

Swiss Re Automotive Solutions

UBS European Insurance Conference: Disruptive Innovation

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Swiss Re Group at a glance

Swiss Re is a **leading and highly diversified global reinsurer**, founded in Zurich (Switzerland) in 1863

The Group offers **traditional reinsurance products and related services** for property and casualty, as well as for life and health businesses

The Group also offers **commercial insurance** through Corporate Solutions and manages **closed and open books of life and health business** via Life Capital

The financial strength¹ of the Swiss Re Group is currently rated:
Standard & Poor's: AA- (stable); Moody's Aa3 (stable); A.M. Best: A+ (stable)

Swiss Re was named as the insurance sector leader in the 2015 **Dow Jones Sustainability Indices**

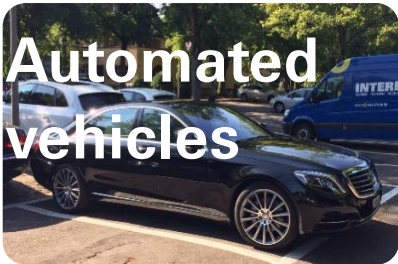
Key statistics (USD billions)	FY 2012	FY 2013	FY 2014	FY 2015
Total revenues	33.6	36.9	37.3	35.7
Net income	4.2	4.4	3.5	4.6
Shareholders' equity	34.0	33.0	35.9	33.5

¹ As at 01 July 2016

Motor landscape is changing: we see three trends



Increase of global insurance premiums



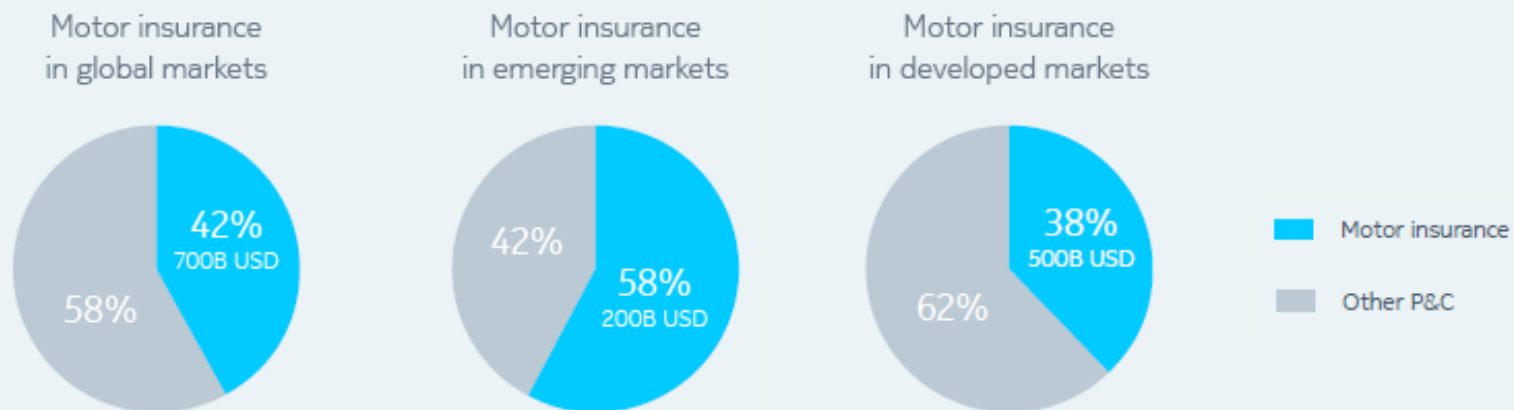
Technology is already here



Telematics opens new opportunities

Motor insurance: the most important line of business globally

Motor insurance represents 42% of all non-life gross premium of total Property and Casualty insurance market



Growth in %	2005-2015	2016E-2026E
World	3.5%	6.8%
Advanced markets	1.0%	4.1%
Emerging markets	14.0%	11.2%

Source: Swiss Re, 2015

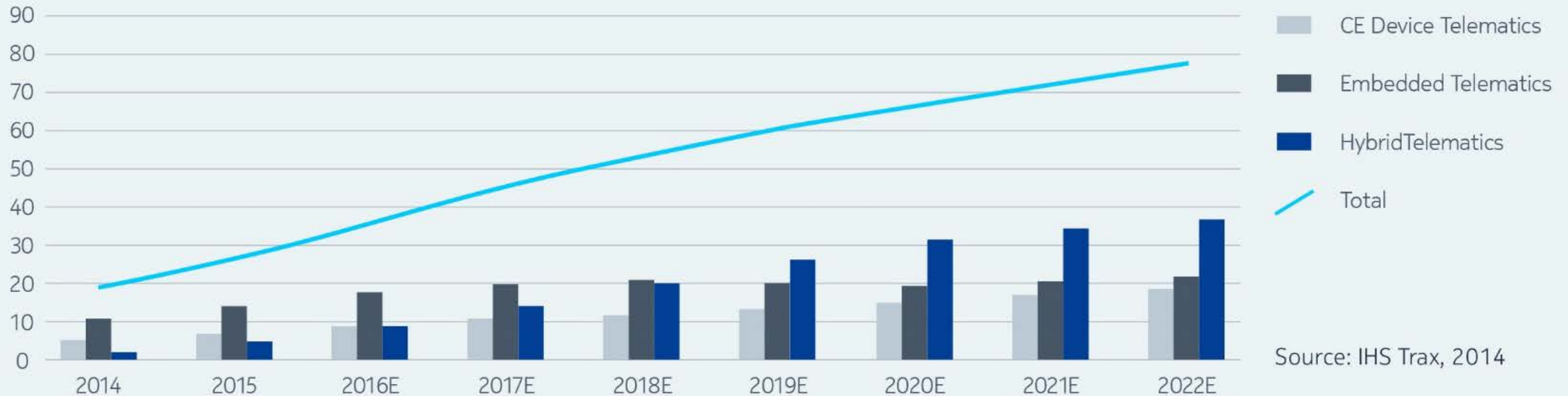
Motor insurance penetration: correlated with economic performance of countries

Motor insurance penetration
(premiums as a % of GDP)



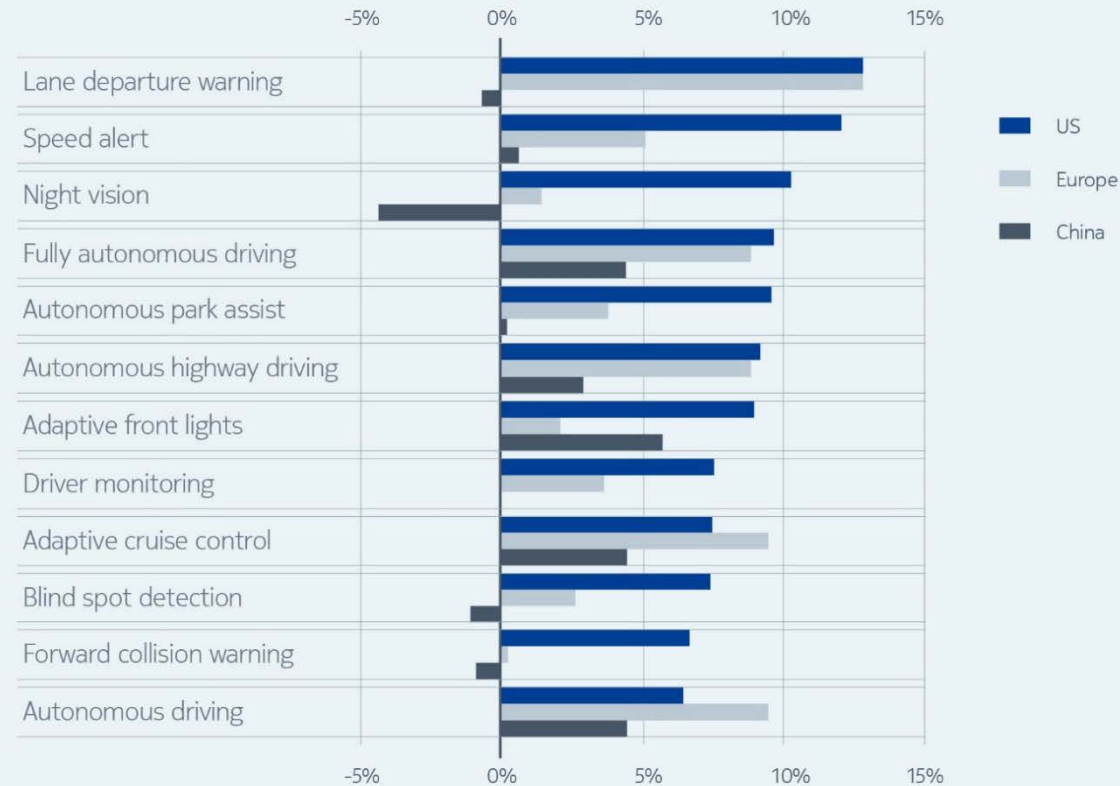
Tech trend I: Car connectivity growth

Number of connected cars sold annually by connectivity type (Millions)



Tech trend II: Advanced Driver Assistance features (ADAS)

Raw year-over-year difference in consumer interest in purchasing each ADAS feature (2014-2015)



n=4400; USA, Western Europe, China

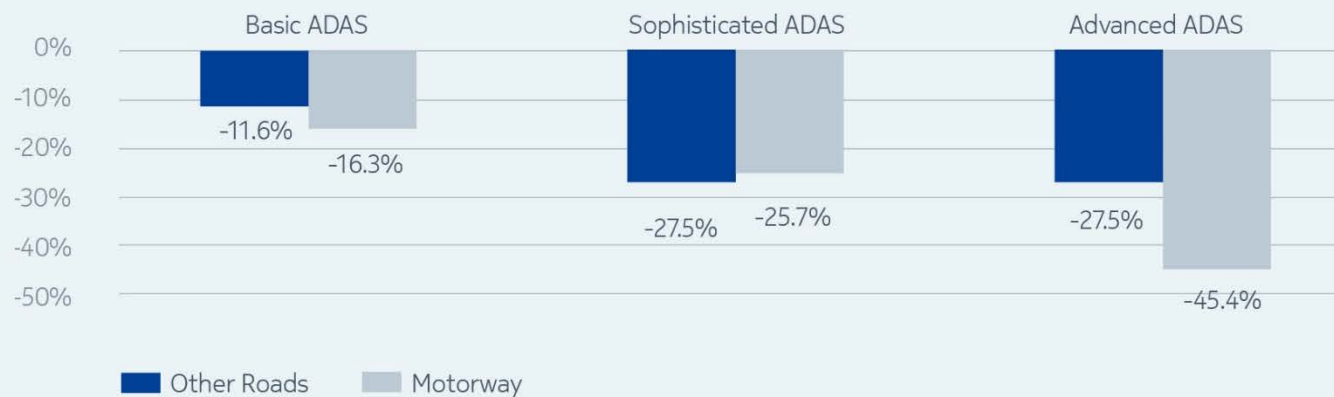
Source:
Strategy Analytics, 2015

Advanced Driver Assistance features **ADAS**



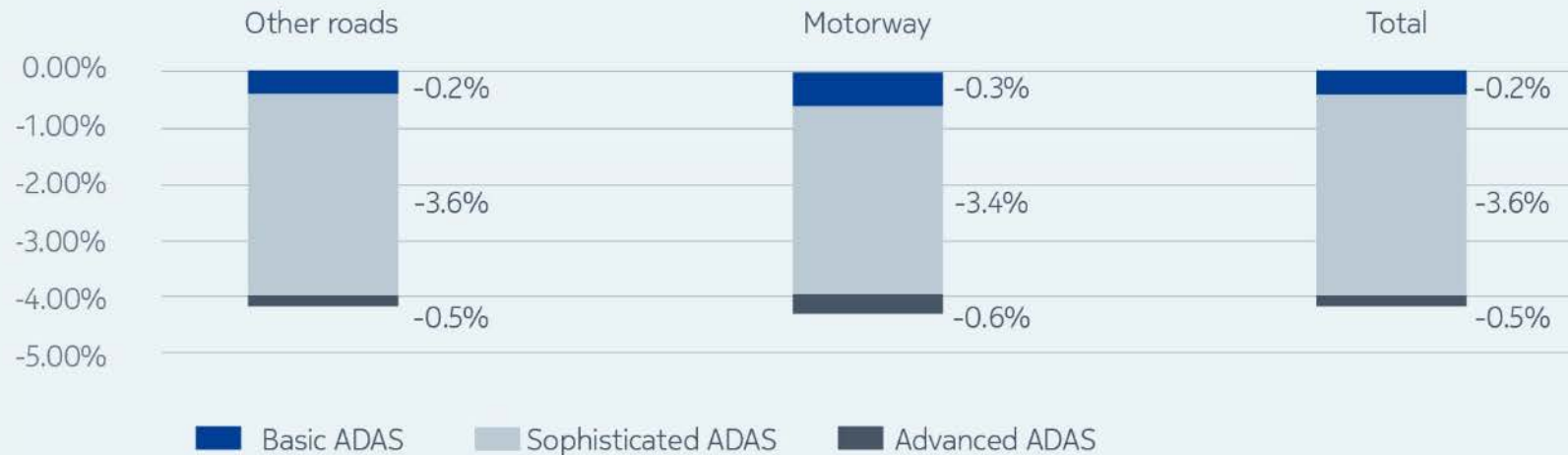
UK case study: Accident reduction rates by selected ADAS features

Accident reduction rate by selected features,
assuming 100% adoption and usage rate for each
feature in 2020

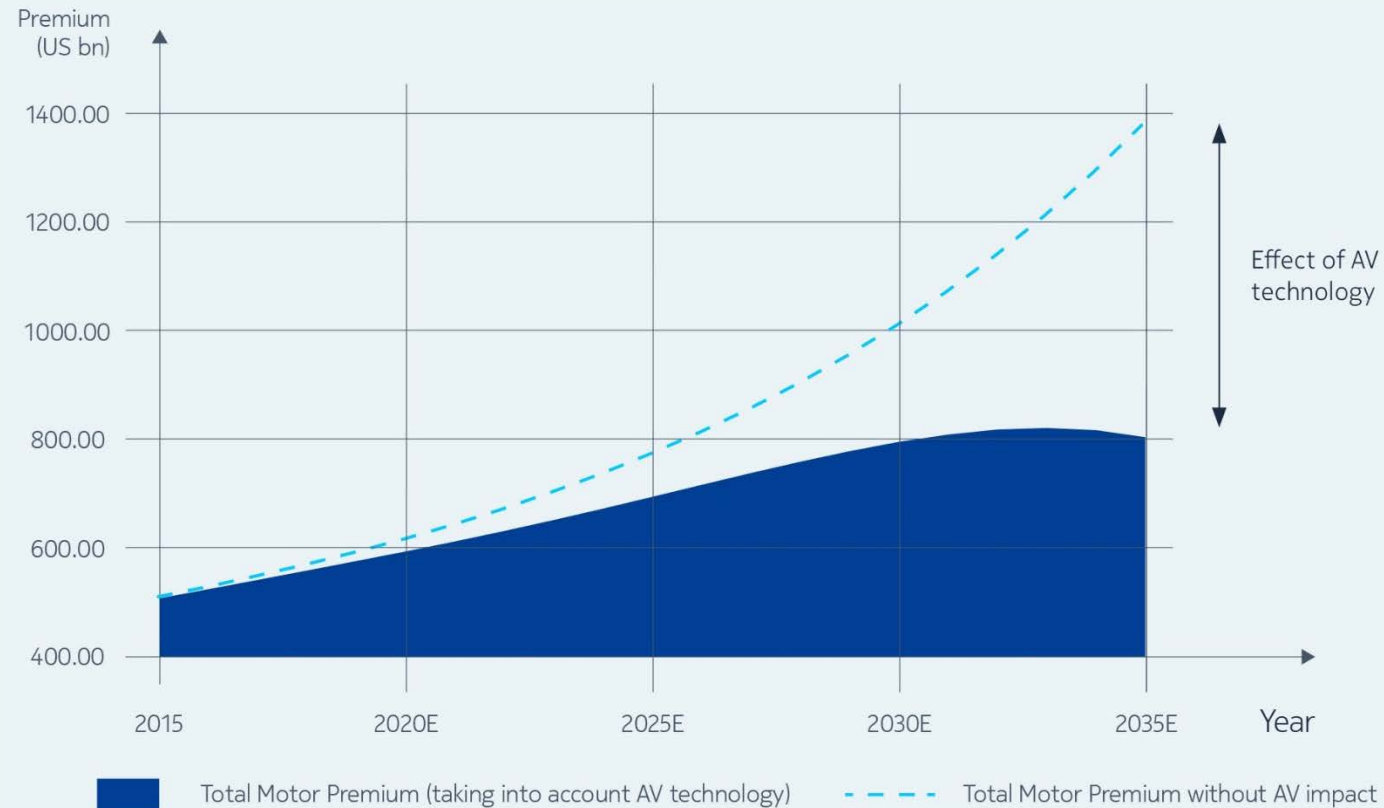


UK case study: 2020 scenario for accident frequency reduction

**2020 scenario for accident frequency reduction,
taking into account ADAS technology adoption rates**



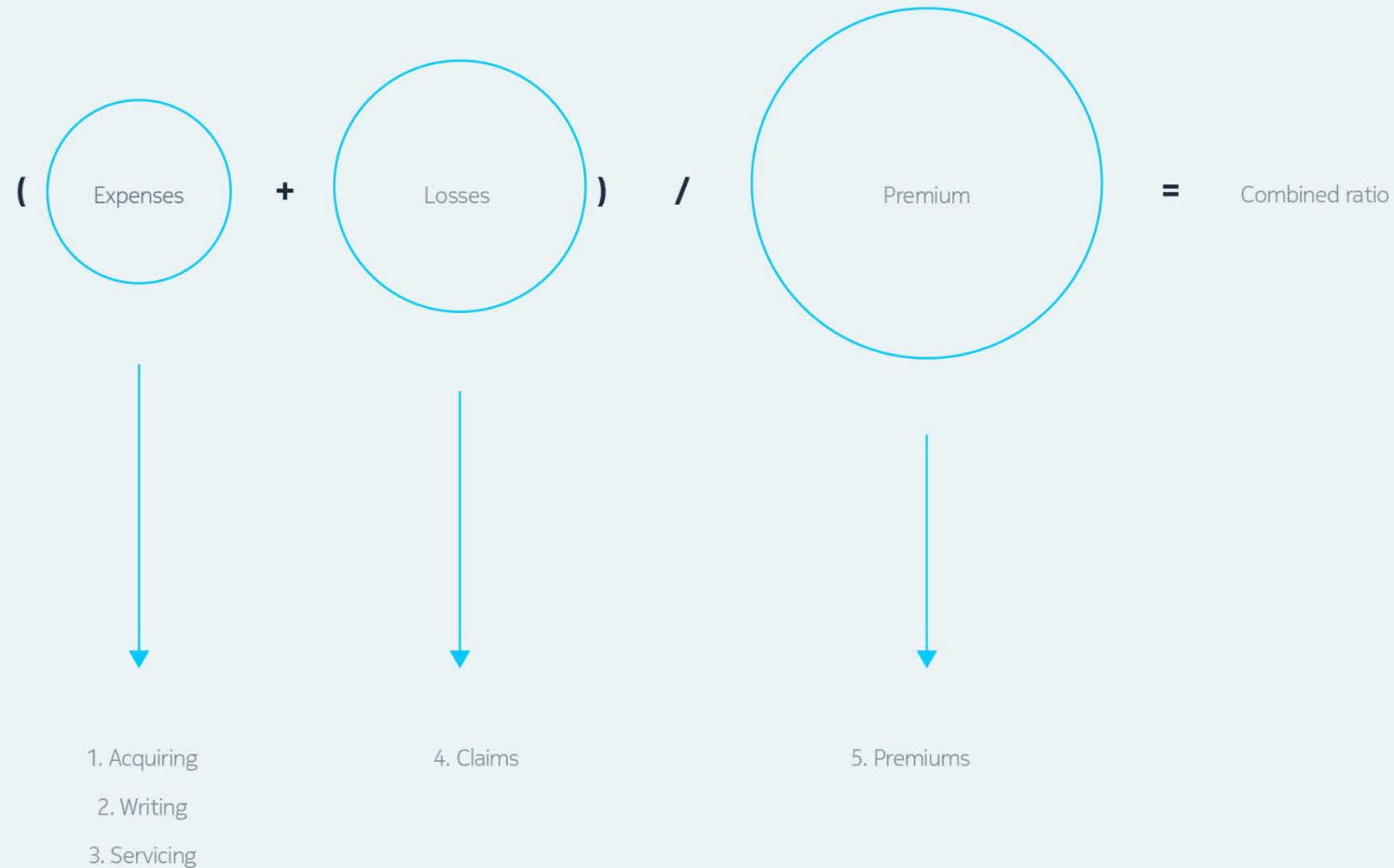
Automated vehicles will slow but not prevent growth



14 largest motor markets: Brazil, Canada, China, Egypt, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, UK, US

Source: Swiss Re, 2015

Impact on insurers' combined ratio: **acquiring, writing, servicing, claims, premiums**



Navigating in the new competitive landscape



Expand to high-growth markets



Prepare to evaluate enhanced safety of automated vehicle features

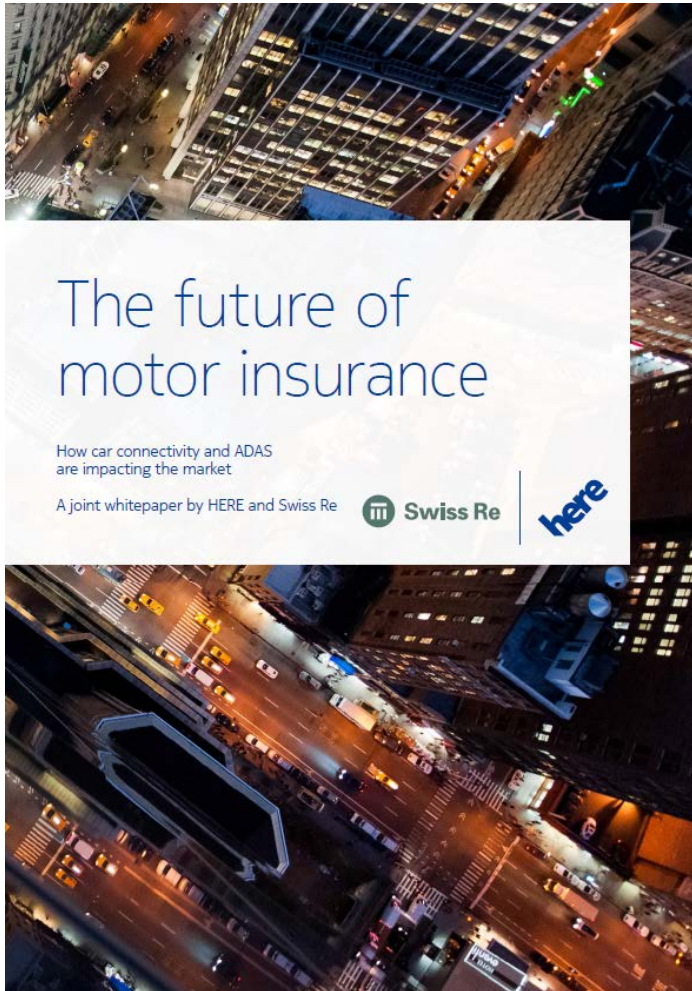


Engage in telematics



Evaluate entering product liability and cyber risk

The future of motor insurance – full report online



http://www.swissre.com/reinsurance/insurers/casualty/Towards_a_safer_driverless_future.html



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- 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 their mark-to-market values recorded for accounting purposes;
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- the cyclical nature of the reinsurance industry;
- uncertainties in estimating reserves;
- uncertainties in estimating future claims for purposes of financial reporting, particularly with respect to large natural catastrophes, as significant uncertainties may be involved in estimating losses from such events and preliminary estimates may be subject to change as new information becomes available;
- the frequency, severity and development of insured claim events;
- acts of terrorism and acts of war;
- mortality, morbidity and longevity experience;
- policy renewal and lapse rates;
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