

Consolidated balance sheet as at 31 March 2016

Assets in EUR thousand	31.3.2016	31.12.2015
Fixed-income securities – held to maturity	763,508	1,007,665
Fixed-income securities – loans and receivables	2,852,891	2,869,865
Fixed-income securities – available for sale	29,391,285	29,616,448
Fixed-income securities – at fair value through profit or loss	110,337	108,982
Equity securities – available for sale	841,191	452,108
Other financial assets – at fair value through profit or loss	38,329	39,602
Real estate and real estate funds	1,648,895	1,673,958
Investments in associated companies	117,920	128,008
Other invested assets	1,449,364	1,544,533
Short-term investments	901,184	1,113,130
Cash and cash equivalents	950,487	792,604
Total investments and cash under own management	39,065,391	39,346,903
Funds withheld	12,897,142	13,801,845
Contract deposits	181,742	188,604
Total investments	52,144,275	53,337,352
Reinsurance recoverables on unpaid claims	1,348,997	1,395,281
Reinsurance recoverables on benefit reserve	1,270,059	1,367,173
Prepaid reinsurance premium	206,461	164,023
Reinsurance recoverables on other technical reserves	3,815	8,687
Deferred acquisition costs	2,043,284	2,094,671
Accounts receivable	3,650,903	3,665,937
Goodwill	64,259	60,244
Deferred tax assets	417,491	433,500
Other assets	732,337	680,543
Accrued interest and rent	7,967	7,527
Total assets	61,889,848	63,214,938

Liabilities in EUR thousand	31.3.2016	31.12.2015
Loss and loss adjustment expense reserve	26,265,926	26,556,388
Benefit reserve	11,394,750	12,206,699
Unearned premium reserve	3,371,764	3,159,363
Other technical provisions	315,332	325,528
Funds withheld	886,998	1,265,035
Contract deposits	4,418,490	4,682,484
Reinsurance payable	1,179,225	1,390,006
Provisions for pensions	173,363	150,299
Taxes	306,160	271,674
Deferred tax liabilities	1,998,907	1,932,722
Other liabilities	727,845	698,933
Long-term debt and subordinated capital	1,789,624	1,798,337
Total liabilities	52,828,384	54,437,468
Shareholders' equity		
Common shares	120,597	120,597
Nominal value: 120,597		
Conditional capital: 60,299		
Additional paid-in capital	724,562	724,562
Common shares and additional paid-in capital	845,159	845,159
Cumulative other comprehensive income		
Unrealised gains and losses on investments	1,001,738	712,001
Cumulative foreign currency translation adjustment	270,133	509,189
Changes from hedging instruments	(5,994)	(1,217)
Other changes in cumulative other comprehensive income	(50,341)	(36,571)
Total other comprehensive income	1,215,536	1,183,402
Retained earnings	6,310,960	6,039,783
Equity attributable to shareholders of Hannover Rück SE	8,371,655	8,068,344
Non-controlling interests	689,809	709,126
Total shareholders' equity	9,061,464	8,777,470
Total liabilities	61,889,848	63,214,938

Consolidated statement of income as at 31 March 2016

in EUR thousand	1.1.–31.3.2016	1.1.–31.3.2015
Gross written premium	4,263,586	4,400,225
Ceded written premium	470,806	502,898
Change in gross unearned premium	(303,669)	(512,559)
Change in ceded unearned premium	52,907	47,082
Net premium earned	3,542,018	3,431,850
Ordinary investment income	268,463	312,225
Profit/loss from investments in associated companies	665	2,501
Realised gains and losses on investments	43,578	44,998
Change in fair value of financial instruments	10,467	(10,638)
Total depreciation, impairments and appreciation of investments	13,763	8,186
Other investment expenses	26,715	24,255
Net income from investments under own management	282,695	316,645
Income/expense on funds withheld and contract deposits	83,550	99,009
Net investment income	366,245	415,654
Other technical income	204	589
Total revenues	3,908,467	3,848,093
Claims and claims expenses	2,681,301	2,712,847
Change in benefit reserves	(24,844)	(41,366)
Commission and brokerage, change in deferred acquisition costs	750,662	662,783
Other acquisition costs	3,836	1,362
Other technical expenses	342	2,045
Administrative expenses	94,906	100,984
Total technical expenses	3,506,203	3,438,655
Other income and expenses	4,406	19,560
Operating profit (EBIT)	406,670	428,998
Interest on hybrid capital	17,847	24,997
Net income before taxes	388,823	404,001
Taxes	101,961	125,676
Net income	286,862	278,325
thereof		
Non-controlling interest in profit and loss	15,685	(1,386)
Group net income	271,177	279,711
Earnings per share (in EUR)		
Basic earnings per share	2.25	2.32
Diluted earnings per share	2.25	2.32

Consolidated statement of comprehensive income as at 31 March 2016

in EUR thousand	1.1.–31.3.2016	1.1.–31.3.2015
Net income	286,862	278,325
Not reclassifiable to the consolidated statement of income		
Actuarial gains and losses		
Gains (losses) recognised directly in equity	(22,486)	(18,326)
Tax income (expense)	7,335	5,843
	(15,151)	(12,483)
Income and expense recognised directly in equity that cannot be reclassified		
Gains (losses) recognised directly in equity	(22,486)	(18,326)
Tax income (expense)	7,335	5,843
	(15,151)	(12,483)
Reclassifiable to the consolidated statement of income		
Unrealised gains and losses on investments		
Gains (losses) recognised directly in equity	440,056	363,383
Transferred to the consolidated statement of income	(41,120)	(46,157)
Tax income (expense)	(100,029)	(105,269)
	298,907	211,957
Currency translation		
Gains (losses) recognised directly in equity	(247,045)	550,361
Tax income (expense)	5,204	(43,575)
	(241,841)	506,786
Changes from the measurement of associated companies		
Gains (losses) recognised directly in equity	–	392
Transferred to the consolidated statement of income	(1,251)	(424)
	(1,251)	(32)
Changes from hedging instruments		
Gains (losses) recognised directly in equity	(5,322)	3,821
Tax income (expense)	520	(1,220)
	(4,802)	2,601
Reclassifiable income and expense recognised directly in equity		
Gains (losses) recognised directly in equity	187,689	917,957
Transferred to the consolidated statement of income	(42,371)	(46,581)
Tax income (expense)	(94,305)	(150,064)
	51,013	721,312
Total income and expense recognised directly in equity		
Gains (losses) recognised directly in equity	165,203	899,631
Transferred to the consolidated statement of income	(42,371)	(46,581)
Tax income (expense)	(86,970)	(144,221)
	35,862	708,829
Total recognised income and expense	322,724	987,154
thereof		
Attributable to non-controlling interests	19,412	13,737
Attributable to shareholders of Hannover Rück SE	303,312	973,417

Group segment report

Segment statement of income	Property and casualty reinsurance	
in EUR thousand	1.1.–31.3.2016	1.1.–31.3.2015
Gross written premium	2,502,137	2,617,080
thereof		
From insurance business with other segments	–	–
From insurance business with external third parties	2,502,137	2,617,080
Net premium earned	1,961,310	1,882,294
Net investment income	207,167	195,069
thereof		
Change in fair value of financial instruments	(1,957)	(21,096)
Total depreciation, impairments and appreciation of investments	13,755	5,813
Income/expense on funds withheld and contract deposits	4,075	3,888
Claims and claims expenses	1,316,531	1,330,983
Change in benefit reserve	–	–
Commission and brokerage, change in deferred acquisition costs and other technical income/expenses	496,244	423,077
Administrative expenses	48,229	51,635
Other income and expenses	(7,812)	(16,492)
Operating profit/loss (EBIT)	299,661	255,176
Interest on hybrid capital	–	–
Net income before taxes	299,661	255,176
Taxes	80,538	82,445
Net income	219,123	172,731
thereof		
Non-controlling interest in profit or loss	14,809	1,319
Group net income	204,314	171,412

Life and health reinsurance		Consolidation		Total	
1.1.–31.3.2016	1.1.–31.3.2015	1.1.–31.3.2016	1.1.–31.3.2015	1.1.–31.3.2016	1.1.–31.3.2015
1,761,397	1,783,306	52	(161)	4,263,586	4,400,225
(52)	161	52	(161)	–	–
1,761,449	1,783,145	–	–	4,263,586	4,400,225
1,580,659	1,549,530	49	26	3,542,018	3,431,850
157,578	219,369	1,500	1,216	366,245	415,654
12,424	10,485	–	(27)	10,467	(10,638)
8	8	–	2,365	13,763	8,186
79,475	95,121	–	–	83,550	99,009
1,365,098	1,381,864	(328)	–	2,681,301	2,712,847
(24,855)	(41,390)	11	24	(24,844)	(41,366)
258,391	242,522	1	2	754,636	665,601
46,616	49,265	61	84	94,906	100,984
12,544	36,692	(326)	(640)	4,406	19,560
105,531	173,330	1,478	492	406,670	428,998
–	–	17,847	24,997	17,847	24,997
105,531	173,330	(16,369)	(24,505)	388,823	404,001
26,799	48,519	(5,376)	(5,288)	101,961	125,676
78,732	124,811	(10,993)	(19,217)	286,862	278,325
876	(2,705)	–	–	15,685	(1,386)
77,856	127,516	(10,993)	(19,217)	271,177	279,711

Consolidated cash flow statement as at 31 March 2016

in EUR thousand	1.1.–31.3.2016	1.1.–31.3.2015
I. Cash flow from operating activities		
Net income	286,862	278,325
Appreciation/depreciation	19,477	14,111
Net realised gains and losses on investments	(43,578)	(44,998)
Change in fair value of financial instruments (through profit or loss)	(10,467)	10,638
Realised gains and losses on deconsolidation	(1,387)	(424)
Amortisation of investments	20,165	23,452
Changes in funds withheld	58,330	(469,217)
Net changes in contract deposits	(137,071)	347,237
Changes in prepaid reinsurance premium (net)	253,270	465,477
Changes in tax assets/provisions for taxes	1,827	89,075
Changes in benefit reserve (net)	(249,866)	(49,069)
Changes in claims reserves (net)	344,755	764,116
Changes in deferred acquisition costs	(3,186)	(70,777)
Changes in other technical provisions	21	(36,842)
Changes in clearing balances	(266,978)	(675,443)
Changes in other assets and liabilities (net)	12,113	43,486
Cash flow from operating activities	284,287	689,147
II. Cash flow from investing activities	(73,622)	(332,249)
III. Cash flow from financing activities	(41,171)	(42,439)
IV. Exchange rate differences on cash	(11,611)	43,123
Cash and cash equivalents at the beginning of the period	792,604	772,882
Change in cash and cash equivalents (I. + II. + III. + IV.)	157,883	357,582
Cash and cash equivalents at the end of the period	950,487	1,130,464
Supplementary information on the cash flow statement¹		
Income taxes paid (on balance)	(66,665)	(50,477)
Dividend receipts ²	18,593	9,024
Interest received	406,936	377,383
Interest paid	(31,850)	(11,157)

¹ The income taxes paid, dividend receipts as well as interest received and paid are included entirely in the cash flow from operating activities.

² Including dividend-like profit participations from investment funds