



Swiss Re updates estimate for Hurricane Katrina claims to be in the range of USD 1.2 billion

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Zurich, 12 September 2005 – Swiss Re today announced that it now expects the total insured loss from Hurricane Katrina for the insurance industry to be in the range of USD 40 billion. Accordingly, Swiss Re estimates its own claims to be in the range of USD 1.2 billion.

Swiss Re had previously communicated a preliminary claims estimate of USD 500 million for Hurricane Katrina on the basis of an estimated market loss of USD 20 billion. As Swiss Re now estimates an insurance market loss in the range of USD 40 billion, the company expects its own claims to be in the range of USD 1.2 billion before tax. Due to the unique nature of the event, the complexity and the magnitude of destruction caused, accurate claims estimates remain difficult.

While the company's over the cycle target of 10% earnings per share growth will likely not be met for 2005, Swiss Re does expect to use part of its equalisation reserves, built to help mitigate large claim events such as Katrina. Swiss Re's financial strength remains very strong and is expected to grow further in the second half of the year. Swiss Re's Board of Directors affirms its recommendation of a dividend of CHF 2.50 per share for the business year 2005, assuming normal business development for the remainder of the year.

John Coomber, Swiss Re Chief Executive Officer, says: "We are witnessing increasing natural catastrophe events across the globe, effecting economies and societies with a higher frequency and severity. Price levels in the upcoming renewals must be adjusted to reflect these developments."

Swiss Re

Swiss Re is one of the world's leading reinsurers and the world's largest life and health reinsurer. The company operates through more than 70 offices in over 30 countries. Swiss Re has been in the reinsurance business since its foundation in Zurich, Switzerland, in 1863. Swiss Re offers a wide variety of products to manage capital and risk. Traditional reinsurance products, including a broad range of property and casualty as well as life and health covers and related services, 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.

Cautionary note on forward-looking statements

Certain statements contained herein are forward-looking. These statements 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:

- cyclical nature of the reinsurance industry;
- changes in general economic conditions, particularly in our core markets;
- uncertainties in estimating reserves;
- the performance of financial markets;
- expected changes in our investment results as a result of the changed composition of our investment assets or changes in our investment policy;
- 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 withdrawal of one or more of the financial strength or credit ratings of one or more of our subsidiaries;
- changes in levels of interest rates;
- political risks in the countries in which we operate or in which we insure risks;
- extraordinary events affecting our clients, such as bankruptcies and liquidations;
- risks associated with implementing our business strategies;
- changes in currency exchange rates;
- changes in laws and regulations, including changes in accounting standards and taxation requirements; and
- changes in competitive pressures.

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