



Swiss Re to acquire Barclays Life Assurance Company Ltd for GBP 753 million

Contact:

Media Relations, Zurich
Telephone +41 43 285 7171

Corporate Communications, London
Telephone +44 20 7933 3445

Corporate Communications, Asia
Telephone +852 2582 3660

Corporate Communications, New York
Telephone +1 212 317 5663

Investor Relations, Zurich
Telephone +41 43 285 4444

Swiss Reinsurance Company Ltd
Mythenquai 50/60
P.O. Box
CH-8022 Zurich

Telephone +41 43 285 2121
Fax +41 43 285 2999
www.swissre.com

Zurich, 5 August 2008 – Swiss Re has agreed to acquire Barclays Life Assurance Company Ltd (“Barclays Life”). The cash purchase price is GBP 753 million. The transaction will provide further scale and infrastructure for Swiss Re’s Admin Re® business in the United Kingdom and underlines Swiss Re’s role as a leading player in the origination, transfer and trading of insurable risks.

Swiss Re will acquire approximately 760 000 life insurance and pension policies and annuity contracts, representing approximately GBP 6.8 billion in invested assets. The Barclays Life book comprises unit-linked life and pension policies with a smaller block of protection business, including term life and permanent health insurance. Admin Re® is a service provided by Swiss Re involving the acquisition of closed books of life and health policies that have been placed into run-off – with Swiss Re assuming responsibility for policy administration.

Barclays Life has been closed to new business since 2001, but the closed business still generates annual premium income of approximately GBP 350 million from contributions to existing policies. The transaction is accretive to economic and US GAAP earnings and is expected to achieve an ROE in excess of Swiss Re’s over-the-cycle target of 14%. The deal will be financed by internal resources and external funding already in place. This transaction has no effect on Swiss Re’s previously announced share buy-back programme – the buy-back of CHF 7.75 billion of shares is expected to be completed as scheduled by April 2010.

Jacques Aigrain, Swiss Re’s Chief Executive Officer, said: “Swiss Re’s execution capability and capital strength, combined with our experience in managing UK life portfolios, have enabled us to acquire Barclays Life at a value-creating price. This acquisition underlines Swiss Re’s role as a leading player in the origination, transfer and trading of insurable risks.”

Completion is anticipated before 31 October 2008 subject to regulatory approvals. 23 people dedicated to Barclays Life will transfer to Swiss Re at completion.

Notes to editors

Swiss Reinsurance Company Ltd

Swiss Re is a leading and highly diversified global reinsurer. The company operates through offices in more than 25 countries. Founded in Zurich, Switzerland, in 1863, Swiss Re offers financial services products that enable risk-taking essential to enterprise and progress. The company's traditional reinsurance products and related services for property and casualty, as well as the life and health business are complemented by insurance-based corporate finance solutions and supplementary services for comprehensive risk management. Swiss Re is rated "AA-" by Standard & Poor's, "Aa2" by Moody's and "A+" by A.M. Best.

Admin Re[®]

Admin Re[®] is a core line of business for Swiss Re. This risk and capital management solution involves the acquisition of life insurance companies or the reinsurance of books of life and health policies. In addition to assuming the insurance risk, Swiss Re typically assumes responsibility for policy administration.

Cautionary note on forward-looking statements

Certain statements and illustrations contained herein are forward-looking. These statements and illustrations provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to a historical fact or current fact. Forward-looking statements are typically identified by words or phrases such as "anticipate", "assume", "believe", "continue", "estimate", "expect", "foresee", "intend", "may increase" and "may fluctuate" and similar expressions or by future or conditional verbs such as "will", "should", "would" and "could". These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause Swiss Re's actual results, performance, achievements or prospects to be materially different from any future results, performance, achievements or prospects expressed or implied by such statements. Such factors include, among others:

- changes in global economic conditions and the risk of a global economic downturn;
- direct and indirect impact of continuing deterioration in the credit markets, and further adverse rating actions by credit rating agencies in respect of structured credit products or other credit-related exposures and of monoline insurance companies;
- the occurrence of other unanticipated market developments or trends;
- the ability to maintain sufficient liquidity and access to capital markets;
- the cyclical nature of the reinsurance industry;
- uncertainties in estimating reserves;
- the effect of market conditions, including the global equity and credit markets, and the level and volatility of equity prices, interest rates, currency values and other market indices;
- changes in Swiss Re's investment results;
- uncertainties in valuing credit default swaps and other credit-related instruments;
- the frequency, severity and development of insured claim events;
- acts of terrorism and acts of war;
- mortality and morbidity experience;
- policy renewal and lapse rates;
- changes in rating agency policies or practices;
- the lowering or loss of one of the financial or claims-paying ratings of one or more of Swiss Re's subsidiaries;
- political risks in the countries in which Swiss Re operates or in which it insures risks;
- extraordinary events affecting Swiss Re's clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- risks associated with implementing Swiss Re's business strategies;
- the impact of current, pending and future legislation, regulation and regulatory and legal actions;
- the impact of significant investments, acquisitions or dispositions, and any delays, unexpected costs or other issues experienced in connection with any such transactions, including, in the case of acquisitions, issues arising in connection with integrating acquired operations;
- changing levels of competition; and

-
- operational factors, including the efficacy of risk management and other internal procedures in managing the foregoing risks.

These factors are not exhaustive. Swiss Re operates in a continually changing environment and new risks emerge continually. Readers are cautioned not to place undue reliance on forward-looking statements. Swiss Re undertakes no obligation to publicly revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.