

# Consolidated financial statements. Contents

84	Consolidated balance sheet		
86	Consolidated statement of income		
87	Consolidated statement of changes in shareholders' equity		
88	Cash flow statement		
89	Notes on the cash flow statement		
91	Segment report		
<b>Notes</b>			
99	General information		
99	General accounting principles and adoption of International Financial Reporting Standards (IFRS)		
102	Summary of major accounting policies		
124	Consolidation		
132	Business combinations in the reporting period		
134	Disposal groups		
134	Nature of risks associated with insurance contracts and financial instruments		
152	Hedge accounting		
153	Securities lending		
	<b>Notes on the consolidated balance sheet – assets</b>		
154	(1) Goodwill		
156	(2) Other intangible assets		
158	(3) Investment property		
159	(4) Investments in affiliated companies and participating interests		
159	(5) Investments in associated companies		
160	(6) Loans and receivables		
161	(7) Financial assets held to maturity		
162	(8) Financial assets available for sale		
164	(9) Financial assets at fair value through profit or loss		
166	(10) Financial assets held for trading		
167	(11) Other invested assets		
167	(12) Derivative financial instruments and structured products		
169	(13) Accounts receivable on insurance business		
169	(14) Deferred acquisition costs		
169	(15) Other assets		
	<b>Notes on the consolidated balance sheet – liabilities</b>		
172	(16) Shareholders' equity		
174	(17) Subordinated liabilities		
176	(18) Unearned premium reserve		
176	(19) Benefit reserve		
177	(20) Loss and loss adjustment expense reserve		
180	(21) Provision for premium refunds		
181	(22) Provisions for pensions and other post-employment benefit obligations		
184	(23) Provisions for taxes		
185	(24) Sundry provisions		
186	(25) Notes payable and loans		
186	(26) Other liabilities		
186	(27) Deferred taxes		
	<b>Notes on the consolidated statement of income</b>		
188	(28) Net premium earned		
188	(29) Net investment income		
192	(30) Claims and claims expenses		
194	(31) Acquisition costs and administrative expenses		
195	(32) Other income/expenses		
196	(33) Amortization of insurance-related intangible assets and goodwill impairments		
196	(34) Taxes on income		
199	Other information		

## Consolidated balance sheet as at 31 December 2008

Assets	Note	31.12.2008	31.12.2007 <sup>1)</sup>
Figures in EUR million			
<b>A. Intangible assets</b>			
a. Goodwill	1	621	637
b. Other intangible assets	2	2,317	2,505
		<b>2,938</b>	<b>3,142</b>
<b>B. Investments</b>			
a. Real estate used by third parties	3	584	616
b. Investments in affiliated companies and participating interests	4	66	59
c. Investments in associated companies	5	135	178
d. Loans and receivables	6	30,123	29,243
<b>e. Other financial instruments</b>			
i. Held to maturity	7	1,378	1,477
ii. Available for sale	8	24,865	25,877
iii. At fair value through profit or loss	9	793	865
iv. Trading	10/12	423	18
		<b>27,459</b>	<b>28,237</b>
<b>f. Other investments</b>			
i. Funds held by ceding companies		9,094	8,055
ii. Other invested assets	11	3,857	3,239
		<b>71,318</b>	<b>69,627</b>
<b>C. Investments for the account and risk of holders of life insurance policies</b>			
		3,371	4,314
<b>D. Reinsurance recoverables on technical provisions</b>			
		6,989	7,552
<b>E. Accounts receivable on insurance business</b>			
	13	4,438	3,758
<b>F. Deferred acquisition costs</b>			
	14	3,509	3,278
<b>G. Cash</b>			
		1,408	2,038
<b>H. Deferred tax assets</b>			
	27	295	236
<b>I. Other assets</b>			
	15	1,736	1,450
<b>J. Assets of disposal groups classified as held for sale</b>			
		43	—
<b>Total assets</b>		<b>96,045</b>	<b>95,395</b>

<sup>1)</sup> Adjusted on the basis of IAS 8

Liabilities	Note	31.12.2008	31.12.2007 <sup>1)</sup>
Figures in EUR million			
A. Shareholders' equity	16		
a. Common shares		260	260
b. Reserves		3,354	3,472
<b>Total shareholders' equity excluding minorities</b>		<b>3,614</b>	<b>3,732</b>
c. Minority interests		2,104	2,431
<b>Total shareholders' equity</b>		<b>5,718</b>	<b>6,163</b>
B. Subordinated liabilities	17	2,074	2,168
C. Technical provisions			
a. Unearned premium reserve	18	4,894	4,755
b. Benefit reserve	19	36,386	35,987
c. Loss and loss adjustment expense reserve	20	27,161	26,651
d. Provision for premium refunds	21	973	1,403
e. Other technical provisions		198	226
		<b>69,612</b>	<b>69,022</b>
D. Technical provisions in the area of life insurance insofar as the investment risk is borne by policyholders		3,371	4,314
E. Other provisions			
a. Provision for pensions	22	1,272	1,251
b. Provision for taxes	23	619	725
c. Sundry provisions	24	525	582
		<b>2,416</b>	<b>2,558</b>
F. Liabilities			
a. Notes payable and loans	25	602	600
b. Funds held under reinsurance treaties		5,974	4,733
c. Other liabilities	26	4,901	4,682
		<b>11,477</b>	<b>10,015</b>
G. Provision for deferred taxes	27	1,377	1,155
<b>Total liabilities/provisions</b>		<b>90,327</b>	<b>89,232</b>
H. Debts of disposal groups classified as held for sale		—	—
<b>Total liabilities</b>		<b>96,045</b>	<b>95,395</b>

<sup>1)</sup> Adjusted on the basis of IAS 8

## Consolidated statement of income for the 2008 financial year

	Note	2008	2007 <sup>1)</sup>
Figures in EUR million			
1. Gross written premium including premium from unit-linked life and annuity insurance		19,005	19,130
2. Savings elements of premium from unit-linked life and annuity insurance		1,081	944
3. Ceded written premium		2,711	3,278
4. Change in gross unearned premium		-184	181
5. Change in ceded unearned premium		114	194
<b>Net premium earned</b>	28	<b>14,915</b>	<b>14,895</b>
6. Investment income	29		
a. Income from investments		4,347	3,385
b. Expenses for investments		2,737	683
		1,610	2,702
thereof profit/loss from investments in associated companies		3	11
7. Other income	32	998	1,204
<b>Total income</b>		<b>17,523</b>	<b>18,801</b>
8. Claims and claims expenses (gross)	30	13,607	14,855
Reinsurers' share		1,781	2,725
<b>Claims and claims expenses (net)</b>		<b>11,826</b>	<b>12,130</b>
9. Acquisition costs and administrative expenses (gross)	31	4,102	4,194
Reinsurers' share		545	760
<b>Acquisition costs and administrative expenses (net)</b>		<b>3,557</b>	<b>3,434</b>
10. Other expenses	32	1,401	1,597
<b>Total expenses</b>		<b>16,784</b>	<b>17,161</b>
<b>Profit before amortization of insurance-related intangible assets and goodwill impairments</b>		<b>739</b>	<b>1,640</b>
11. Amortization of insurance-related intangible assets and goodwill impairments	33	121	178
<b>Operating profit/loss (EBIT)</b>		<b>618</b>	<b>1,462</b>
12. Financing costs		156	134
13. Taxes on income	34	341	329
<b>Net income</b>		<b>121</b>	<b>999</b>
thereof minority interest in profit or loss		-66	522
thereof Group net income		187	477

<sup>1)</sup> Adjusted on the basis of IAS 8

## Consolidated statement of changes in shareholders' equity

	Common shares	Additional paid-in capital	Retained earnings	Cumulative other comprehensive income (other reserves)			Minority interests	Shareholders' equity
				Unrealized gains/ losses on investments	Gains/ losses from currency translation	Other changes in shareholders' equity		
Figures in EUR million								
<b>Balance as at 01.01.2007</b>	260	630	2,390	197	-45	63	1,987	5,482
Adjustments pursuant to IAS 8	—	—	-49	-19	—	—	50	-18
<b>Adjusted balance as at 01.01.2007</b>	260	630	2,341	178	-45	63	2,037	5,464
Changes in proportionate holding	—	—	—	—	—	-131	40	-91
Deferred taxes on profit components recognized directly in equity	—	—	—	10	1	-2	-10	-1
Changes without effect on income	—	—	—	-21	-68	20	-38	-107
Net income	—	—	477	—	—	—	522	999
Dividends paid	—	—	—	—	—	—	-122	-122
<b>Balance as at 31.12.2007</b>	260	630	2,818	167	-112	-50	2,429	6,142
Adjustments pursuant to IAS 8	—	—	-19	21	-15	32	2	21
<b>Adjusted balance as at 01.01.2008</b>	260	630	2,799	188	-127	-18	2,431	6,163
Changes in proportionate holding	—	—	-5	—	—	—	-8	-13
Deferred taxes on profit components recognized directly in equity	—	—	—	-5	-4	11	-34	-32
Changes without effect on income	—	—	—	-164	-96	-42	-6	-308
Net income	—	—	187	—	—	—	-66	121
Dividends paid	—	—	—	—	—	—	-213	-213
<b>Balance as at 31.12.2008</b>	260	630	2,981	19	-227	-49	2,104	5,718

## Cash flow statement for the 2008 financial year

	2008	2007 <sup>1)</sup>
Figures in EUR million		
I. 1. Net income	121	999
I. 2. Changes in technical provisions	1,834	1,893
I. 3. Changes in deferred acquisition costs	-322	-228
I. 4. Changes in funds held and in accounts receivable and payable	-2,772	-867
I. 5. Net changes in contract deposits	1,924	207
I. 6. Changes in other receivables and liabilities	9	414
I. 7. Changes in financial instruments held for trading	-234	29
I. 8. Net gains and losses on investments	-148	-242
I. 9. Changes in other balance sheet items	-81	-109
I. 10. Other non-cash expenses and income as well as adjustments to net income	632	1,448
<b>I. Cash flows from operating activities</b>	<b>963</b>	<b>3,544</b>
II. 1. Cash inflow from the sale of consolidated companies	-7	384
II. 2. Cash outflow from the purchase of consolidated companies	-21	-527
II. 3. Cash inflow from the sale of real estate	29	756
II. 4. Cash outflow from the purchase of real estate	-102	-53
II. 5. Cash inflow from the sale and maturity of financial instruments	21,169	14,868
II. 6. Cash outflow from the purchase of financial instruments	-23,055	-17,632
II. 7. Changes in investments for the account and risk of holders of life insurance policies	946	-704
II. 8. Changes in other invested assets	-76	-535
<b>II. Cash flows from investing activities</b>	<b>-1,117</b>	<b>-3,443</b>
III. 1. Dividends paid	-213	-122
III. 2. Net changes from other financing activities	-247	408
<b>III. Cash flows from financing activities</b>	<b>-460</b>	<b>286</b>
<b>Change in cash and cash equivalents (I.+II.+III.)</b>	<b>-614</b>	<b>387</b>
Cash and cash equivalents at the beginning of the financial year	2,038	1,670
Cash and cash equivalents – exchange rate differences on cash	-12	-19
Cash and cash equivalents of companies no longer included in the consolidated financial statements	4	–
<b>Cash and cash equivalents at the end of the financial year</b>	<b>1,408</b>	<b>2,038</b>
Additional information		
Taxes paid	201	103
Interest paid	284	237

<sup>1)</sup>Adjusted on the basis of IAS 8

## Notes on the cash flow statement

The cash flow statement shows how the cash and cash equivalents of the Talanx Group changed in the course of the year under review due to inflows and outflows. In this context a distinction is made between cash flow movements from operating activities and those from investing and financing activities.

The cash flows within the Talanx Group are presented in accordance with IAS 7 “Statement of Cash Flows” and the principles set out in German Accounting Standard (DRS) No. 2 regarding the preparation of cash flow statements, which were supplemented and specified more closely by DRS 2-20 for insurance enterprises.

The cash flow statement was drawn up using the indirect method. The liquid funds are limited to cash and cash equivalents and correspond to the balance sheet item “Cash”.

The cash flow movements of the Talanx Group are influenced principally by the business model of an insurance and reinsurance enterprise. Normally, we first receive premiums for risk assumption and subsequently make payments for claims. The effects of exchange rate differences and the influences of changes in the consolidated group are eliminated in the cash flow statement. The acquisition of new companies is captured in the line “Cash outflow from the purchase of consolidated companies”; the sum total of paid purchase prices less acquired cash and cash equivalents is recognized here. The sale of consolidated companies is reported in the line “Cash inflow from the sale of consolidated companies”; the sum total of the disposal prices less sold cash and cash equivalents is carried here.

Through the acquisitions of two insurance companies (HDI Strakhuvannya and HDI Seguros S.A.) in the third quarter as well as the purchase of Proactiv IT Servicegesellschaft mbH in October 2008 (in this regard see also our remarks in the section entitled “Business combinations in the reporting period”, page 132 et seq.), the Talanx Group assumed the following assets and liabilities:

Figures in EUR million	
Intangible assets	2
Investments	9
Reinsurance recoverables on technical provisions	3
Accounts receivable on insurance business	12
Deferred tax assets	1
Other assets	7
<b>Total assets</b>	<b>34</b>
Technical provisions	14
Other provisions	3
Liabilities	6
Provision for deferred taxes	1
<b>Total liabilities</b>	<b>24</b>

The total purchase price for all companies, which we paid in cash and netted with the cash and cash equivalents, amounted to altogether EUR 22 million. The acquired cash assets of the companies totaled EUR 1 million.

In the context of the sale of Gerling Service Nederland N.V. as at 31 December 2008 other provisions of EUR 2 million were deducted. The cash assets of the company amounted to EUR 7 million.

## Segment report

The segment reporting of the Talanx Group is based on IAS 14 “Segment Reporting” and on the principles set out in German Accounting Standard No. 3 “Segment Reporting” (DRS 3) of the German Standards Council, supplemented by the requirements of DRS 3-20 “Segment Reporting of Insurance Enterprises”.

The breakdown of the overall activities into the segments of the primary reporting format is based upon the areas of responsibility within the Group’s Board of Management, i.e. the allocation of business activities to segments is crucially determined by their affiliation with the areas of responsibility defined within the Board of Management of the Group’s holding company (Talanx AG).

In 2008 we allocated Euro International Reinsurance S.A., Luxembourg, to the Non-Life Reinsurance segment; it had previously been allocated to the Property/Casualty Primary Insurance segment. The figures for the previous year have been adjusted accordingly. For further information please see the section entitled “Changes in accounting policies”, page 102 et seq.

The Talanx Group’s operational segments are structured as follows for the purposes of primary segmentation:

- Primary Insurance
  - a) Property/Casualty
  - b) Life
- Reinsurance
  - a) Non-Life
  - b) Life/Health
- Financial Services

The various business segments are shown in the segment report after consolidation of internal transactions within individual segments. Consolidation effects across segments are reported in the “Consolidation” column. Transactions between Group companies were effected in accordance with arm’s length principles.

## Segment report. Balance sheet as at 31 December 2008

Assets	Property/Casualty Primary Insurance		Life Primary Insurance	
	31.12.2008	31.12.2007 <sup>1)</sup>	31.12.2008	31.12.2007 <sup>1)</sup>
Figures in EUR million				
A. Intangible assets				
a. Goodwill	194	211	415	414
b. Other intangible assets	134	215	2,118	2,231
	<b>328</b>	<b>426</b>	<b>2,533</b>	<b>2,645</b>
B. Investments				
a. Real estate used by third parties	107	101	456	498
b. Investments in affiliated companies and participating interests	10	14	14	3
c. Investments in associated companies	25	26	9	8
d. Loans and receivables	5,406	5,868	22,989	22,044
e. Other financial instruments				
i. Held to maturity	219	300	250	256
ii. Available for sale	4,047	4,505	6,263	6,880
iii. At fair value through profit or loss	132	286	359	400
iv. Trading	175	1	248	17
	4,573	5,092	7,120	7,553
f. Other investments				
i. Funds held by ceding companies	56	93	60	55
ii. Other invested assets	779	661	1,458	1,052
	<b>10,956</b>	<b>11,855</b>	<b>32,106</b>	<b>31,213</b>
C. Investments for the account and risk of holders of life insurance policies	18	18	3,353	4,296
D. Reinsurance recoverables on technical provisions	4,827	4,638	2,711	3,063
E. Accounts receivable on insurance business	1,668	1,398	340	265
F. Deferred acquisition costs	185	189	1,256	1,050
G. Cash	372	355	572	1,285
H. Deferred tax assets	101	74	56	78
I. Other assets	872	708	621	655
J. Assets of disposal groups classified as held for sale	—	—	43	—
<b>Total assets</b>	<b>19,327</b>	<b>19,661</b>	<b>43,591</b>	<b>44,550</b>

<sup>1)</sup> Adjusted on the basis of IAS 8

Non-Life Reinsurance		Life/Health Reinsurance		Financial Services		Consolidation		Total	
31.12.2008	31.12.2007 <sup>1)</sup>	31.12.2008	31.12.2007 <sup>1)</sup>	31.12.2008	31.12.2007 <sup>1)</sup>	31.12.2008	31.12.2007 <sup>1)</sup>	31.12.2008	31.12.2007 <sup>1)</sup>
8	8	—	—	3	3	1	1	621	637
51	46	13	10	2	2	-1	1	2,317	2,505
59	54	13	10	5	5	—	2	2,938	3,142
20	16	1	1	—	—	—	—	584	616
7	4	—	—	7	—	28	38	66	59
87	137	12	2	—	—	2	5	135	178
1,636	1,479	148	154	1	1	-57	-303	30,123	29,243
1,453	1,463	43	52	—	—	-587	-594	1,378	1,477
11,863	11,990	2,647	2,496	4	5	41	1	24,865	25,877
247	144	55	35	—	—	—	—	793	865
—	—	—	—	—	—	—	—	423	18
13,563	13,597	2,745	2,583	4	5	-546	-593	27,459	28,237
817	907	9,277	8,358	—	—	-1,116	-1,358	9,094	8,055
1,404	1,381	148	147	31	46	37	-48	3,857	3,239
17,534	17,521	12,331	11,245	43	52	-1,652	-2,259	71,318	69,627
—	—	—	—	—	—	—	—	3,371	4,314
2,009	2,472	269	366	—	—	-2,827	-2,987	6,989	7,552
1,977	1,313	826	1,148	—	—	-373	-366	4,438	3,758
319	280	1,559	1,545	—	—	190	214	3,509	3,278
330	246	95	86	35	48	4	18	1,408	2,038
43	50	8	4	5	—	82	30	295	236
905	890	38	41	46	37	-746	-881	1,736	1,450
—	—	—	—	—	—	—	—	43	—
23,176	22,826	15,139	14,445	134	142	-5,322	-6,229	96,045	95,395

## Segment report. Balance sheet as at 31 December 2008

Liabilities	Property/Casualty Primary Insurance		Life Primary Insurance	
	31.12.2008	31.12.2007 <sup>1)</sup>	31.12.2008	31.12.2007 <sup>1)</sup>
Figures in EUR million				
B. Subordinated liabilities	302	306	116	171
C. Technical provisions				
a. Unearned premium reserve	1,509	1,614	2,098	2,020
b. Benefit reserve	1,155	1,187	29,951	29,287
c. Loss and loss adjustment expense reserve	10,687	10,568	760	619
d. Provision for premium refunds	7	39	966	1,364
e. Other technical provisions	42	42	2	2
	<b>13,400</b>	<b>13,450</b>	<b>33,777</b>	<b>33,292</b>
D. Technical provisions in the area of life insurance insofar as the investment risk is borne by policyholders	18	18	3,353	4,296
E. Other provisions				
a. Provision for pensions	440	429	121	117
b. Provision for taxes	218	226	60	73
c. Sundry provisions	272	312	176	180
	<b>930</b>	<b>967</b>	<b>357</b>	<b>370</b>
F. Liabilities				
a. Notes payable and loans	640	667	—	—
b. Funds held under reinsurance treaties	87	109	2,012	2,352
c. Other liabilities	1,667	1,688	2,439	2,447
	<b>2,394</b>	<b>2,464</b>	<b>4,451</b>	<b>4,799</b>
G. Provision for deferred taxes	197	87	254	264
<b>Total liabilities/provisions</b>	<b>17,241</b>	<b>17,292</b>	<b>42,308</b>	<b>43,192</b>
H. Debts of disposal groups classified as held for sale	—	—	—	—

Non-Life Reinsurance		Life/Health Reinsurance		Financial Services		Consolidation		Total	
31.12.2008	31.12.2007 <sup>1)</sup>	31.12.2008	31.12.2007 <sup>1)</sup>	31.12.2008	31.12.2007 <sup>1)</sup>	31.12.2008	31.12.2007 <sup>1)</sup>	31.12.2008	31.12.2007 <sup>1)</sup>
1,377	1,373	18	40	—	—	261	278	2,074	2,168
1,252	1,153	83	38	—	—	-48	-70	4,894	4,755
—	—	5,913	6,143	—	—	-633	-630	36,386	35,987
15,412	15,170	1,556	1,441	—	—	-1,254	-1,147	27,161	26,651
—	—	—	—	—	—	—	—	973	1,403
123	147	34	37	—	—	-3	-2	198	226
<b>16,787</b>	<b>16,470</b>	<b>7,586</b>	<b>7,659</b>	<b>—</b>	<b>—</b>	<b>-1,938</b>	<b>-1,849</b>	<b>69,612</b>	<b>69,022</b>
—	—	—	—	—	—	—	—	3,371	4,314
57	53	16	14	12	11	626	627	1,272	1,251
189	161	16	42	2	5	134	218	619	725
49	58	9	9	19	17	—	6	525	582
<b>295</b>	<b>272</b>	<b>41</b>	<b>65</b>	<b>33</b>	<b>33</b>	<b>760</b>	<b>851</b>	<b>2,416</b>	<b>2,558</b>
43	47	40	—	7	—	-128	-114	602	600
262	344	5,453	4,284	—	—	-1,840	-2,356	5,974	4,733
1,072	556	1,096	1,482	63	82	-1,436	-1,573	4,901	4,682
<b>1,377</b>	<b>947</b>	<b>6,589</b>	<b>5,766</b>	<b>70</b>	<b>82</b>	<b>-3,404</b>	<b>-4,043</b>	<b>11,477</b>	<b>10,015</b>
738	618	184	199	—	3	4	-16	1,377	1,155
<b>20,574</b>	<b>19,680</b>	<b>14,418</b>	<b>13,729</b>	<b>103</b>	<b>118</b>	<b>-4,317</b>	<b>-4,779</b>	<b>90,327</b>	<b>89,232</b>
—	—	—	—	—	—	—	—	—	—
<b>Shareholders' equity<sup>2)</sup></b>								<b>5,718</b>	<b>6,163</b>
<b>Total liabilities</b>								<b>96,045</b>	<b>95,395</b>

<sup>1)</sup> Adjusted on the basis of IAS 8

<sup>2)</sup> Group shareholder's equity incl. minority interests

## Segment report. Statement of income for the 2008 financial year

	Property/Casualty Primary Insurance		Life Primary Insurance	
	2008	2007 <sup>1)</sup>	2008	2007 <sup>1)</sup>
Figures in EUR million				
1. Gross written premium including premium from unit-linked life and annuity insurance	5,896	5,984	5,691	5,354
thereof with other segments	17	7	—	—
thereof with outside third parties	5,879	5,977	5,691	5,354
2. Savings elements of premium from unit-linked life and annuity insurance	—	—	1,081	944
3. Ceded written premium	1,966	2,322	559	576
4. Change in gross unearned premium	15	53	–64	–99
5. Change in ceded unearned premium	81	33	9	–68
<b>Net premium earned</b>	<b>3,864</b>	<b>3,683</b>	<b>3,978</b>	<b>3,803</b>
6. Investment income				
a. Income from investments	897	574	1,917	1,469
b. Expenses for investments	555	93	932	371
	342	481	985	1,098
thereof profit/loss from investments in associated companies	—	1	—	—
7. Other income	349	629	275	263
<b>Total income</b>	<b>4,555</b>	<b>4,793</b>	<b>5,238</b>	<b>5,164</b>
8. Claims and claims expenses (gross)	4,210	4,682	4,150	4,149
Reinsurers' share	1,477	1,897	187	219
<b>Claims and claims expenses (net)</b>	<b>2,733</b>	<b>2,785</b>	<b>3,963</b>	<b>3,930</b>
9. Acquisition costs and administrative expenses (gross)	1,288	1,301	1,081	831
Reinsurers' share	351	409	349	208
<b>Acquisition costs and administrative expenses (net)</b>	<b>937</b>	<b>892</b>	<b>732</b>	<b>623</b>
10. Other expenses	562	846	331	334
<b>Total expenses</b>	<b>4,232</b>	<b>4,523</b>	<b>5,026</b>	<b>4,887</b>
<b>Profit before amortization of insurance-related intangible assets and goodwill impairments</b>	<b>323</b>	<b>270</b>	<b>212</b>	<b>277</b>
11. Amortization of insurance-related intangible assets and goodwill impairments	65	35	56	143
<b>Operating profit/loss (EBIT)</b>	<b>258</b>	<b>235</b>	<b>156</b>	<b>134</b>
12. Financing costs	54	51	22	22
13. Taxes on income	47	122	68	44
<b>Net income</b>	<b>157</b>	<b>62</b>	<b>66</b>	<b>68</b>



## Segment reporting. Secondary segmentation

The secondary segmentation is based upon the regional origin of business:

<b>Investments excluding funds held by ceding companies</b>	<b>31.12.2008</b>	<b>31.12.2007</b>
Figures in EUR million		
Germany	38,478	41,687
United Kingdom	1,853	1,690
Rest of Europe	12,746	9,370
United States	6,431	6,329
Rest of North America	777	629
Asia and Australia	1,185	1,135
Rest of the world	754	732
<b>Total</b>	<b>62,224</b>	<b>61,572</b>
<b>Gross written premium</b>	<b>2008</b>	<b>2007</b>
Figures in EUR million		
Germany	9,010	8,800
United Kingdom	1,650	1,714
Rest of Europe	3,882	3,876
United States	1,819	2,421
Rest of North America	360	394
Asia and Australia	1,191	1,059
Rest of the world	1,093	866
<b>Total</b>	<b>19,005</b>	<b>19,130</b>