Analysing 2025 Solvency and Financial Condition Reports of non-life insurers in Germany

Milliman SFCR Dashboard

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Executive summary

DASHBOARD LAUNCH & MARKET INSIGHT

This report represents the inaugural publication of our Solvency II market overview and benchmarking analysis, originating from the pan-European Milliman Solvency and Financial Condition Report (SFCR) Dashboard, with specific focus on the German property and casualty (P&C) market.

The Milliman Solvency II Dashboard has been in operation since 2020; however, it has only this year been expanded to incorporate the German insurance market. Data for the German market are available from 2021 to 2025. Both the life and P&C markets are contained within the dashboard; however, the scope of this briefing note is solely the P&C market. A comparable briefing note for the life market will be published later this month.

The report provides a high-level summary of key Solvency II metrics for a selection of insurers and a range of overall market statistics, and showcases the functionality available within the dashboard. The equivalent information and many other data points and details are available for all German P&C insurers[1] within the Milliman SFCR Dashboard.

The dashboard is designed as a tool for insurers to easily and effectively carry out benchmarking of their own figures and position, relative to their peers or indeed against the wider market in totality. A non-exhaustive list of the available information within the dashboard is listed here:

- Gross and net written premiums, both on an overall and by line-of-business basis
- Expenses, overall and by line of business, and as a percentage of best estimate liabilities
- Profitability ratios (loss, expense and combined) by firm and line of business
- Balance sheet metrics, all split by component parts:
  - Assets and investments
  - Technical provisions (inclusive of evolution of risk margin as a percentage of overall technical provisions)
  - Overall liabilities

1. In producing this dashboard, the data have been obtained from Solvency II Wire Ltd. The data has not been fully investigated or verified. If the underlying data or information is inaccurate or incomplete, the results of this analysis may likewise be inaccurate or incomplete. Where individual data points were missing, these have been taken directly from the published SFCR of the insurer. This dashboard is prepared solely for informational purposes. No reliance should be made on the figures and content of this dashboard other than for the purpose for which it is prepared. The information in the data is on entity level. For readability purposes, however, the names of some entities have been shortened where this was convenient to do so.

- Key Solvency II metrics
  - Solvency Capital Requirement (SCR), overall and split by risk module
  - Own Funds, inclusive of tiering
  - Solvency II ratios

Within the dashboard, it is possible for all users to create their own bespoke comparisons by adjusting the available illustrations and filtering for the desired target subset of companies they wish to assess. Please note that some companies in the German market employ an internal model for their capital modelling and determination of their Solvency II balance sheet and Capital Requirement. Any comparisons between internal model and Standard Formula entities may not yield any meaningful conclusions or results.

Access to the Milliman SFCR Dashboard is a complimentary service and can be obtained by simply registering at the following link: Milliman SFCR Dashboard.

If you would like to find out more about the SFCR Dashboard, or the services that Milliman offers regarding Solvency II, please reach out to a Milliman consultant for more information.

1. Market overview

The content of this report focuses exclusively on Solvency II disclosures, in particular the Quantitative Reporting Templates (QRTs) found in the appendices of SFCRs of German P&C insurers, up to and inclusive of 31 December 2025.

Across the entire P&C segment, there are strong, well-capitalised Solvency II balance sheets, and healthy Solvency II ratios can be observed. When observing the market in totality, the overall Solvency ratio has remained remarkably stable over recent years, remaining within the range of 254% – 267% since 2020.

As of 31 December 2025, the cumulative SCR across all firms was €49.3 billion, with market and underwriting risks being the primary drivers of this for the overwhelming majority of companies. This is covered by a total of €131 billion worth of own funds held across all P&C insurers registered in Germany, indicating that ratios are maintained and held well above regulatorily required levels.

The combined assets under management value of all insurers under consideration amounts to €318 billion, of which €233 billion relates to investments behind policyholder contracts. The residual value is mostly made up of reinsurance recoverables and other miscellaneous assets, with negligible amounts of cash and deferred tax assets.

The total volume of Gross Written Premiums over the course of 2025 was €124 billion, which was a 5.1% increase compared to the 2024 total (€118 billion), which was driven overwhelmingly by increases to motor premiums in response to the recent persistent loss and inflation experience for this line of business, as opposed to an increase in policy counts. The main components of the overall premium volume, split by Solvency II line of business, were fire & other property (€41.4 billion), motor liability (€24.5 billion) and motor other (€19.5 billion).

Finally, for the entire market across all business lines and companies in scope, a combined ratio of 93.1% was observed (in 2024, 98.6%). The Solvency II lines of business that were loss-making industry-wide in 2025 were miscellaneous financial losses (104.2%); marine, aviation & transport (103.9%); and general liability (101.5%).[2] For the first time since 2021, 2025 also represented the return to systemic profitability for motor other (97.1%).

These figures and commentary relate to the whole market. However, due to the volume of firms present, the illustrations shown throughout this report are limited to a subset of insurers in order to enable their appropriate presentation.

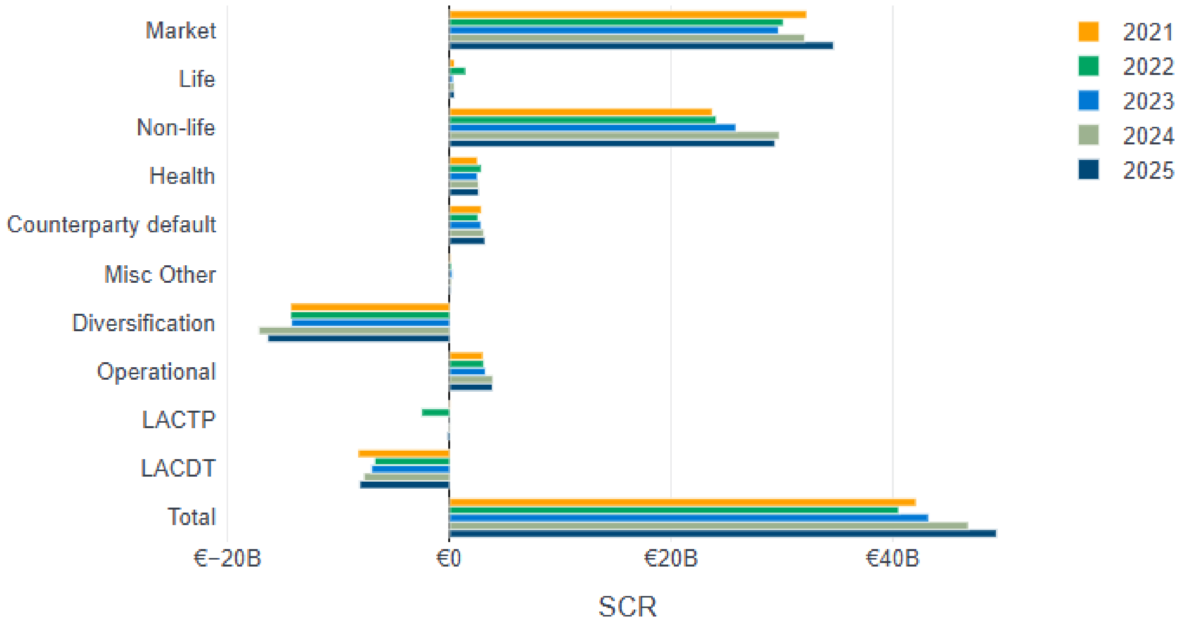
2. The profitability view of all segments and business lines on an HGB accounting basis will differ and may lead to a different conclusion.

2. Capital and Solvency metrics

SOLVENCY CAPITAL REQUIREMENT

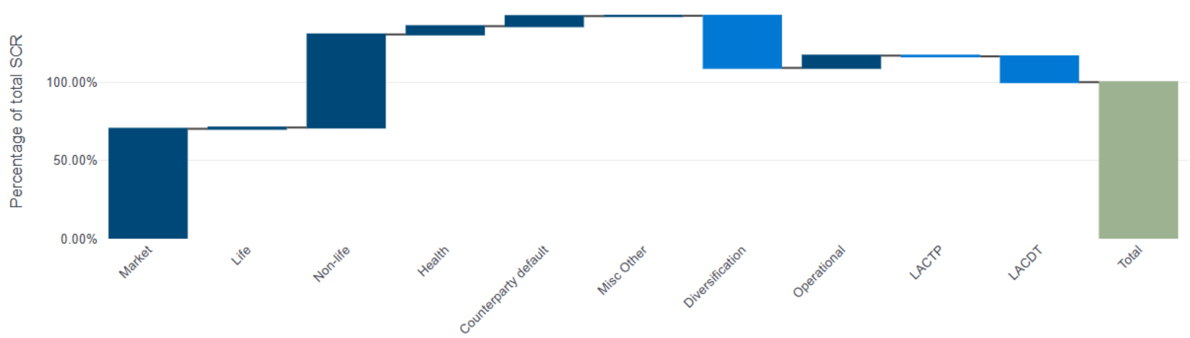
Figure 1 displays a breakdown of the evolution of the overall SCR for the entire German P&C industry, split by risk module from 2021 through 2025. The uptick in non-life underwriting risk over the observation period is primarily driven by the commensurate uptick in premium volume over the same period.

FIGURE 1: SCR PER RISK MODULE – OVERALL MARKET



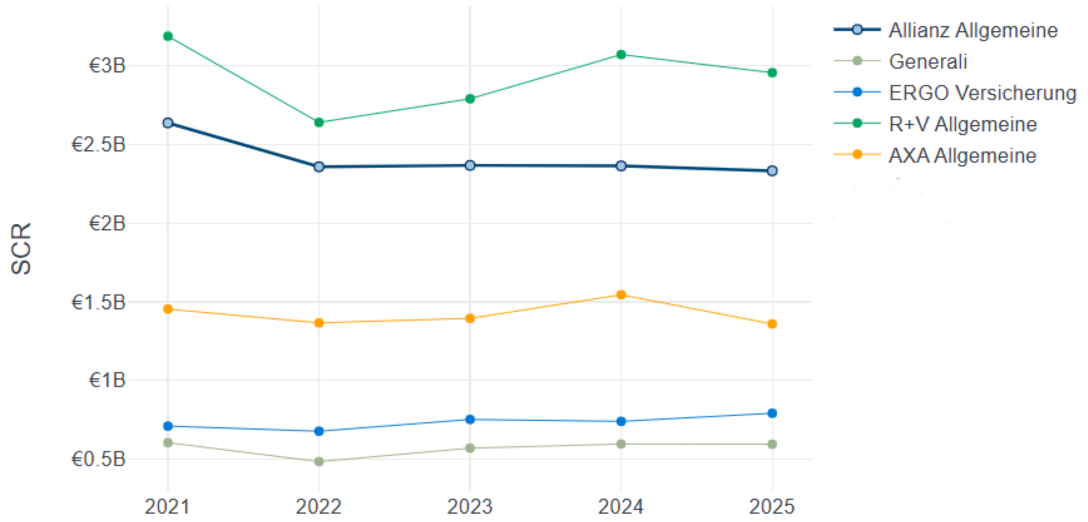
A further illustration of the relative breakdown of SCR components as at 31 December 2025, inclusive of the prevalence of market and underwriting risks, can be gleaned from the waterfall diagram in Figure 2.

FIGURE 2: SCR PER RISK MODULE – OVERALL MARKET 2025



Both Figure 1 and Figure 2 are customisable within the dashboard to view these illustrations on an individual-entity basis. It is also possible to compare how the SCR develops over time for individual entities—an example of this can be seen in Figure 3. The entities chosen for Figure 3 are simply a representative example and can be replaced within the dashboard by any entity of a user's choosing.

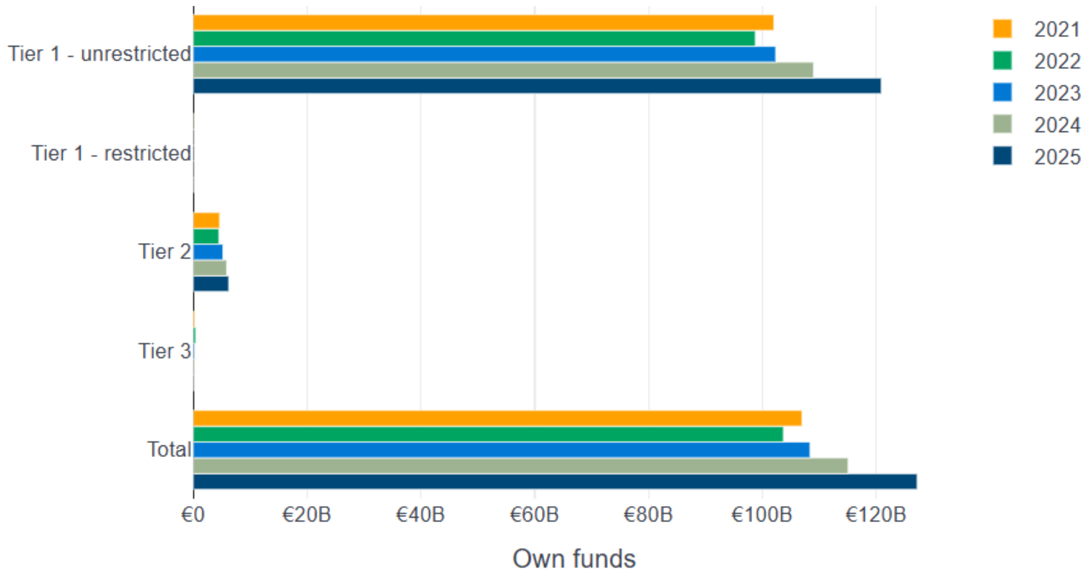
FIGURE 3: SCR EVOLUTION YEAR-ON-YEAR (INDIVIDUAL ENTITIES)



OWN FUNDS & SOLVENCY RATIOS

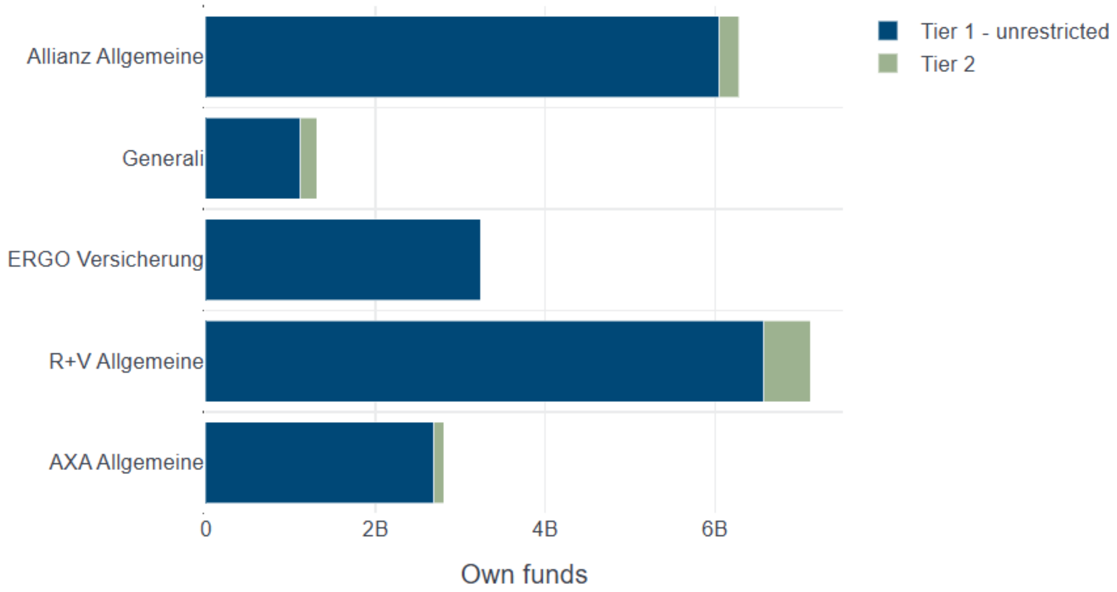
Similarly to the overall market breakdown of SCR by risk module (Figure 1), the amount of Own Funds held by P&C insurers can also be displayed by tier. It can be observed from Figure 4 that there has been stable growth over the observation period—and that the quality of these Own Funds remain consistently high. The notable growth from 2024 to 2025 can be attributed to an increase in the level of investments and asset holdings far exceeding the increase observed in SCR.

FIGURE 4: OWN FUNDS PER CAPITAL TIER – OVERALL MARKET



The ability to see the split of own funds by tier and compare by entity is also available within the dashboard, an example of which can be seen in Figure 5.

FIGURE 5: OWN FUNDS TIERING BY ENTITY



Analogue to the previous illustrations, the evolution of own funds per entity (Figure 6) and the corresponding Solvency II ratio (Figure 7) are also easily obtainable and observable.

FIGURE 6: OWN FUNDS EVOLUTION YEAR-ON-YEAR (INDIVIDUAL ENTITIES)

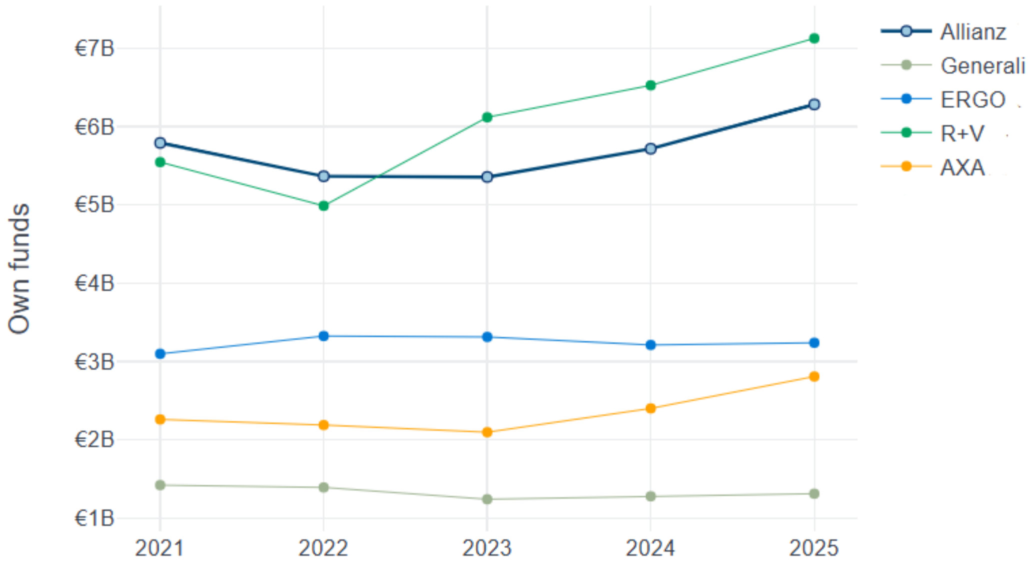
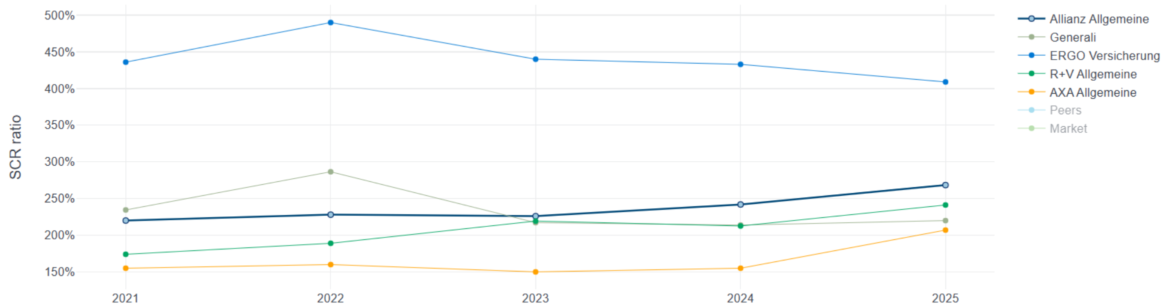


FIGURE 7: SOLVENCY RATIO EVOLUTION YEAR-ON-YEAR (INDIVIDUAL ENTITIES)



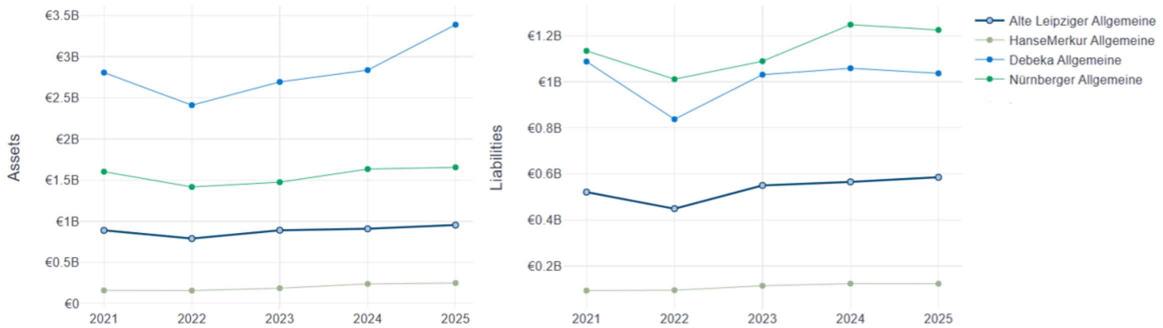
The firms portrayed in this section have simply been chosen at random to provide an illustrative example. Within the dashboard, it is easily possible to benchmark and compare between any and all insurance companies that a user may wish to compare.

3. Balance sheet

ASSETS & LIABILITIES

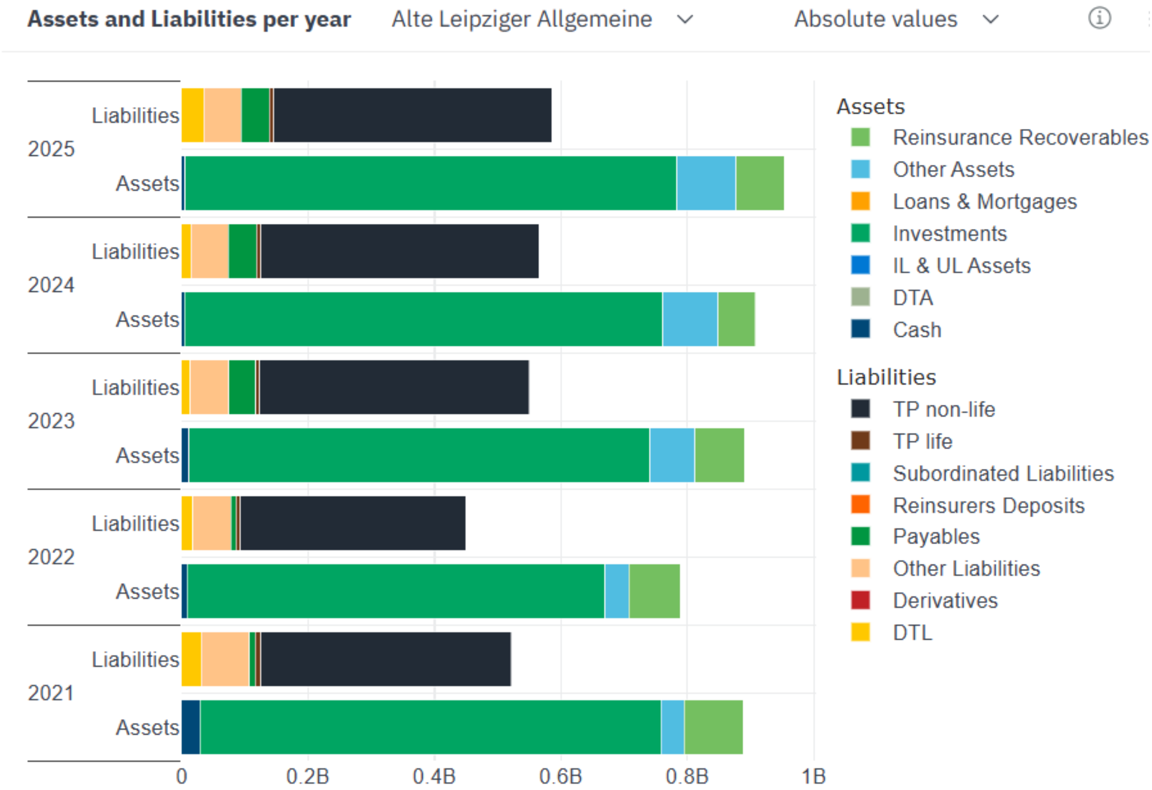
Comparisons of the overall level of assets and liabilities held by each insurer and how these have evolved over recent years are also possible. An example of this from the dashboard is shown in Figure 8.

FIGURE 8: OVERALL ASSETS AND LIABILITIES OVER TIME



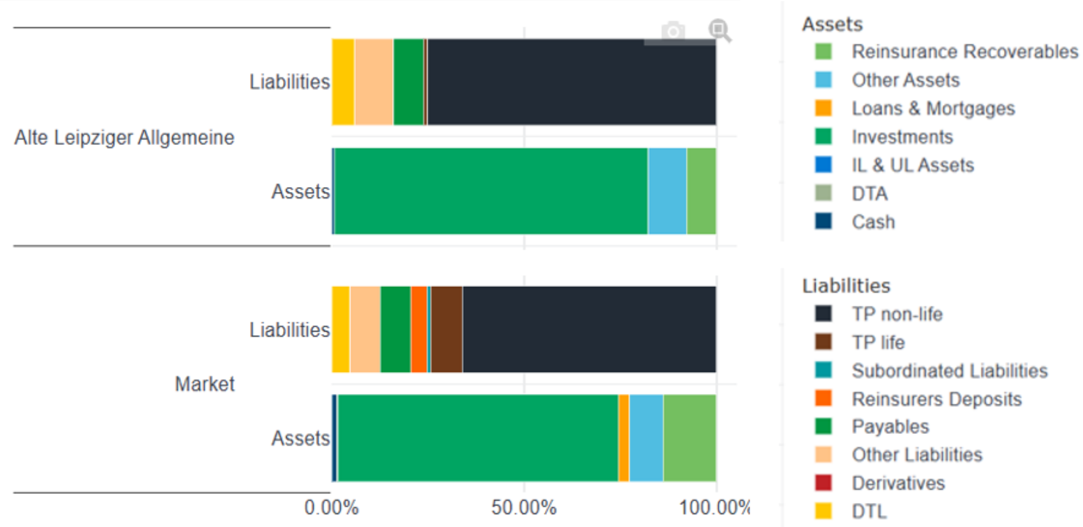
In addition to this overall comparison, it is also possible to select individual insurers for further bespoke analysis. In Figure 9, an example of this can be seen, where the composition and the split of the balance sheet for a chosen firm can be analysed and dissected.

FIGURE 9: SINGLE-INSURER ASSET AND LIABILITY BREAKDOWN



Furthermore, regarding the chosen firm in question, it is also possible to assess how the makeup of their balance sheet compares relative to the market average. This can be extremely helpful in the event of significant deviations, in either confirming a firm's competitive advantage or identifying whether the market has moved and if any potential action may be required to be taken.

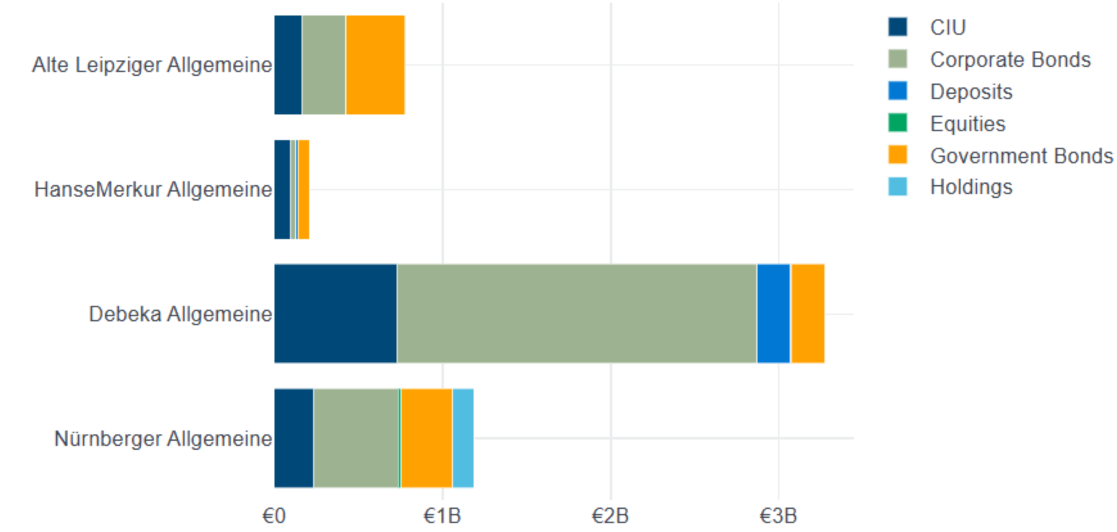
FIGURE 10: ASSET AND LIABILITY COMPARISON INDIVIDUAL ENTITY VERSUS OVERALL MARKET



INVESTMENTS

Within the investments component of the balance sheet in the prior section illustrations, it is also possible to assess and compare asset allocations between companies.

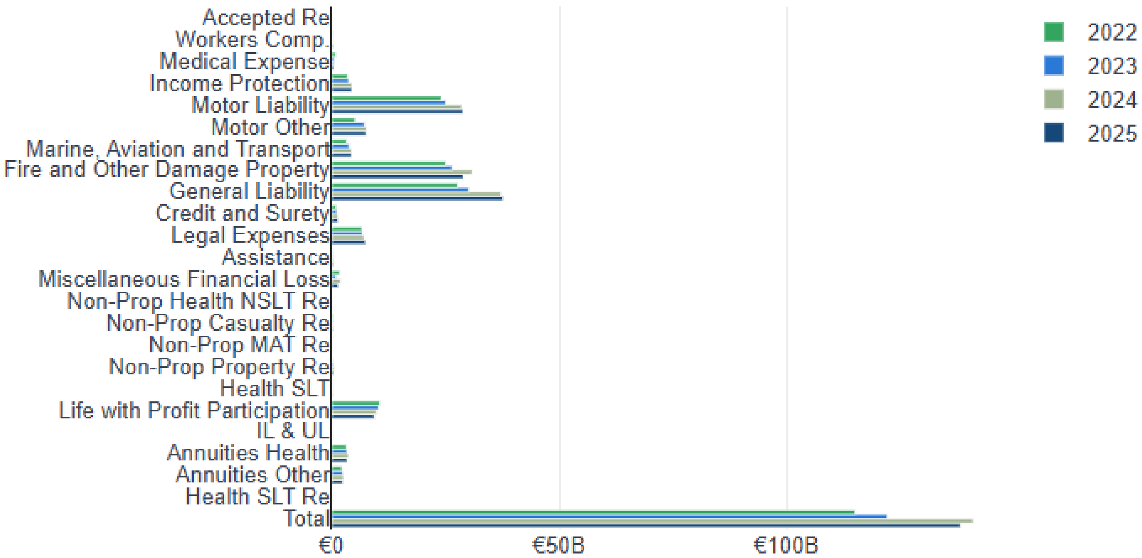
FIGURE 11: ASSET ALLOCATION COMPARISONS BETWEEN INSURERS



TECHNICAL PROVISIONS

Similarly for the passive side of the balance sheet, it is also possible to drill down and investigate further on the underlying components of technical provisions split by Solvency II line of business. A representation of this can be seen in Figure 12. While this illustration covers the whole market, it is also possible to assess this on a single-entity basis.

FIGURE 12: OVERALL MARKET TECHNICAL PROVISION SPLIT BY SOLVENCY II LINE OF BUSINESS



Subsequent analysis possibilities are also available relating to technical provisions, namely overall level of technical provisions per chosen entity (Figure 13) and a detailed entity-level split of technical provisions by Solvency II line of business (Figure 14).

FIGURE 13: TECHNICAL PROVISION SPLIT BY ENTITY

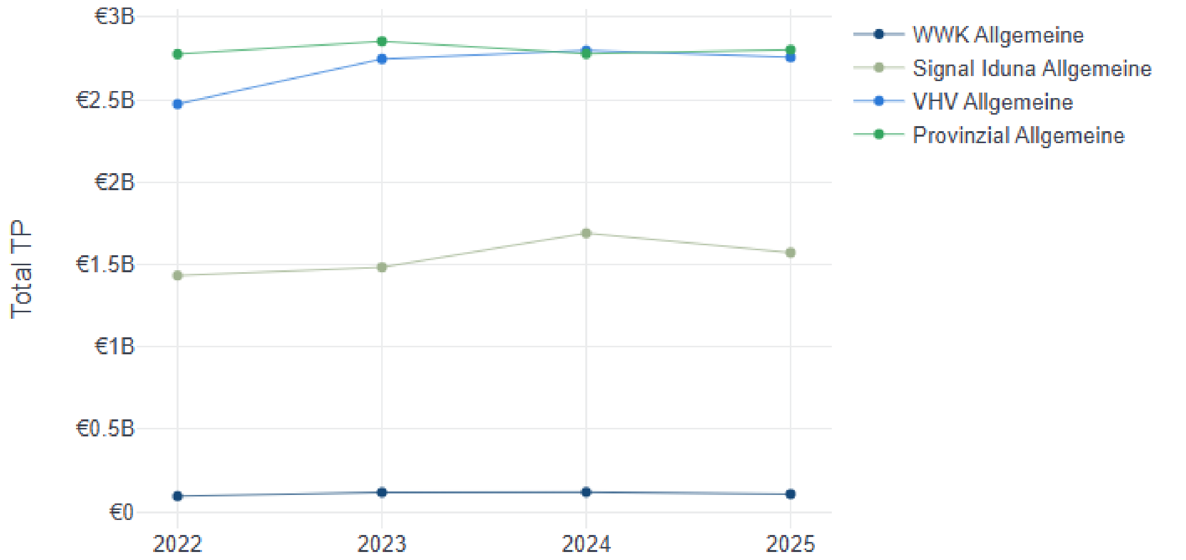
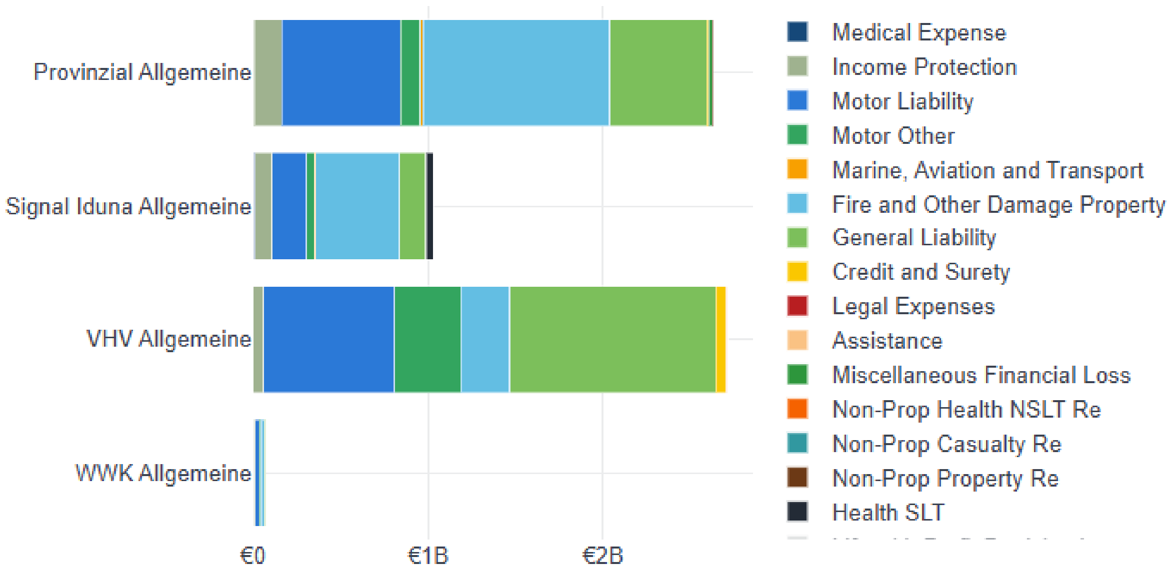


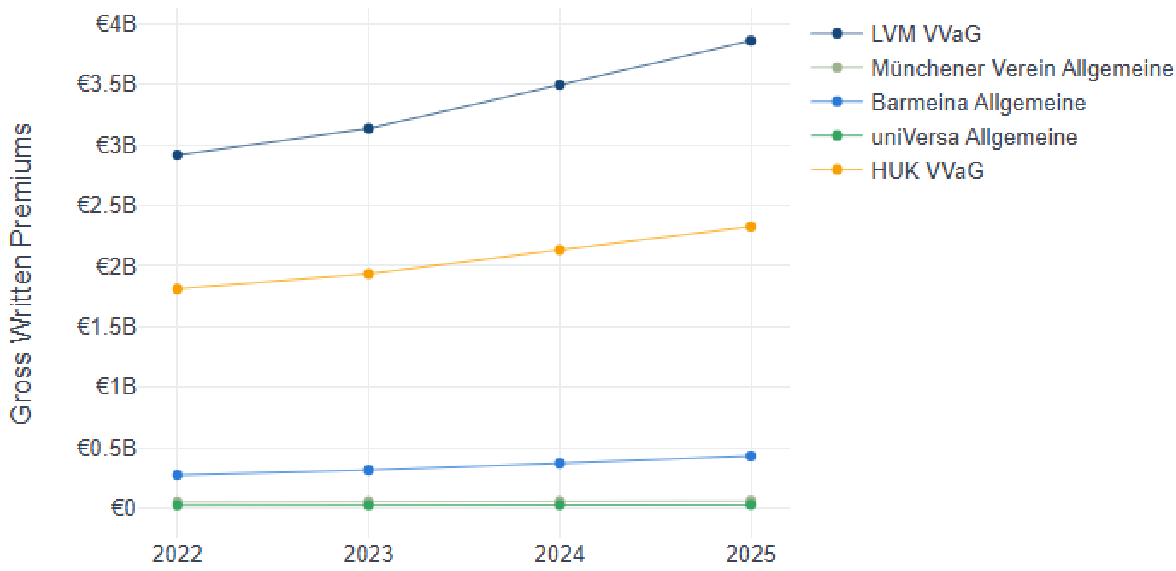
FIGURE 14: ENTITY COMPARISON OF TECHNICAL PROVISIONS SPLIT BY SOLVENCY II LINE OF BUSINESS



4. New business metrics

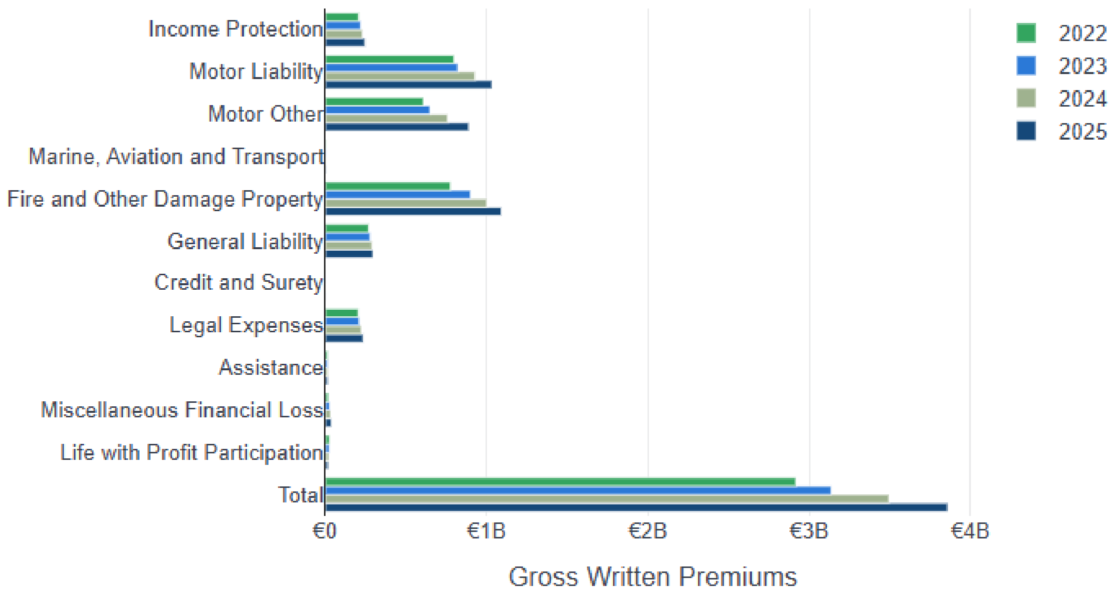
There are also several comparisons and analysis methods for new business available within the dashboard. These are available on both a written and earned premium basis, as well as both gross and net of reinsurance. For ease of illustration, only gross written premiums are shown in the subsequent figures; however, equivalent illustrations are readily available for the alternative analysis viewpoints.

FIGURE 15: GROSS WRITTEN PREMIUMS YEAR-ON-YEAR BY ENTITY



It is also possible to assess, either for the market as a whole or on an entity-by-entity basis, the breakdown of new business volumes over time, split by Solvency II line of business. Similarly to Figure 15, this can either be carried out on a gross or net basis, as well as for either written or earned premiums.

FIGURE 16: GROSS WRITTEN PREMIUMS OF A SINGLE ENTITY[3] SPLIT BY SOLVENCY II LINE OF BUSINESS



3. Entity chosen for illustration is Landeswirtschaftlicher Versicherungsverein Münster VvaG.

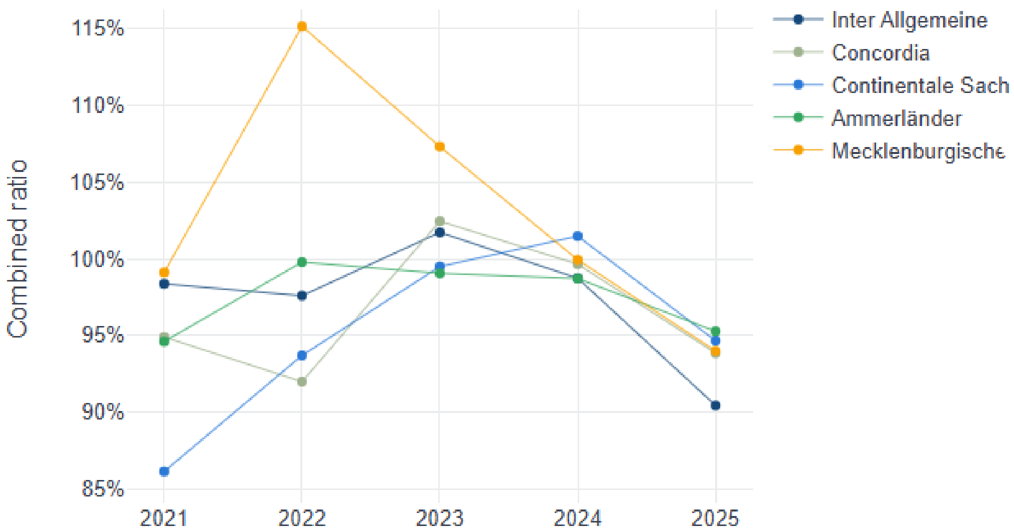
5. Profitability ratios

To conclude the analysis and benchmarking capabilities, the overarching—and arguably most relevant—metric(s) are those of loss ratios. Within the dashboard, all of loss, expense and combined ratio can be readily assessed, either on an overall market basis or with focus placed on a select group of individual entities.

Figure 17 highlights the evolution of overall combined ratios for several randomly chosen insurers over recent years, allowing for comparison of their performance relative to one another. As with any illustration in the dashboard, the choice of insurers to compare is extremely flexible and can be done for any market participant.

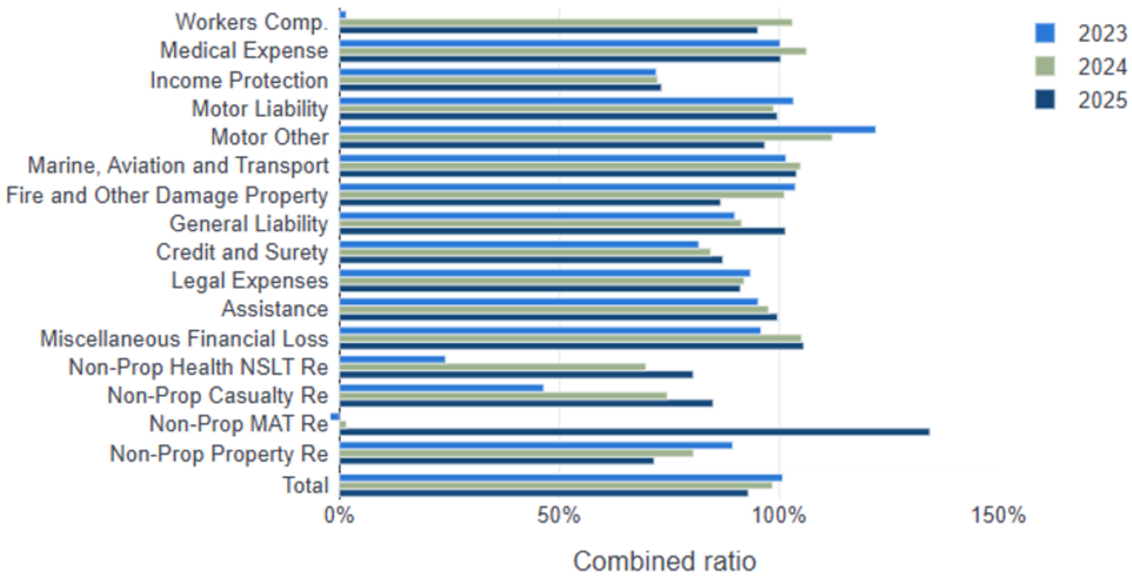
It is also possible to parametrise this illustration on an individual Solvency II line of business (as well as overall total).

FIGURE 17: COMBINED RATIO COMPARISON YEAR-ON-YEAR FOR SELECTED INSURERS



Finally, there also exists the possibility to compare, either for the overall market or on an insurer-by-insurer basis, the evolution of loss/combined ratios over time, split by Solvency II line of business.

FIGURE 18: COMBINED RATIO PER SOLVENCY II LINE OF BUSINESS



Milliman has developed an interactive application that allows insurers to compare their key Solvency II metrics and performance relative effectively and efficiently to the market and to their peers, as disclosed within their QRTs.

If you would like to gain access to this (free to use) tool, please go to the following link.

If you have any questions or comments relating to the dashboard, or if you are interested in learning more about Milliman and the services we provide, please reach out to one of our consultants.

Solutions for a world at risk™

Milliman leverages deep expertise, actuarial rigor, and advanced technology to develop solutions for a world at risk. We help clients in the public and private sectors navigate urgent, complex challenges—from extreme weather and market volatility to financial insecurity and rising health costs—so they can meet their business, financial, and social objectives. Our solutions encompass insurance, financial services, healthcare, life sciences, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe.

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