

# Talnx Group – Earnings Overview Q3 2021

## Earnings Overview

|   | FY 2019 | Q1 2020 | Q2 2020 | Q3 2020 | Q4 2020 <sup>1</sup> | FY 2020 <sup>1</sup> | Q1 2021 <sup>1</sup> | Q2 2021 | Q3 2021 | Q3 2021 vs. Q3 2020 | 9M 2020 | 9M 2021 | 9M 2021 vs. 9M 2020 |
|---|---------|---------|---------|---------|----------------------|----------------------|----------------------|---------|---------|---------------------|---------|---------|---------------------|
| <b>Talnx Group</b>                                    |         |         |         |         |                      |                      |                      |         |         |                     |         |         |                     |
| Gross written premiums                                | 39,494  | 12,467  | 9,539   | 9,901   | 9,203                | 41,109               | 13,649               | 10,426  | 11,075  | 11.9%               | 31,907  | 35,150  | 10.2%               |
| Net premiums earned                                   | 33,054  | 8,354   | 8,392   | 8,555   | 8,888                | 34,190               | 9,015                | 9,256   | 9,495   | 11.0%               | 25,301  | 27,767  | 9.7%                |
| Net investment income                                 | 4,323   | 903     | 882     | 1,274   | 1,181                | 4,240                | 1,253                | 1,096   | 1,128   | -11.5%              | 3,059   | 3,477   | 13.7%               |
| Operating profit/loss (EBIT)                          | 2,430   | 559     | 186     | 546     | 380                  | 1,671                | 625                  | 707     | 506     | -7.2%               | 1,291   | 1,839   | 42.5%               |
| Group net income (excl. non-controlling interests)    | 923     | 223     | 103     | 194     | 154                  | 673                  | 277                  | 269     | 177     | -9.0%               | 520     | 723     | 39.2%               |
| Earnings per share (EUR)                              | 3.65    | 0.88    | 0.41    | 0.77    | 0.61                 | 2.66                 | 1.10                 | 1.06    | 0.70    | 24.5%               | 2.06    | 2.86    | 39.2%               |
| Dividend per share (EUR)                              | 1.50    | -       | -       | -       | -                    | 1.50                 | -                    | -       | -       | -                   | -       | -       | -                   |
| Equity (excl. non-controlling interests)              | 10,149  | 9,716   | 10,106  | 10,194  | 10,392               | 10,392               | 10,424               | 10,442  | 10,651  | 3.1%                | 10,194  | 10,651  | 4.5%                |
| Return on equity (annualised)                         | 9.8%    | 9.0%    | 4.1%    | 7.6%    | 6.0%                 | 6.6%                 | 10.7%                | 10.3%   | 6.7%    | -0.9%               | 6.8%    | 9.2%    | 2.4%                |
| Net return on investment (annualised)                 | 3.5%    | 2.7%    | 2.7%    | 4.0%    | 3.5%                 | 3.2%                 | 3.5%                 | 3.2%    | 3.3%    | -0.7%               | 3.1%    | 3.3%    | 0.2%                |
| Solvency 2 ratio (excluding transitional)             | 211%    | 196%    | 191%    | 187%    | 206%                 | 206%                 | 215%                 | 210%    | 204%    | 17%                 | 187%    | 204%    | 17%                 |
| <b>Industrial Lines</b>                               |         |         |         |         |                      |                      |                      |         |         |                     |         |         |                     |
| Gross written premiums                                | 6,214   | 2,575   | 1,277   | 1,368   | 1,438                | 6,658                | 2,712                | 1,474   | 1,641   | 19.9%               | 5,220   | 5,826   | 11.6%               |
| Net premiums earned                                   | 2,968   | 726     | 734     | 792     | 756                  | 3,008                | 795                  | 858     | 841     | 6.2%                | 2,252   | 2,495   | 10.8%               |
| Operating profit/loss (EBIT)                          | 159     | 30      | -12     | 10      | 20                   | 48                   | 51                   | 46      | 54      | 432.5%              | 28      | 151     | 439.9%              |
| Net income (ex minorities)                            | 103     | 17      | -10     | 3       | 36                   | 47                   | 39                   | 29      | 32      | 854.2%              | 10      | 101     | 864.4%              |
| Combined ratio  | 101.4%  | 101.6%  | 107.7%  | 105.0%  | 103.8%               | 104.6%               | 98.7%                | 98.1%   | 99.1%   | -6.0%               | 104.8%  | 98.6%   | -6.2%               |
| Net return on investment (annualised)                 | 3.3%    | 1.5%    | 3.1%    | 2.7%    | 3.3%                 | 2.6%                 | 3.1%                 | 2.4%    | 2.9%    | 0.2%                | 2.4%    | 2.8%    | 0.4%                |
| <b>Retail Germany</b>                                 |         |         |         |         |                      |                      |                      |         |         |                     |         |         |                     |
| Gross written premiums                                | 6,201   | 1,848   | 1,298   | 1,311   | 1,395                | 5,853                | 1,833                | 1,401   | 1,400   | 6.8%                | 4,458   | 4,633   | 3.9%                |
| Net premiums earned                                   | 4,979   | 1,160   | 1,165   | 1,165   | 1,195                | 4,685                | 1,153                | 1,199   | 1,144   | -1.8%               | 3,490   | 3,495   | 0.1%                |
| Operating profit/loss (EBIT)                          | 230     | 32      | 62      | 74      | 35                   | 203                  | 137                  | 21      | 76      | 3.8%                | 168     | 234     | 39.2%               |
| Net income (ex minorities)                            | 133     | 19      | 44      | 39      | 17                   | 119                  | 84                   | 13      | 34      | -13.4%              | 102     | 131     | 27.9%               |
| Net return on investment (annualised)                 | 3.6%    | 2.3%    | 2.9%    | 5.3%    | 3.7%                 | 3.6%                 | 4.5%                 | 3.8%    | 3.4%    | -1.8%               | 3.5%    | 3.9%    | 0.4%                |
| <b>Retail Germany – Property/Casualty</b>             |         |         |         |         |                      |                      |                      |         |         |                     |         |         |                     |
| Gross written premiums                                | 1,588   | 774     | 231     | 265     | 233                  | 1,502                | 781                  | 251     | 276     | 4.3%                | 1,270   | 1,308   | 3.0%                |
| Net premiums earned                                   | 1,486   | 348     | 348     | 361     | 276                  | 1,334                | 346                  | 321     | 308     | -14.8%              | 1,058   | 974     | -7.5%               |
| Operating profit/loss (EBIT)                          | 98      | -3      | 58      | 42      | 37                   | 134                  | 81                   | 21      | -3      | -107.2%             | 96      | 99      | 2.4%                |
| Net combined ratio                                    | 99.0%   | 103.8%  | 90.1%   | 93.6%   | 93.7%                | 95.4%                | 84.2%                | 99.7%   | 108.0%  | 14.4%               | 95.8%   | 96.8%   | 1.0%                |
| Net return on investment (annualised)                 | 3.0%    | 1.4%    | 2.4%    | 2.4%    | 2.3%                 | 2.2%                 | 2.7%                 | 2.2%    | 2.4%    | 0.0%                | 2.1%    | 2.5%    | 0.4%                |
| <b>Retail Germany – Life</b>                          |         |         |         |         |                      |                      |                      |         |         |                     |         |         |                     |
| Gross written premiums                                | 4,612   | 1,075   | 1,067   | 1,047   | 1,162                | 4,351                | 1,052                | 1,150   | 1,124   | 7.4%                | 3,189   | 3,326   | 4.3%                |
| Net premiums earned                                   | 3,493   | 812     | 817     | 804     | 919                  | 3,352                | 807                  | 879     | 836     | 4.0%                | 2,432   | 2,521   | 3.6%                |
| Operating profit/loss (EBIT)                          | 131     | 36      | 4       | 32      | -2                   | 70                   | 56                   | 0       | 79      | 147.8%              | 72      | 135     | 88.6%               |
| Net return on investment (annualised)                 | 3.7%    | 2.4%    | 3.0%    | 5.5%    | 3.8%                 | 3.7%                 | 4.6%                 | 3.9%    | 3.5%    | -2.0%               | 3.6%    | 4.0%    | 0.4%                |
| <b>Retail International</b>                           |         |         |         |         |                      |                      |                      |         |         |                     |         |         |                     |
| Gross written premiums                                | 6,111   | 1,513   | 1,244   | 1,282   | 1,487                | 5,527                | 1,519                | 1,532   | 1,489   | 16.2%               | 4,040   | 4,541   | 12.4%               |
| Net premiums earned                                   | 5,343   | 1,341   | 1,167   | 1,170   | 1,272                | 4,950                | 1,309                | 1,321   | 1,293   | 10.5%               | 3,678   | 3,923   | 6.7%                |
| Operating profit/loss (EBIT)                          | 283     | 75      | 81      | 64      | 46                   | 266                  | 87                   | 86      | 54      | -15.1%              | 220     | 227     | 3.1%                |
| Net income (ex minorities)                            | 164     | 43      | 46      | 38      | 33                   | 160                  | 54                   | 50      | 31      | -17.6%              | 127     | 135     | 6.7%                |
| Net combined ratio (property/casualty)                | 95.5%   | 96.6%   | 91.8%   | 95.9%   | 96.1%                | 95.2%                | 93.9%                | 91.8%   | 97.0%   | 1.1%                | 94.8%   | 94.3%   | -0.6%               |
| Net return on investment (annualised)                 | 3.3%    | 3.0%    | 2.5%    | 2.5%    | 2.5%                 | 2.6%                 | 2.9%                 | 2.8%    | 2.4%    | -0.1%               | 2.6%    | 2.7%    | 0.1%                |
| <b>Primary Insurance (excl. Corp. Ops. and Cons.)</b> |         |         |         |         |                      |                      |                      |         |         |                     |         |         |                     |
| Gross written premiums                                | 18,525  | 5,937   | 3,820   | 3,962   | 4,320                | 18,038               | 6,064                | 4,407   | 4,530   | 14.3%               | 13,718  | 15,001  | 9.4%                |
| Net premiums earned                                   | 13,290  | 3,227   | 3,066   | 3,127   | 3,223                | 12,643               | 3,257                | 3,378   | 3,277   | 4.8%                | 9,420   | 9,913   | 5.2%                |
| Operating profit/loss (EBIT)                          | 673     | 138     | 131     | 147     | 102                  | 518                  | 274                  | 153     | 185     | 25.1%               | 416     | 612     | 47.0%               |
| Net income (excl. non-controlling interests)          | 400     | 80      | 79      | 80      | 87                   | 326                  | 177                  | 92      | 97      | 21.5%               | 239     | 366     | 53.2%               |
| Net combined ratio (property/casualty)                | 98.3%   | 99.8%   | 97.7%   | 99.2%   | 98.9%                | 98.9%                | 94.1%                | 95.7%   | 99.5%   | 0.3%                | 98.9%   | 96.5%   | -2.4%               |
| Net return on investment (annualised)                 | 3.5%    | 2.3%    | 2.9%    | 4.5%    | 3.4%                 | 3.3%                 | 4.0%                 | 3.4%    | 3.2%    | -1.3%               | 3.2%    | 3.5%    | 0.3%                |
| <b>Reinsurance</b>                                    |         |         |         |         |                      |                      |                      |         |         |                     |         |         |                     |
| Gross written premiums                                | 22,598  | 6,975   | 6,171   | 6,149   | 5,475                | 24,770               | 7,809                | 6,655   | 7,155   | 16.4%               | 19,295  | 21,620  | 12.0%               |
| Net premiums earned                                   | 19,730  | 5,091   | 5,287   | 5,394   | 5,589                | 21,361               | 5,693                | 5,822   | 6,118   | 13.4%               | 15,771  | 17,634  | 11.8%               |
| Operating profit/loss (EBIT)                          | 1,818   | 427     | 82      | 406     | 315                  | 1,230                | 408                  | 556     | 326     | -19.8%              | 915     | 1,290   | 40.9%               |
| Net income (excl. non-controlling interests)          | 619     | 149     | 51      | 134     | 107                  | 442                  | 153                  | 183     | 91      | -32.1%              | 334     | 427     | 27.8%               |
| Net return on investment (annualised)                 | 3.5%    | 3.3%    | 2.3%    | 3.1%    | 3.7%                 | 3.1%                 | 2.5%                 | 3.0%    | 3.4%    | 10.7%               | 2.9%    | 3.0%    | 0.1%                |
| <b>Property/Casualty Reinsurance</b>                  |         |         |         |         |                      |                      |                      |         |         |                     |         |         |                     |
| Gross written premiums                                | 14,781  | 4,986   | 4,188   | 4,173   | 3,396                | 16,744               | 5,693                | 4,574   | 5,003   | 19.9%               | 13,348  | 15,269  | 14.4%               |
| Net premiums earned                                   | 12,798  | 3,338   | 3,531   | 3,643   | 3,693                | 14,205               | 3,863                | 3,984   | 4,229   | 16.1%               | 10,512  | 12,076  | 14.9%               |
| Operating profit/loss (EBIT)                          | 1,256   | 305     | -5      | 307     | 239                  | 845                  | 318                  | 471     | 287     | -6.5%               | 606     | 1,076   | 77.4%               |
| Combined ratio  | 98.2%   | 99.8%   | 104.8%  | 99.6%   | 102.1%               | 101.6%               | 96.2%                | 95.8%   | 101.5%  | 1.9%                | 101.4%  | 97.9%   | -3.5%               |
| <b>Life/Health Reinsurance</b>                        |         |         |         |         |                      |                      |                      |         |         |                     |         |         |                     |
| Gross written premiums                                | 7,816   | 1,989   | 1,983   | 1,975   | 2,079                | 8,026                | 2,116                | 2,082   | 2,152   | 9.0%                | 5,947   | 6,350   | 6.8%                |
| Net premiums earned                                   | 6,932   | 1,753   | 1,756   | 1,751   | 1,896                | 7,155                | 1,830                | 1,839   | 1,889   | 7.9%                | 5,259   | 5,558   | 5.7%                |
| Operating profit/loss (EBIT)                          | 562     | 123     | 87      | 100     | 76                   | 385                  | 90                   | 85      | 39      | -60.7%              | 309     | 214     | -30.7%              |

<sup>1</sup> Adjusted according to IAS 8