



Swiss Re places EUR 275 million of European windstorm risk on behalf of AXA Global P&C through Calypso Capital Ltd.; transaction to use enhanced PERILS trigger to minimize basis risk

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

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, 2 November 2010 – Swiss Re Capital Markets has successfully structured and placed EUR 275 million of notes issued by Calypso Capital Ltd. (“Calypso”) covering European windstorm events. Calypso is a special-purpose company incorporated in Dublin, Ireland. The transaction sponsor is AXA Global P&C.

The notes, which provide protection on an occurrence basis, are the first to utilise a PERILS index trigger weighted by CRESTA zone (country-specific zones for uniform data reporting) and by line of business.

Calypso's single tranche series 2010-1 notes are the first issuance under a EUR 1.5bn principal-at-risk variable-rate note shelf programme. The three-year notes are rated “BB (sf)” by Standard & Poor’s and are scheduled for redemption in January 2014. Collateral for this issuance consists of a global master repurchase agreement with BNP Paribas.

Calypso was structured to provide AXA Global P&C with cover for European windstorms in Belgium, Denmark, France (excluding overseas territories), Germany, Ireland, Luxembourg, The Netherlands, Switzerland, and the U.K.

“We are pleased to support AXA's risk management objectives with a transaction that is the largest single European wind exposed ILS issuance to date. It marks further strategic leverage of the data supplied by PERILS,” said Jean-Louis Monnier, Swiss Re's Head of ILS Europe. “The ILS market continues to benefit from the enhanced transparency that PERILS brings to the European insurance sector.”

Swiss Re Capital Markets acted as a structuring agent and joint bookrunner for the offering.

Independent third-party risk analysis for the notes was provided by EQECAT, Inc.

The Calypso notes were sold in a private placement pursuant to Rule 144A of the U.S. Securities Act of 1933, as amended, (the

“Securities Act”) and have not been registered under the Securities Act or any state securities laws; they may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

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.

Calypso Capital Ltd

Calypso Capital Ltd. is a Dublin, Ireland exempted company financed through the offering of insurance-linked securities.

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:

- the direct and indirect impact of the continuing deterioration in the financial markets and the efficacy of efforts to strengthen financial institutions and stabilize the credit markets and the broader financial system;
- changes in global economic conditions and the effects of the global economic downturn;
- the occurrence of other unanticipated market developments or trends;
- 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 Swiss Re’s investment assets, and the impact of the timing of any such changes relative to changes in market conditions;

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- uncertainties in valuing credit default swaps and other credit-related instruments;
 - possible inability to realize 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 realize tax loss carry forwards and the ability to realize 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 Swiss Re's 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;
 - risks associated with implementing Swiss Re's business strategies;
 - 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;
 - political risks in the countries in which Swiss Re operates or insures risks;
 - the impact of current, pending and future legislation and regulation affecting us or our ceding companies, 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. 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.