

## **Talanx publishes medium-term growth targets**

Hannover, 17 April 2013

**Today, Talanx AG published medium-term strategic growth targets for the first time. Over a period of 3 to 5 years, the Group is aiming to increase the Group's net income by an average of 10 percent each year. The improved result is to be primarily achieved through profitable premium growth, cost savings and an improved combined ratio. "When we take a look back at some time in the future, we want to be able to see annual growth of 10 percent on average. We regard this as a challenging but achievable target for the next years," said Herbert K. Haas, Chairman of the Board of Management of Talanx AG, at the Capital Markets Day held by the company in Hannover.**

The company is forecasting average premium growth of at least 10 percent a year for the Retail International Division over the medium term. The combined ratio is supposed to be a maximum of 96 percent (2012: 96.2 percent).

Premium income for the Industrial Lines Division is forecasted to grow on average between 3 and 5 percent each year, the combined ratio should not exceed the favourable level of 96 percent (2012: 95.1 percent). The retention rate of currently 46 percent is to be expanded to an average of 60 to 65 percent. This will reduce the expenditure on reinsurance premiums.

The Retail Germany Division will contribute to the planned increases in earnings by cost savings and the resulting improvement in combined ratio. The objective is for the combined ratio to come down to 97 percent or lower (2012: 100.6 percent). Gross premium income will remain stable or increase slightly and hence follow the general sector trend in Germany.

According to the plans, non-life reinsurance will increase its premiums over the medium term by an average of 3 to 5 percent, the premiums for life and health reinsurance will go up by an average of 5 to 7 percent.

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These targets are subject to the condition that major claims remain in line with expectations and that no turbulence occurs in the currency and capital markets. The goal of paying out 35 to 45 percent of the Group's net income in accordance with IFRS as dividend remains unchanged.

The Capital Markets Day is being broadcast on the Internet at [www.talanx.com](http://www.talanx.com).

#### **About Talanx**

With premium income of EUR 26.7 billion (2012) and more than 22,000 employees, Talanx is one of the major insurance groups in Germany and Europe. The Hannover-based Group is active in some 150 countries. Talanx operates as a multi-brand provider with a focus on B2B insurance. The Group's brands include HDI, the global industrial insurer HDI-Gerling, Hannover Re, one of the world's leading reinsurers, Targo Versicherungen, PB Versicherungen and Neue Leben, the latter all specialized in bancassurance, and the financial services provider AmpegaGerling. The takeovers of TU Europa and TUIR Warta S.A. have now made Poland the second core market of Talanx. The rating agency Standard & Poor's has given the Talanx Primary Group a financial strength rating of A+/stable (strong) and the Hannover Re Group one of AA-/stable (very strong). Talanx AG is listed on the Frankfurt Stock Exchange in the MDAX (German Securities Code: TLX100, ISIN: DE00TLX1005).

You can find additional information by going to [www.talanx.com](http://www.talanx.com).

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