

Quarterly Statement: Munich Re posts net result of €1,271m for Q1, confident of meeting full-year guidance

- Combined ratio in property-casualty reinsurance (86.5%) only slightly higher than expected (86%), despite above-average losses attributable to natural catastrophes
- Total technical result for life and health reinsurance (€320m) and net result for ERGO (€219m) exceed pro-rata guidance (full year: €1.0bn and €0.7bn, respectively)
- April renewals generate considerable premium growth (+11.1%) with rate increases (+4.7%)
- Positive trend in investment business continues: return on investment increases to 3.0%
- Outlook confirmed following pleasing operational performance



“The earthquake that hit Turkey on the border with Syria in February 2023 was one of the most catastrophic we have seen in recent history. Around 60,000 people lost their lives. The insured losses amount to some €4–5bn, of which Munich Re is shouldering €0.6bn – one of the reasons why major losses from natural catastrophes in Q1 2023 were higher than expected. Owing to otherwise pleasing operational performance and a strong investment result, however, Munich Re generated a net result of almost €1.3bn. In addition, the April renewals saw Munich Re continue its trend of profitable growth. Accordingly, we are confident that we can reach our 2023 net result guidance of €4bn; the chances for us to surpass this target have increased.”

Christoph Jurecka, CFO

Summary of Q1 figures

Munich Re is presenting its results for Q1 2023 in accordance with the new accounting standards IFRS 9 and IFRS 17 for the first time. Comparative figures from the previous year for the insurance business are already shown on the basis of the new standard (IFRS 17). The corresponding figures for the investment business are, in part, still

based on IAS 39, the standard applicable up to 31 December 2022. For that reason, they are not fully comparable with the Q1 2023 figures disclosed in accordance with IFRS 9. However, transitional effects have already been anticipated wherever possible¹.

In Q1 2023, Munich Re generated a net result of €1,271m (1,480m). Whereas the Q1 result in the previous year had been bolstered in particular by low major losses in property-casualty reinsurance, as well as by currency gains, the result for the first quarter of 2023 was impacted by precisely the opposite effects. Insurance revenue from insurance contracts issued climbed to €14,273m (13,261m). The total technical result amounted to €1,809m (1,863m). Owing mainly to currency losses against the US dollar and the Canadian dollar, the currency result fell to –€145m (221m). The operating result was €1,768m (1,864m) and the effective tax rate was 26.4% (18.6%).

Equity was higher at the reporting date (€28,182m) than at the start of the year (€27,245m). The solvency ratio was approximately 254% (260% as at 31 December 2022), which is above the optimum range (175–220%). A share buy-back with a volume of €1bn has already been planned.

The annualised return on equity (RoE) for Q1 2023 was 17.3% (23.6%).

Reinsurance: Net result of €1,051m

The reinsurance field of business contributed €1,051m (1,324m) to the Group's net result in Q1. Insurance revenue from insurance contracts issued climbed to €9,232m (8,656m). The total technical result amounted to €1,248m (1,588m), and the operating result was €1,467m (1,598m).

Life and health reinsurance generated a total technical result of €320m (238m) in Q1. The contribution to net result from release of the contractual service margin was in line with expectations. Strong growth in new business more than offset the amount released. The net result for life and health reinsurance totalled €291m (367m). Insurance revenue from insurance contracts issued came to €2,734m (2,913m).

Property-casualty reinsurance generated a net result of €760m (958m) in Q1. Insurance revenue from insurance contracts issued rose to €6,498m (5,743m). The combined ratio was 86.5% (77.0%) of insurance revenue (net). The normalised combined ratio was 85.1%.

Major losses of over €30m each totalled €1,035m (618m). These figures include gains and losses from the run-off of major losses from previous years. Major-loss expenditure corresponded to 16.4% (11.1%) of insurance revenue (net), and was thus above the long-term average expected value of 14%. Man-made major losses fell slightly to

¹ Overlay approach applied to participating business in ERGO life and health insurance.

€165m (170m). Major losses from natural catastrophes rose to €870m (448m). The major loss figures above take account of the effects from discounting and risk adjustment. As a consequence of the earthquake in Turkey, Munich Re posted nominal losses of €0.6bn.

In Q1, reserves of €314m (291m) were released for basic losses from prior years; this figure corresponded to 5.0% (5.3%) of insurance revenue (net). Munich Re continually seeks to set the amount of provisions for newly emerging claims at the very top end of the estimation range so that profits from the release of a portion of these reserves can be generated at a later stage.

In the reinsurance renewals as at 1 April 2023, Munich Re was able to increase the volume of business written to €2.9bn (+11.1%). It was possible to leverage growth opportunities, especially in Asia – particularly in Japan and India – as well as in Latin America. Non-proportional natural catastrophe business was expanded, in particular, in view of attractive rate levels. By contrast, Munich Re once again selectively discontinued business that no longer met risk/return expectations.

Prices developed positively overall and for the most part more than compensated for the significantly higher loss estimates in some areas, which were caused primarily by inflation or other loss trends. To varying degrees, price increases were evident around the world. All in all, prices for the Munich Re portfolio increased by 4.7%. This figure is, as always, risk-adjusted. In other words, price increases are offset if they are associated with increased risk and, consequently, elevated loss expectations.

Munich Re expects the market environment to remain positive and to present attractive growth opportunities in the upcoming July renewal rounds.

ERGO: Net result of €219m

In the ERGO field of business, Munich Re posted a net result of €219m (156m) in Q1. Insurance revenue from insurance contracts issued increased to €5,041m (4,605m), driven by all segments.

The ERGO Property-casualty Germany segment made a strong contribution to the net result of €166m (–64m). Q1 2023 was underpinned by low major losses, strong operational performance, a good investment result and seasonally low expenses in acquisition cash flows. The same quarter last year had been impacted by high major losses.

ERGO Life and Health Germany generated a net result of €41m (137m), largely driven by the consistently high amounts released from the contractual service margin in long-term life and health business. Short-term health insurance business also made a positive contribution to the net result. Overheads and taxes had an offsetting effect.

ERGO International generated a net result of €12m (84m). Major losses in Polish property-casualty business, the negative claims development in legal protection insurance and a seasonal effect in Spanish health insurance business had a material impact on the net result. These developments were partially offset by contributions to net result from the undertakings in Greece and Belgium.

The total technical result for the field of business amounted to €561m (275m), and the operating result was €301m (€267m). In the Property-casualty Germany segment, the combined ratio was 81.2% (106.3%); for ERGO International, it was 95.4% (88.7%).

Investments: Investment result of €1,612m

Munich Re's investment result increased to €1,612m (258m) in Q1, benefiting from a significantly higher running yield as a result of higher interest rates.

Regular income from investments climbed to €1,601m (1,415m). The balance from write-ups and write-downs was –€28m (–1,031m). The balance from gains and losses on disposal came to €166m (936m). The fair-value change was €74m (–926m). Write-downs and falling stock markets in connection with the war in Ukraine were the main reason for the low investment result in the same quarter last year. In addition, the substantial rise in interest rates in Q1 2022 had a negative impact on interest-bearing securities recognised in profit or loss.

Overall, the investment result for Q1 represents a return of 3.0% on the average market value of the portfolio, which is considerably higher than the forecast of above 2.2% for the full year. The running yield was 3.0%, and the yield on reinvestment 4.4%. As at 31 March 2023, the equity-backing ratio including equity-linked derivatives amounted to 3.3% (2.0% as at 31 December 2022). The investment portfolio totalled €210,580m (207,965m) at book values as at 31 March 2023.

Outlook for 2023: Annual guidance unchanged at €4.0bn

Munich Re remains confident in its outlook for positive business opportunities in 2023. The targets communicated for 2023 in Munich Re's Group Annual Report 2022 are thus unchanged. Accordingly, Munich Re is aiming to generate a net result of €4.0bn for the 2023 financial year.

All forecasts and targets face considerable uncertainty owing to fragile macroeconomic developments and volatile capital markets. In particular, there continues to be considerable uncertainty regarding the financial impact of the Russian war of aggression in Ukraine. As always, the projections are subject to major losses remaining within normal bounds, and to the income statement not being impacted by severe fluctuations in the currency or capital markets, significant changes in the tax environment, or other one-off effects.

Münchener Rückversicherungs-Gesellschaft
Aktiengesellschaft in München
Group Media Relations
Königinstrasse 107, 80802 Munich, Germany

www.munichre.com

LinkedIn: <https://de.linkedin.com/company/munich-re>

Twitter: @MunichRe

For Media inquiries please contact

Group Media Relations

Stefan Straub

Tel.: +49 89 3891 9896

Mobile: +49 151 64 93 30 48

sstraub@munichre.com

Financial Communications

Axel Rakette

Tel.: +49 89 3891 3141

Mobile: +49 151 20 46 21 32

arakette@munichre.com

Group Media Relations

Irmgard Joas

Tel.: +49 89 3891 6188

Mobile: +49 151 52 81 70 24

ijoas@munichre.com

Media Relations Asia-Pacific

Faith Thoms

Tel.: +65 63180762

Mobile: +65 83390125

fthoms@munichre.com

Media Relations North America

Ashleigh Lockhart

Tel.: +1 609 275-2110

Mobile: +1 980 395 2979

alockhart@munichre.com

Media Relations London Market

Lillian Ng

Tel.: +44 207 8863952

Mobile: +44 7809 495299

lillianng@munichre.com

Munich Re

Munich Re is one of the world's leading providers of reinsurance, primary insurance and insurance-related risk solutions. The group consists of the reinsurance and ERGO business segments, as well as the asset management company MEAG. Munich Re is globally active and operates in all lines of the insurance business. Since it was founded in 1880, Munich Re has been known for its unrivalled risk-related expertise and its sound financial position. It offers customers financial protection when faced with exceptional levels of damage – from the 1906 San Francisco earthquake through Hurricane Ian in 2022. Munich Re possesses outstanding innovative strength, which enables it to also provide coverage for extraordinary risks such as rocket launches, renewable energies or cyberattacks. The company is playing a key role in driving forward the digital transformation of the insurance industry, and in doing so has further expanded its ability to assess risks and the range of services that it offers. Its tailor-made solutions and close proximity to its customers make Munich Re one of the world's most sought-after risk partners for businesses, institutions, and private individuals.

Disclaimer

This media release contains forward-looking statements that are based on current assumptions and forecasts of the management of Munich Re. Known and unknown risks, uncertainties and other factors could lead to material differences between the forward-looking statements given here and the actual development, in particular the results, financial situation and performance of our Company. The Company assumes no liability to update these forward-looking statements or to make them conform to future events or developments.

Key figures

Munich Re at a glance

		Q1 2023	Q1 2022	Change %
Net result	€m	1,271	1,480	-14.2
Thereof attributable to non-controlling interests	€m	-5	6	–
Earnings per share	€	9.29	10.53	-11.7
Return on equity (RoE)	%	17.3	23.6	
Return on investment (Rol)	%	3.0	0.4	

		31.3.2023	31.12.2022	Change %
Share price	€	322.50	304.00	6.1
Munich Reinsurance Company's market capitalisation	€bn	45.2	42.6	6.1
Carrying amount per share	€	205.53	196.83	4.4
Investments	€m	210,580	207,965	1.3
Investments for unit-linked life insurance	€m	7,839	7,470	4.9
Equity	€m	28,182	27,245	3.4
Insurance contracts (net)	€m	197,140	195,454	0.9
Balance sheet total	€m	263,591	269,391	-2.2
Number of staff		41,727	41,389	0.8

Reinsurance

		Q1 2023	Q1 2022	Change %
Insurance revenue from insurance contracts issued	€m	9,232	8,656	6.6
Total technical result Life and health	€m	320	238	34.3
Combined ratio property-casualty	%	86.5	77.0	
Investment result	€m	847	165	412.7
Net result	€m	1,051	1,324	-20.6
Thereof: Reinsurance – Life and health	€m	291	367	-20.6
Thereof: Reinsurance – Property-casualty	€m	760	958	-20.6
Return on equity (RoE)	%	17.8	25.4	

ERGO

		Q1 2023	Q1 2022	Change %
Insurance revenue from insurance contracts issued	€m	5,041	4,605	9.5
Combined ratio Property-casualty Germany	%	81.2	106.3	
Combined ratio International	%	95.4	88.7	
Investment result	€m	765	93	726.9
Net result	€m	219	156	40.6
Thereof: Life and Health Germany	€m	41	137	-70.1
Thereof: Property-casualty Germany	€m	166	-64	–
Thereof: International	€m	12	84	-85.5
Return on equity (RoE)	%	15.4	14.7	

Outlook Munich Re (Group) 2023

		As at 31.03.2023	From Annual Report 2022
Insurance revenue (gross)	€bn	58	58
Total technical result – Life and health reinsurance	€bn	1	1
Combined ratio – Property-casualty reinsurance	%	86	86
Combined ratio – ERGO Property-casualty Germany	%	89	89
Combined ratio – ERGO International	%	90	90
Return on investment	%	Over 2.2	Over 2.2
Net result	€bn	4.0	4.0
Economic Earnings	€bn	Over 4.0	Over 4.0

Investment result

	Q1 2023	RoI ¹	Q1 2022	RoI ¹
	€m	%	€m	%
Regular income	1,601	3.0	1,415	2.3
Write-ups/write-downs	-28	-0.1	-1,031	-1.7
Change in expected credit loss	-38	-0.1	0	0.0
Gains/losses on disposal	166	0.3	936	1.5
Fair value change	74	0.1	-926	-1.5
Other income/expenses	-164	-0.3	-136	-0.2
Total	1,612	3.0	258	0.4

1 Annualised return in % p.a. on the average fair value of the investment portfolio at the quarterly reporting dates.

Consolidated balance sheet

Assets

	€m	€m	31.3.2023 €m	31.12.2022 €m	€m	Change %
A. Intangible assets						
I. Goodwill		3,218		3,240	-22	-0.7
II. Other intangible assets		913		1,043	-130	-12.4
			4,131	4,284	-152	-3.6
B. Reinsurance contracts held that are assets			4,108	3,892	216	5.5
C. Insurance contracts issued that are assets			6,776	5,977	799	13.4
D. Investments						
I. Non-financial investments						
1. Investment property	9,620			9,618	2	0.0
2. Property, plant and equipment	537			547	-10	-1.7
3. Intangible assets	128			0	128	—
4. Biological assets	816			735	81	11.0
5. Inventories	0			0	0	-100.0
6. Investments in affiliated companies, associates and joint ventures	6,566			5,945	621	10.5
Thereof: Associates and joint ventures accounted for using the equity method	6,251			5,642	609	10.8
		17,668		16,845	823	4.9
II. Financial investments	192,912			191,120	1,792	0.9
			210,580	207,965	2,615	1.3
E. Investments for unit-linked life insurance			7,839	7,470	369	4.9
F. Insurance-related financial instruments			9,005	18,298	-9,293	-50.8
G. Receivables						
I. Current tax receivables		933		695	238	34.3
II. Financial receivables		3,369		4,044	-675	-16.7
III. Other receivables		1,420		1,451	-30	-2.1
			5,723	6,189	-467	-7.5
H. Cash and cash equivalents			5,815	6,439	-624	-9.7
I. Deferred tax assets			2,959	2,862	97	3.4
J. Other assets			6,286	5,622	664	11.8
K. Non-current assets held for sale			368	392	-25	-6.3
Total assets			263,591	269,391	-5,800	-2.2

Equity and liabilities

	€m	€m	31.3.2023 €m	31.12.2022 €m	€m	Change %
A. Equity						
I. Issued capital and capital reserve		7,417		7,422	-5	-0.1
II. Retained earnings		21,607		15,380	6,227	40.5
III. Other reserves		-2,251		-1,022	-1,229	-120.2
IV Net result attributable to Munich Reinsurance Company equity holders		1,275		5,313	-4,038	-76.0
V. Non-controlling interests		133		152	-19	-12.4
			28,182	27,245	937	3.4
B. Subordinated liabilities			4,761	4,748	13	0.3
C. Reinsurance contracts held that are liabilities			463	262	201	76.4
D. Insurance contracts issued that are liabilities						
I. Liability for remaining coverage	130,047			128,771	1,277	1.0
II. Liability for incurred claims	77,506			76,283	1,223	1.6
III. Other technical liabilities	7			7	1	11.4
			207,561	205,061	2,500	1.2
E. Other provisions			2,726	2,661	65	2.4
F. Liabilities						
I. Derivatives		1,336		1,466	-129	-8.8
II. Non derivative financial liabilities		4,003		4,647	-644	-13.9
III. Current tax liabilities		1,609		1,569	41	2.6
IV Other liabilities		10,319		19,840	-9,521	-48.0
			17,268	27,522	-10,254	-37.3
G. Deferred tax liabilities			2,446	1,751	694	39.6
H. Liabilities related to non-current assets held for sale			185	141	44	30.8
Total equity and liabilities			263,591	269,391	-5,800	-2.2

Consolidated income statement

	€m	€m	Q1 2023 €m	Q1 2022 €m	€m	Change %
1. Insurance revenue from insurance contracts issued		14,273		13,261	1,011	7.6
2. Insurance service expenses from insurance contracts issued		-12,456		-11,526	-930	-8.1
Claims expenses	-10,204			-9,824	-380	-3.9
Changes from underlying items	-275			55	-330	—
Admin and acquisition cost	-1,977			-1,757	-220	-12.5
Other insurance service expenses	0			0	0	—
3. Insurance service result from insurance contracts issued (1+2)		1,817		1,735	81	4.7
4. Insurance revenue ceded from reinsurance contracts held	-298			-354	56	15.9
5. Income from reinsurance contracts held	153			397	-244	-61.4
6. Insurance service result from reinsurance contracts held (4+5)		-145		42	-187	—
7. Insurance service result (3+6)		1,672		1,778	-106	-6.0
8. Result from insurance-related financial instruments		138		86	52	60.9
9. Total technical result (7+8)			1,809	1,863	-54	-2.9
10. Investment result		1,612		258	1,354	525.5
11. Currency result		-145		221	-366	—
12. Investment result for unit-linked life insurance		327		-473	800	—
13. Insurance finance income or expenses from insurance contracts issued	-1,391			453	-1,844	—
14. Insurance finance income or expenses from reinsurance contracts held	20			2	18	742.9
15. Insurance finance income or expenses (13+14)		-1,371		455	-1,826	—
16. Net financial result (10+11+12+15)			423	461	-38	-8.2
17. Other operating income		299		221	78	35.4
18. Other operating expenses		-764		-681	-83	-12.2
19. Operating result (9+16+17+18)			1,768	1,864	-96	-5.2
20. Net finance costs			-42	-47	5	10.2
21. Taxes on income			-455	-337	-118	-35.0
22. Net result (19+20+21)			1,271	1,480	-210	-14.2
Thereof:						
Attributable to Munich Reinsurance Company equity holders			1,275	1,475	-200	-13.5
Attributable to non-controlling interests			-5	6	-10	—
Earnings per share			9.29	10.53	-1.23	-11.7

Segment balance sheet

Segment assets

€m	Reinsurance						ERGO				Total	
	Life and health		Property-casualty		Life and Health Germany		Property-casualty Germany		International		31.3.2023	31.12.2022
	31.3.2023	31.12.2022	31.3.2023	31.12.2022	31.3.2023	31.12.2022	31.3.2023	31.12.2022	31.3.2023	31.12.2022		
A. Intangible assets	281	313	2,208	2,349	65	67	1,381	1,374	197	181	4,131	4,284
B. Reinsurance contracts held that are assets	734	700	2,609	2,522	20	17	333	311	412	342	4,108	3,892
C. Insurance contracts issued that are assets	6,064	5,473	134	32	228	239	277	174	73	60	6,776	5,977
D. Investments	20,699	21,879	65,476	62,736	101,524	101,010	7,606	7,411	15,275	14,929	210,580	207,965
E. Investments for unit-linked life insurance	0	0	0	0	5,493	5,239	0	0	2,346	2,231	7,839	7,470
F. Insurance-related financial instruments	7,537	16,834	1,016	1,085	453	380	0	0	0	0	9,005	18,298
G. Non-current assets held for sale	0	4	49	119	47	0	0	0	272	269	368	392
H. Other segment assets	2,874	3,708	9,670	9,334	5,364	5,679	1,452	1,286	1,423	1,105	20,783	21,113
Total segment assets	38,188	48,911	81,161	78,176	113,194	112,631	11,049	10,556	19,998	19,117	263,591	269,391

Segment equity and liabilities

€m	Reinsurance						ERGO				Total	
	Life and health		Property-casualty		Life and Health Germany		Property-casualty Germany		International		31.3.2023	31.12.2022
	31.3.2023	31.12.2022	31.3.2023	31.12.2022	31.3.2023	31.12.2022	31.3.2023	31.12.2022	31.3.2023	31.12.2022		
A. Subordinated liabilities	488	1,057	4,260	3,678	0	0	0	0	13	13	4,761	4,748
B. Reinsurance contracts held that are liabilities	114	99	138	46	2	0	126	77	82	40	463	262
C. Insurance contracts issued that are liabilities	17,733	17,744	57,900	56,937	110,510	109,794	6,340	5,884	15,079	14,701	207,561	205,061
I. Liability for remaining coverage	10,558	12,059	-2,494	-3,745	108,847	107,926	929	565	12,206	11,965	130,047	128,771
III. Liability for incurred claims	7,175	5,685	60,393	60,682	1,662	1,868	5,411	5,319	2,865	2,729	77,506	76,283
II. Other technical Liabilities	0	0	0	0	0	0	0	0	7	7	7	7
D. Other provisions	137	148	586	585	823	826	834	534	347	568	2,726	2,661
E. Liabilities related to non-current assets held for sale	0	0	1	1	35	0	0	0	148	140	185	141
F. Other segment liabilities	4,622	15,900	8,107	6,754	2,344	2,273	2,481	1,834	2,160	2,512	19,714	29,273
Total segment liabilities	23,094	34,949	70,993	68,002	113,714	112,894	9,780	8,329	17,828	17,973	235,409	242,146
										Equity	28,182	27,245
										Total equity and liabilities	263,591	269,391
Risk adjustment for non-financial risk (total) ¹	3,263	2,907	345	339	549	580	79	66	185	209	4,421	4,102
Contractual service margin (total) ¹	10,550	10,980	12	0	10,762	10,448	384	372	3,342	3,224	25,050	25,024

¹ Risk adjustment for non-financial risk and contractual service margin include ceded parts.

Segment income statement

[illegible]

Notes on determining the combined ratio

€m	Reinsurance		ERGO				
	Property-casualty		Property-casualty Germany		Property-casualty International ¹		
	Q1 2023	Q1 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022	
Insurance revenue from insurance contracts issued	6,498	5,743	1,117	953	1,045	1,064	
Insurance revenue ceded from insurance contracts held	-181	-201	-21	-41	-53	-63	
Insurance revenue (net)	6,316	5,542	1,095	912	992	1,001	
Insurance service expenses from insurance contracts issued	-5,523	-4,475	-898	-1,117	-992	-888	
Income from reinsurance contracts held	62	208	9	148	46	0	
Insurance service expenses (net)	-5,461	-4,267	-889	-969	-947	-888	
Combined ratio	%	86.5	77.0	81.2	106.3	95.4	88.7

1 Property-casualty business and short-term health insurance not conducted like life insurance.

Total technical result

€m	Reinsurance		ERGO			
	Life & Health		Life & Health Germany		Life & Health International	
	Q1 2023	Q1 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022
Release of CSM	214	244	227	179	54	44
Release of risk adjustment (non-PAA)	63	63	9	12	3	3
Experience adjustments not adjusted against CSM (non-PAA)	-30	-38	-24	-3	-16	-53
Onerous contracts and changes not affecting CSM (non-PAA)	18	-44	-3	-8	14	-24
Insurance service result from PAA business	0	0	39	63	4	-18
Insurance service result	264	225	248	244	58	-49
Result from insurance-related financial instruments	56	13	10	-2	0	0
Total technical result	320	238	258	243	58	-49

CSM/RA Development

€m	Reinsurance		ERGO			
	Life & Health		Life & Health Germany		Life & Health International	
	CSM	RA	CSM	RA	CSM	RA
31.12.2022	10,980	2,907	10,448	580	3,057	180
New contracts added	225	32	43	2	45	1
Accretion of interest	35	10	0	0	4	1
Operating changes	-318	350	500	-24	113	-28
Change in financial effects	-158	27	0	0	0	3
Other	0	0	-2	0	0	0
Release (through P&L)	-214	-63	-227	-9	-54	-3
31.3.2023	10,550	3,263	10,762	549	3,166	153

Notes on determining the annualised return on equity (RoE)

	Reinsurance		ERGO		Total	
€m	31.3.2023	31.12.2022	31.3.2023	31.12.2022	31.3.2023	31.12.2022
Segment assets	119,349	127,087	144,242	142,304	263,591	269,391
Segment liabilities	94,087	102,950	141,322	139,196	235,409	242,146
Adjustments used in the calculation of equity						
Other reserves - Fair value measurement, measurement of insurance contracts, currency translation, hedge relationships	13	417	-2,264	-1,439	-2,251	-1,022
Adjustment item for material asset transfers between reinsurance and ERGO	706	976	-706	-976	0	0
Adjusted equity	24,543	22,743	5,889	5,524	30,433	28,267
	Q1 2023		Q1 2023		Q1 2023	
Average adjusted equity	23,643		5,707		29,350	
Net result	1,051		219		1,271	
Return on equity (RoE)	%	17.8	15.4		17.3	

Notes on determining the annualised return on equity (RoE)

	Reinsurance		ERGO		Total	
€m	31.3.2022	31.12.2021 ¹	31.3.2022	31.12.2021 ¹	31.3.2022	31.12.2021
Segment assets	131,372	131,256	160,682	170,240	292,054	301,496
Segment liabilities	104,180	105,490	159,723	167,540	263,904	273,030
Adjustments used in the calculation of equity						
Other reserves - Fair value measurement, measurement of insurance contracts, currency translation, hedge relationships	3,093	4,818	-886	-599	2,207	4,220
Adjustment item for material asset transfers between reinsurance and ERGO	2,302	1,020	-2,302	-1,020	0	0
Adjusted equity	21,797	19,928	4,147	4,318	25,944	24,246
	Q1 2022		Q1 2022		Q1 2022	
Average adjusted equity	20,862		4,233		25,095	
Net result	1,324		156		1,480	
Return on equity (RoE)	%	25.4	14.7		23.6	

¹ Since March 31, 2022, the presentation of receivables and liabilities in connection with intra-Group loans in the segment balance sheet has been adapted to reflect changes in internal management and simultaneously aligned with the presentation of income and expenses in connection with intra-Group loans in the segment income statement. The previous year's figures have been adjusted accordingly.