

## German Reinsurers Reconfirm Subprime-Related Losses

*by dow-jones*

FRANKFURT -(Dow Jones)- Swiss Reinsurance Co.'s (RUKN.VX) German competitors Munich Re AG (MUV2.XE), Hannover Re AG (HNR1.XE) and Allianz SE (AZ) have reconfirmed their subprime exposure following Swiss Re's statements that in October it recorded \$890.9 million in after-tax losses due to subprime credit exposure.

Head of media relations Christian Lawrence at Munich Re told Dow Jones Newswires it "absolutely" sticks to its previous forecasts regarding maximum possible losses from subprime exposure.

On Nov. 8, the company reported it had booked EUR150 million in impairments on financial instruments exposed to the U.S. subprime market in the first nine months of 2007. Munich Re also said its remaining exposure to subprime-related securities is now around EUR374 million, or 0.2% of the total investment portfolio.

Allianz confirmed its total subprime exposure including super senior tranches at around EUR2 billion. When the company reported third-quarter results on Nov. 9, it stated the group's banking operations, the bulk of which is Dresdner Bank AG, took a EUR575 million hit related to U.S. subprime exposure.

Hannover Re spokeswoman Christine Harm said the company still sees a maximum loss of EUR10 million from the company's investments in the U.S. subprime mortgage markets. In the first nine months of 2007, Hannover Re said it wrote down EUR4.6 million on subprime exposed investments.

All three declined to comment on a competitor's performance.

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