



Swiss Re transfers risk from closed block of US individual life reinsurance business to Berkshire Hathaway in order to redeploy capital at more attractive returns

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](http://www.swissre.com)

**Zurich, 18 January 2010 – Swiss Re announced today the closing of a US individual life retrocession transaction with Berkshire Hathaway. The transaction builds on Swiss Re’s tradition of portfolio steering and reinsurance risk transformation and will improve its capital efficiency.**

Under the terms of the contract Swiss Re will, on a 100% quota share basis, reinsure a closed block of yearly renewable term individual life reinsurance business, written prior to 2004, with Berkshire Hathaway Life Insurance Company of Nebraska.

The transaction is effective 1 October 2009 and will be reported by Swiss Re in the first quarter 2010. Swiss Re will receive a ceding commission in the region of CHF 1.3 billion and will release CHF 0.3 billion of capital to support the business. Swiss Re will continue to provide administration and reporting services for the subject business.

Swiss Re believes the proceeds and capital released by this transaction can be more efficiently employed to achieve a higher return. Swiss Re remains committed to the US life reinsurance marketplace as well as to its clients, and, through this transaction, will be in an even stronger position to respond to the rising demand for reinsurance solutions.

Christian Mumenthaler, Swiss Re’s Head of Life & Health, said: “This is a significant step forward in Swiss Re’s strategy to increase capital efficiency. By transferring this block of life business, Swiss Re is monetising intangible assets and freeing up capital. The transaction puts us in an excellent position to redeploy the capital at more attractive returns.”

**Analysts’ and Media conference call**

Swiss Re will hold a conference call this morning at 10.30 am (CET). The slides are available on [www.swissre.com](http://www.swissre.com). You are kindly requested to dial in 10 minutes prior to the start using the following numbers:

Switzerland: +41 (0)43 456 9228  
Germany: +49 (0)69 2222 7111  
France: +33 (0)1 70 99 42 80  
UK: +44 (0)20 7138 0828  
USA: +1 718 354 1358  
Australia: 1800 155 792

## 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 20 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 "A+" by Standard & Poor's, "A1" by Moody's and "A" by A.M. Best.

### 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 typically are 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:

- further instability affecting the global financial system and developments related thereto;
- changes in global economic conditions;
- Swiss Re's ability to maintain sufficient liquidity and access to capital markets, including sufficient liquidity to cover potential recapture of reinsurance agreements, early calls of debt or debt-like arrangements and collateral calls under derivative contracts due to actual or perceived deterioration of Swiss Re's financial strength;
- the effect of market conditions, including the global equity and credit markets, and the level and volatility of equity prices, interest rates, credit spreads, currency values and other market indices, on Swiss Re's investment assets;
- changes in Swiss Re's investment result as a result of changes in its investment policy or the changed composition of its investment assets, and the impact of the timing of any such changes relative to changes in market conditions;
- uncertainties in valuing credit default swaps and other credit-related instruments;
- possible inability to realise amounts on sales of securities on Swiss Re's balance sheet equivalent to its mark-to-market values recorded for accounting purposes;
- the outcome of tax audits, the ability to realise tax loss carry forwards and the ability to realise deferred tax assets (including by reason of the mix of earnings in a jurisdiction or deemed change of control), which could negatively impact future earnings;
- the possibility that hedging arrangements may not be effective;
- the lowering or loss of one of the financial strength or other ratings of one or more companies in the Group;
- the cyclical nature of the reinsurance industry;
- uncertainties in estimating reserves;
- 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;
  - extraordinary events affecting Swiss Re's clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
  - current, pending and future legislation and regulation affecting Swiss Re or its ceding companies, and regulatory or legal actions;
  - changes in accounting standards;
  - 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.