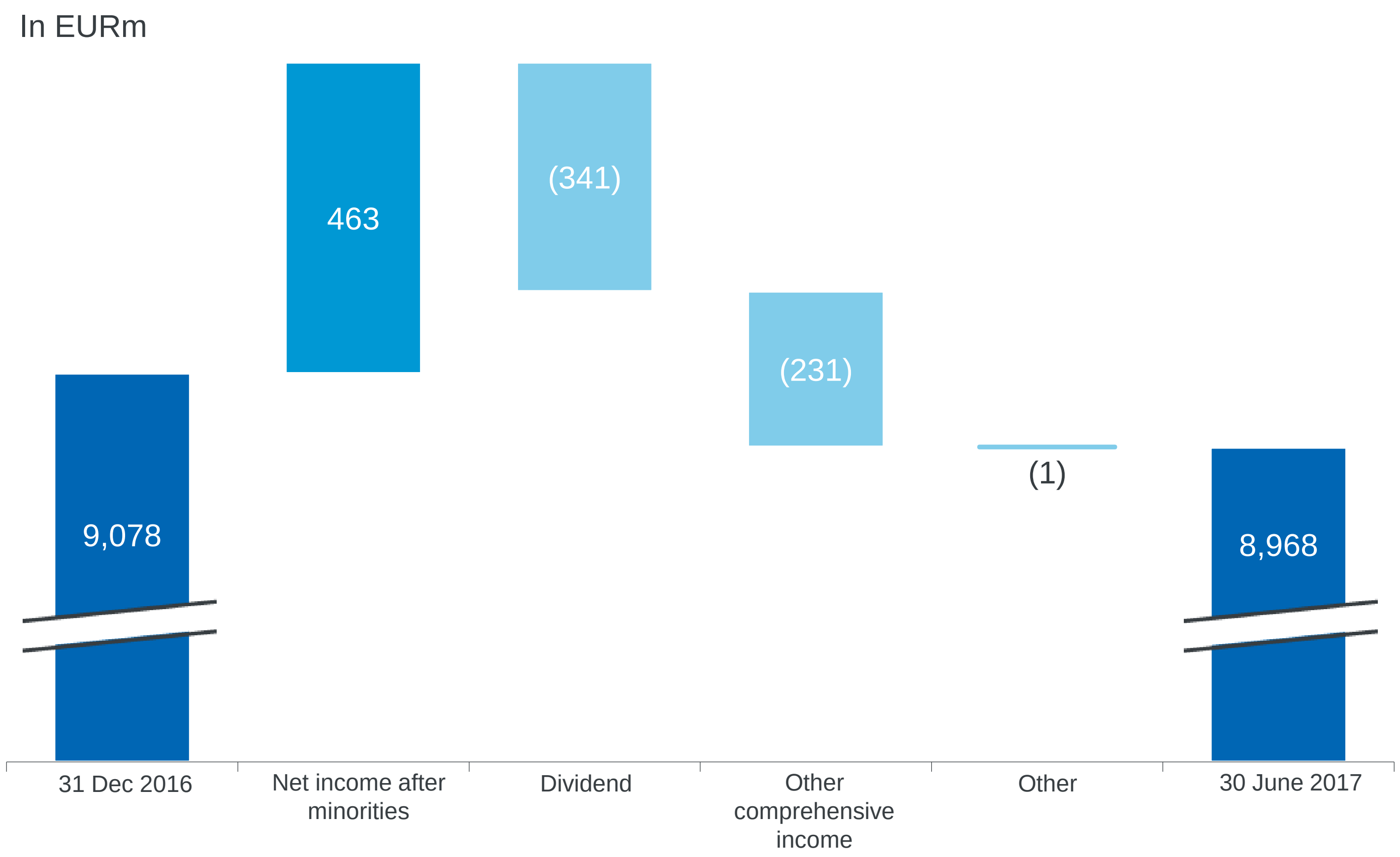
Δ market value vs. book value

Note: Shareholder contribution estimated based on FY2015 profit sharing pattern

Off-balance sheet reserves of ~ EUR 4.1bn – EUR 231m (EUR 0.92 per share) attributable to shareholders (net of policyholders, taxes & minorities)

3

Equity and capitalisation – Contribution to change in equity



Comments

- At the end of 6M 2017, shareholders' equity stood at EUR 8,968m, or EUR 110m below the level of FY2016
- The decline reflects the dividend payout in May 2017 (EUR 341m) and the EUR 231m lower OCI, which could not be fully compensated by the net income contribution (EUR 463m)
- The decline in OCI results predominantly from currency effects
- At the end of Q1 2017, the Solvency II Ratio (Solvency II view, HDI Group level) stood at 194% (FY2016: 186%) excl. the effect of transitional measures– update for 6M 2017 until end-Sept. on our webpage: http://www.talanx.com/investor-relations/berichte-risikomanagement/group

Shareholders' equity close to FY2016, despite the dividend payout and the lower OCI

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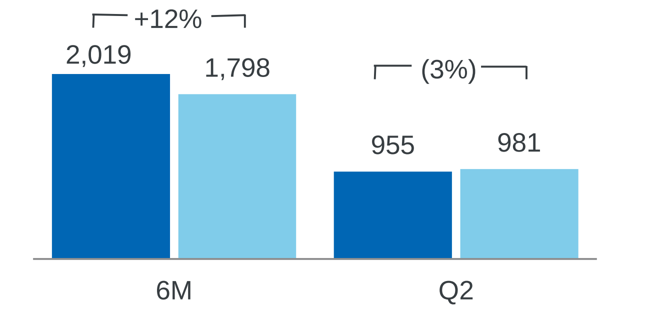
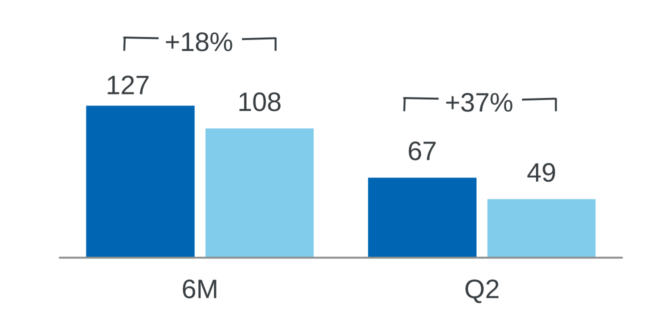
6M 2017 Additional Information – Retail International Europe: Key financials

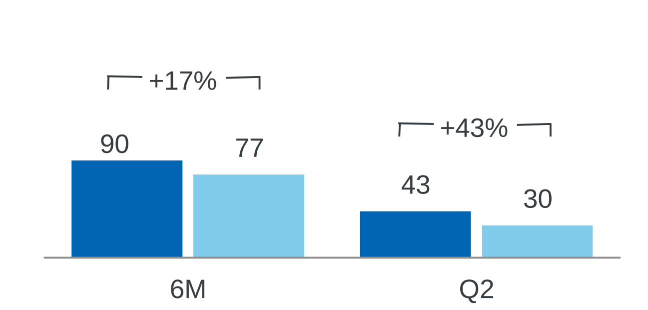
GWP



Investment income

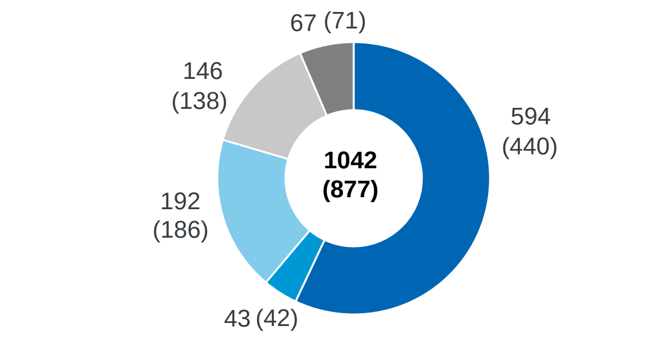


Operating result (EBIT)

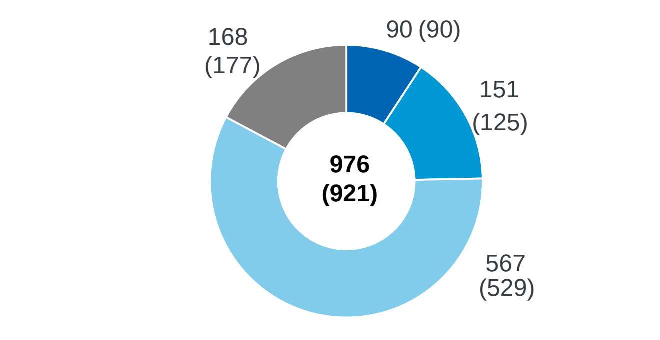


EURm, IFRS **2017** **2016**

GWP split by carriers (P/C)



GWP split by carriers (Life)



Strong improvement on top line and on bottom line – Poland benefits from Motor market hard cycle

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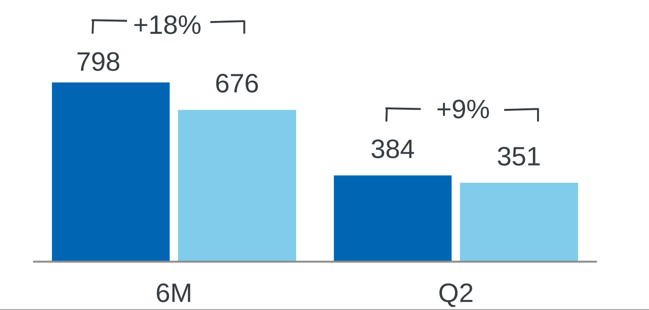
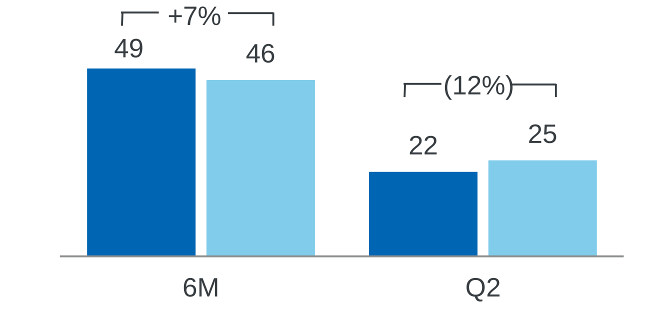
5 6M 2017 Additional Information – Retail International LatAm: Key financials

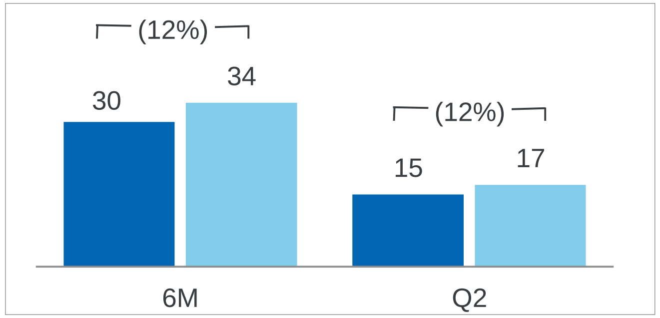
GWP



Investment income

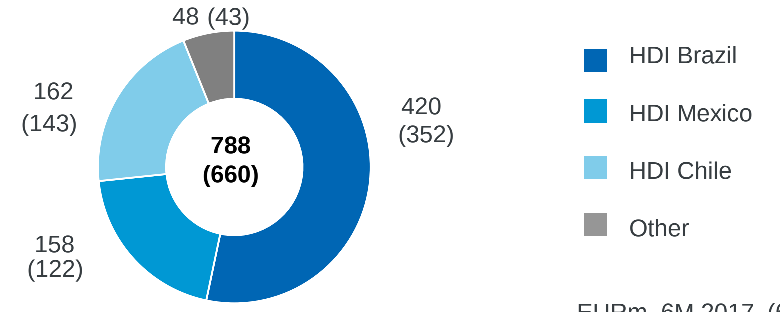


Operating result (EBIT)



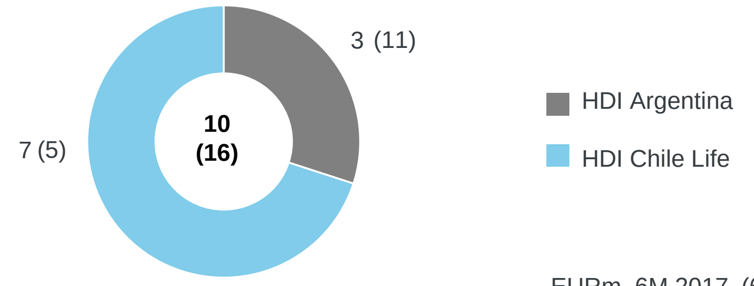
EURm, IFRS **2017** **2016**

GWP split by carriers (P/C)



EURm, 6M 2017 (6M 2016)

GWP split by carriers (Life)

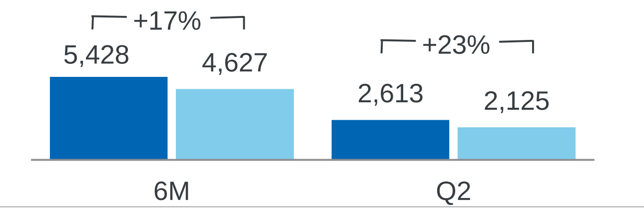


EURm, 6M 2017 (6M 2016)

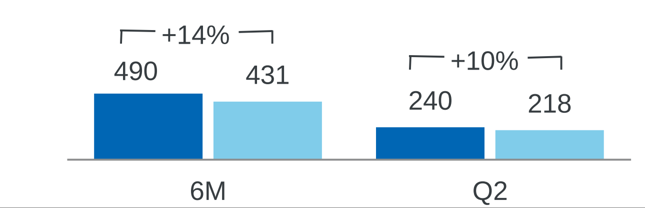
Strong top-line growth – slightly lower EBIT explained by Brazil

6M 2017 Additional Information – Segment P/C Reinsurance

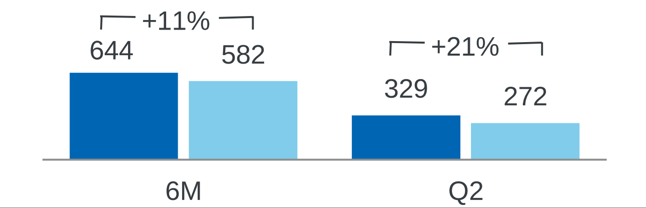
GWP



Investment income



Operating result (EBIT)



Retention rate in %

	2017	2016
6M	89.4	88.2
Q2	90.3	88.5

Combined ratio in %

	2017	2016
6M	96.5	95.4
Q2	97.4	96.1

EBIT margin in %[1]

	2017	2016
6M	14.9	15.2
Q2	15.3	14.5

- 6M 2017 GWP up by +17.3% y/y (curr.-adj.:+16.9%); growth mainly from Structured Reinsurance; diversified growth in other areas
- Net premium earned grew by +12.3% (curr.-adj.:+11.8%)

- Major loss expectation reflected in reserves as usual
- Combined ratio slightly inflated mainly due to growth in Structured Reinsurance
- Reserve increase due to Ogden tables of EUR 291m compensated by reserve releases
- Favorable ordinary investment income

- Other income and expenses benefited from positive currency effects
- 6M 2017 EBIT growth of 10.7% in line with volume growth
- 6M 2017 EBIT margin[1] of 14.9 (6M 2016: 15.2%) well above target

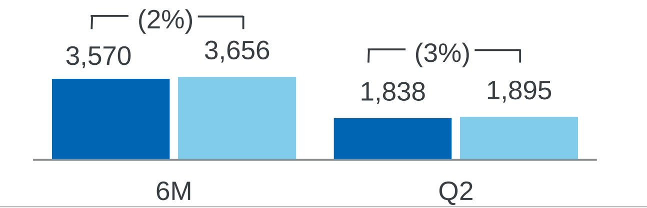
[1] EBIT margin reflects a Talanx Group view

EURm, IFRS ■ **2017** ■ **2016**

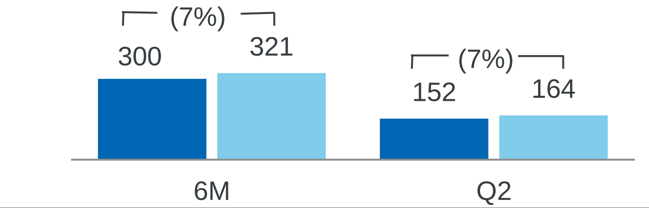
Solid underwriting result in a competitive environment

6M 2017 Additional Information – Segment Life/Health Reinsurance

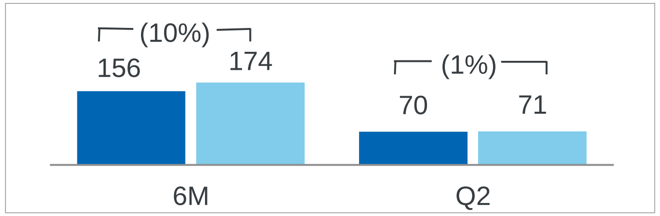
GWP



Investment income



Operating result (EBIT)



Retention rate in %

6M		Q2	
91.6	91.8	91.8	93.0

RoI in %

6M		Q2	
4.1	3.6	4.5	3.8

EBIT margin in %[1]

6M		Q2	
4.9	5.2	4.3	4.0

- 6M 2017 GWP down by -2.4% (curr.-adj.:-1.5%); reduced premium volume from large-volume treaties partly offset by diversified growth in other areas
- Net premium earned down by -3.5% (curr.-adj.: -3.1%)

- Technical resul impacted by legacy US mortality business (~EUR 50m below expectation)
- Strong investment income

- Increase other income and expenses due to strong contribution from deposit accounted treaties (6M 2017: EUR 93m)
- Strong earnings growth from Financial Solutions business

[1] EBIT margin reflects a Talanx Group view

EURm, IFRS **2017** **2016**

Overall profitability in Life & Health Reinsurance below expectation

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6M 2017 Additional Information – Segments

	Industrial Lines			Retail Germany P/C			Retail Germany Life		
EURm, IFRS	6M 2017	6M 2016	Change	6M 2017	6M 2016	Change	6M 2017	6M 2016	Change
P&L									
Gross written premium	2,795	2,706	+3%	1,002	980	+2%	2,308	2,366	(2%)
Net premium earned	1,160	1,083	+7%	688	691	(0%)	1,701	1,763	(4%)
Net underwriting result	32	25	+28%	(9)	(32)	n/m	(901)	(780)	n/m
Net investment income	137	109	+26%	44	47	(6%)	951	890	+7%
Operating result (EBIT)	162	143	+13%	22	(17)	n/m	41	73	(44%)
Net income after minorities	112	91	+23%	n/a	n/a	n/m	n/a	n/a	n/m
Key ratios									
Combined ratio non-life insurance and reinsurance	97.2%	97.8%	(0.6%)pts	101.5%	104.7%	(3.2%)pts	-	-	-
Return on investment	3.5%	2.8%	0.7%pts	2.3%	2.5%	(0.2%)pts	4.2%	4.0%	0.2%pts

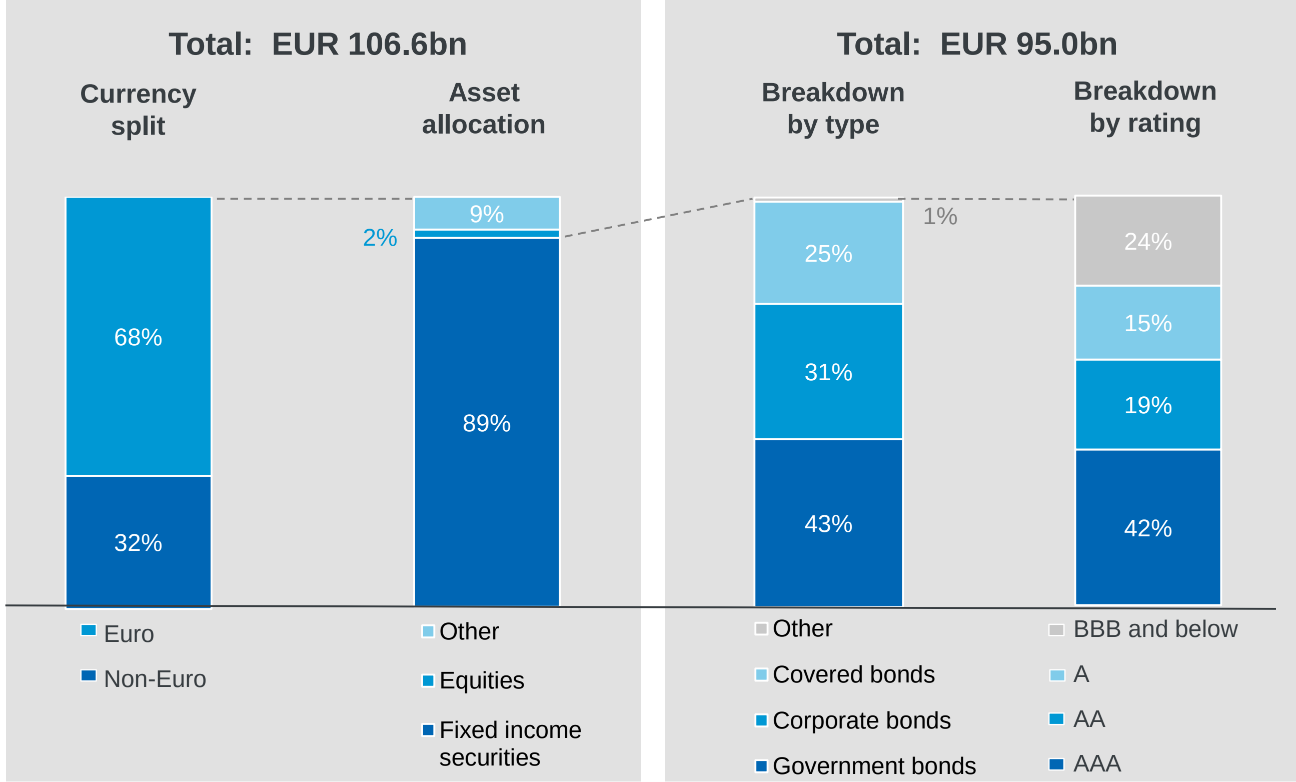
5 6M 2017 Additional Information – Segments

EURm, IFRS	Retail International			P/C Reinsurance			Life/Health Reinsurance			Group		
	6M 2017	6M 2016	Change	6M 2017	6M 2016	Change	6M 2017	6M 2016	Change	6M 2017	6M 2016	Change
P&L												
Gross written premium	2,828	2,487	+14%	5,428	4,627	+17%	3,570	3,656	(2%)	17,553	16,427	+7%
Net premium earned	2,358	2,097	+12%	4,313	3,839	+12%	3,210	3,328	(4%)	13,440	12,810	+5%
Net underwriting result	14	7	+100%	149	165	(10%)	(229)	(176)	n/m	(940)	(784)	n/m
Net investment income	173	153	+13%	490	431	+14%	300	321	(7%)	2,085	1,962	+6%
Operating result (EBIT)	116	107	+8%	644	582	+11%	156	174	(10%)	1,125	1,067	+5%
Net income after minorities	74	65	+14%	n/a	n/a	n/m	n/a	n/a	n/m	463	403	+15%
Key ratios												
Combined ratio non-life insurance and reinsurance	96.5%	96.4%	0.1%pts	96.5%	95.4%	1.1%pts	-	-	-	97.0%	96.8%	0.2%pts
Return on investment	3.7%	3.6%	0.1%pts	3.0%	2.7%	0.3%pts	4.1%	3.6%	0.5%pts	3.7%	3.5%	0.2%pts

6M 2017 Additional Information – Breakdown of investment portfolio

Investment portfolio as of 30 June 2017

Fixed-income-portfolio split



Comments

- Investments under own management slightly down to EUR 106.6bn vs FY2016 (EUR 107.2bn), mainly reflecting the effect of higher interest rates and the decline in USD
- Investment portfolio remains dominated by fixed-income securities: portfolio share of 89% broadly unchanged (FY2016: 90%; Q1 2017: 89%)
- Share of fixed-income portfolio invested in "A" or higher-rated bonds unchanged vs. FY 2016 at 76%
- 19% of "investments under own management" held in USD, 32% overall in non-euro currencies (FY2016: 33%)

Investment strategy unchanged – portfolio dominated by strongly rated fixed-income securities

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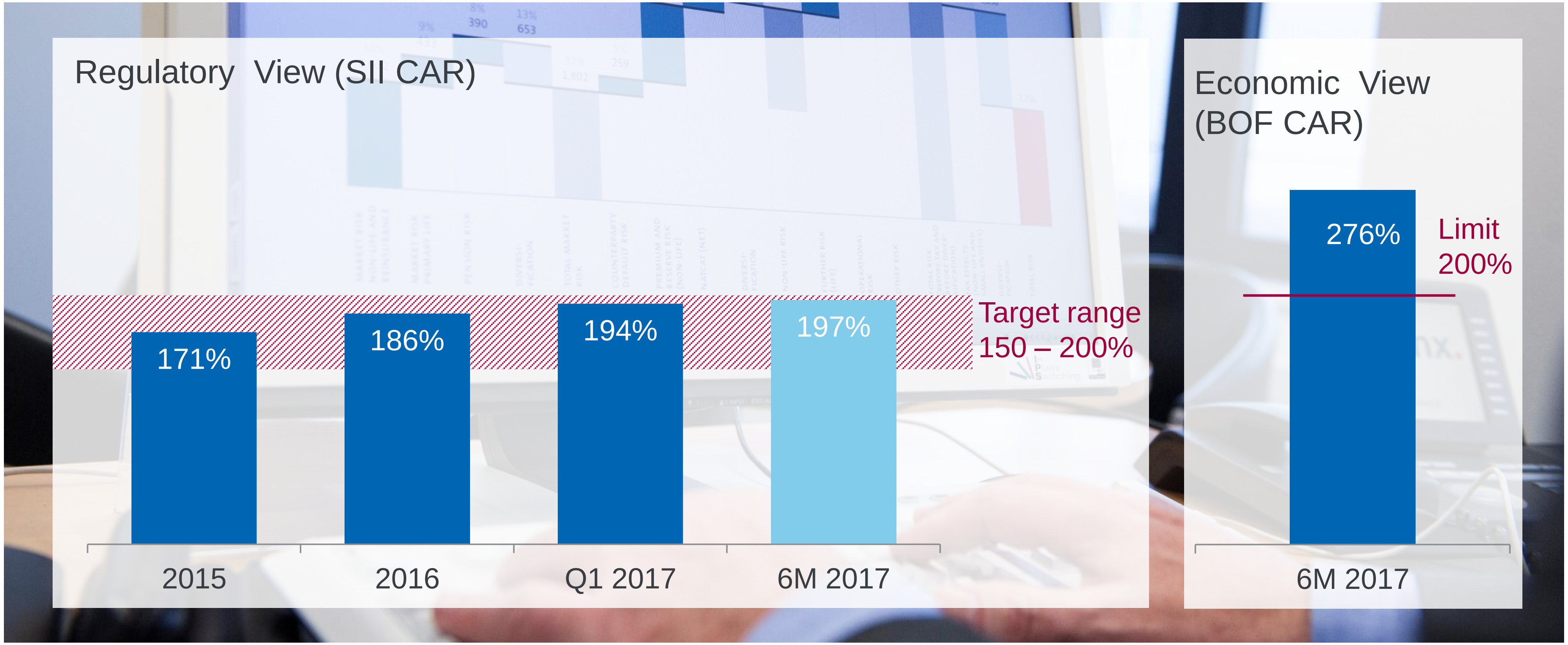
5 6M 2017 Additional Information – Details on selected fixed-income country exposure

Investments into issuers from countries with a rating below A-[1] (in EURm)

Country	Rating	Sovereign	Semi-Sovereign	Financial	Corporate	Covered	Other	Total
Italy	BBB	2,186	-	644	633	396	-	**3,859**
Spain	BBB+	729	424	227	419	272	-	**2,073**
Brazil	BB	241	-	83	356	-	7	**687**
Mexico	BBB+	118	2	52	231	-	-	**402**
Hungary	BBB-	465	-	-	9	20	-	**495**
Russia	BB+	174	12	63	180	-	-	**429**
South Africa	BBB-	164	2	12	49	-	6	**233**
Portugal	BB+	44	-	6	72	35	-	**157**
Turkey	BB+	17	-	24	16	3	-	**60**
Greece	CCC	-	-	-	-	-	-	**-**
Other BBB+		14	-	31	58	-	-	**104**
Other BBB		82	35	50	50	-	-	**217**
Other <BBB		211	29	88	190	-	267	**785**
Total		**4,445**	**505**	**1,279**	**2,264**	**727**	**280**	**9,500**
In % of total investments under own management		4.2%	0.5%	1.3%	2.1%	0.7%	0.3%	**8.9%**
In % of total Group assets		2.8%	0.3%	0.8%	1.4%	0.5%	0.2%	**6.0%**

[1] Investment under own management

Solvency II capitalisation within target range



Note: Solvency II ratio relates to HDI V.a.G. as the regulated entity.The chart does not contain the effect of transitional measures.
Solvency II ratio including transitional measures for FY2016 was at 236% (6M 2017: 243%).

5 Financial Calendar and Contacts

- **13 November 2017**
  Quarterly Statement as at 30/09/2017
- **23 November 2017**
  Capital Markets Day
- **19 March 2018**
  Annual Report 2017

From left to right: Alexander Grabenhorst (*Equity & Debt IR*), Anna Färber (*Team Assistant),* Carsten Werle (*Head of IR),* Wiebke Großheim (*Roadshows & Conferences, IR webpage),* Hannes Meyburg (*Ratings);* Alexander Zessel (*Ratings*), *Marcus* Sander (*Equity & Debt IR);* not in the picture: Nicole Tadje (maternity leave)

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Guideline on Alternative Performance Measures - For further information on the calculation and definition of specific Alternative Performance Measures please refer to the Annual Report 2016 Chapter “Enterprise management”, pp. 23 and the following, the “Glossary and definition of key figures” on page 256 as well as our homepage http://www.talanx.com/investor-relations/ueberblick/midterm-targets/definitions_apm.aspx