



# Helvea Swiss Equities Conference 2012

George Quinn, CFO

Bad Ragaz, 13 January 2012



# Introduction to Swiss Re



## Swiss Re

### Swiss Re is a leading and highly diversified global re/insurance company

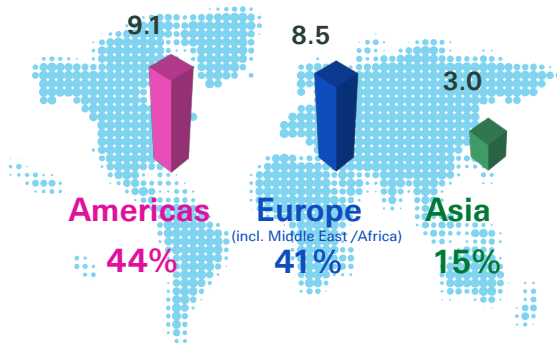
- **148 years of experience** in providing wholesale re/insurance and risk management solutions.
- **We deliver both traditional and innovative offerings** in Property & Casualty and Life & Health that meet our clients' needs.
- **A pioneer in insurance-based capital market solutions**, we combine financial strength and unparalleled expertise for the benefit of our clients.
- **Our financial strength** is currently rated:  
Standard & Poor's: AA-/stable; Moody's A1/positive; A.M. Best: A+/stable



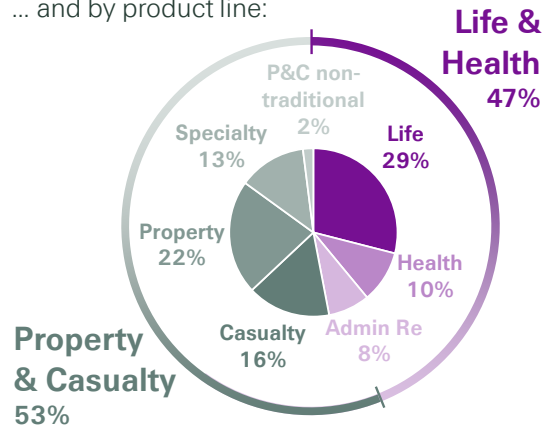
## Swiss Re is broadly diversified by geography and product line

### Premiums earned<sup>1</sup> 2010 (USD 20.6 billion)

by region (in USD bn)



... and by product line:



- Swiss Re benefits from geographic and business mix diversification and has the ability to reallocate capital to achieve profitable growth
- Combines accumulated expertise of over 148 years and continuing research with a widely recognised strong track record of innovation

<sup>1</sup> Includes fee income from policyholders

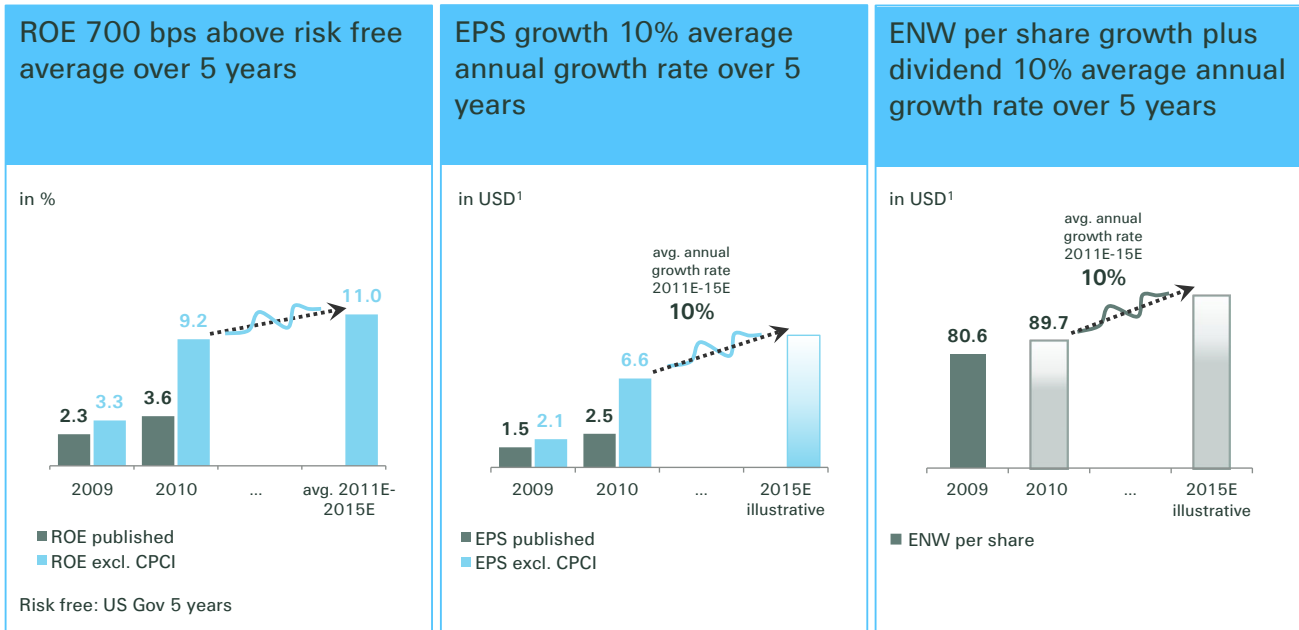


## The roadmap





## Financial targets Credible but ambitious targets



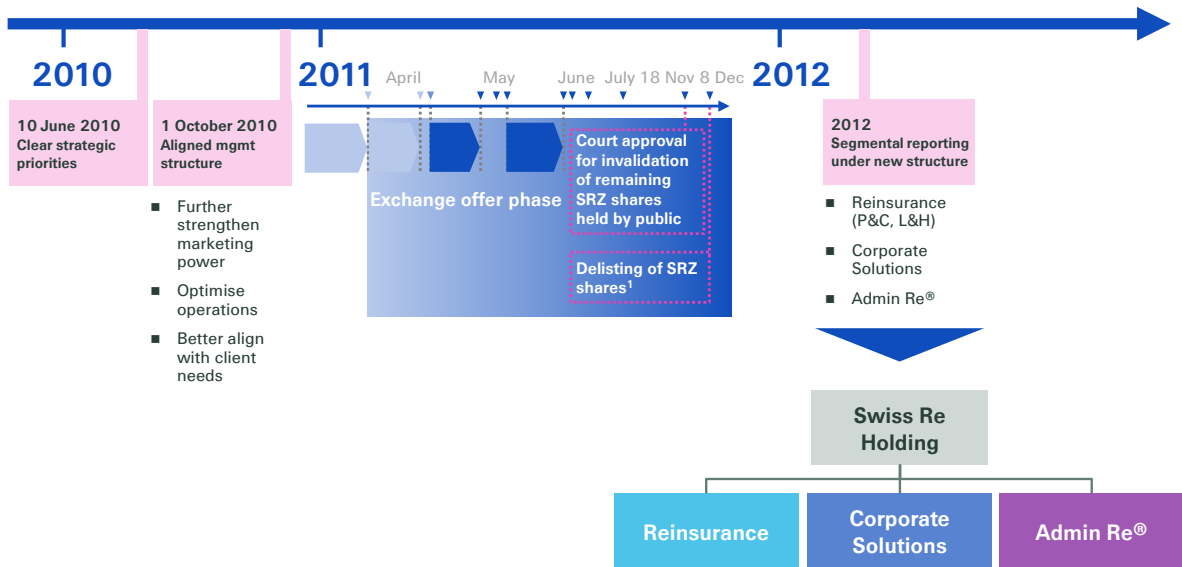
<sup>1</sup> Assumes constant foreign exchange rate



## Growth drivers for Swiss Re Short-term

Growth drivers next 2 years	Swiss Re opportunities
Hardening of P&C market	Rebalancing our Casualty portfolio, Reinsurance and Corporate Solutions
Berkshire Hathaway quota share ends 2012	Adds 25% potential growth in P&C Reinsurance and Corporate Solutions
Higher capital demands and further industry consolidation	Admin Re <sup>®</sup> Large deals P&C and L&H Reinsurance
Emerging market growth	Reinsurance and Corporate Solutions Large deals P&C and L&H

# Tomorrow New Group structure



<sup>1</sup> Last trading day of SRZ shares was 7 December 2011



# Well positioned to capture market opportunities



## Today

### Plenty of challenges and opportunities for the industry

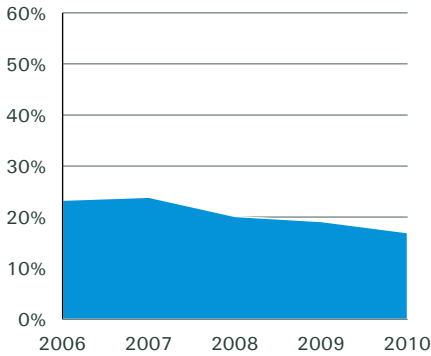
- Big challenges for re/insurers under current economic environment
  - Extremely low interest rates
  - Volatility in stock markets
  - Impact of inflation or lack thereof
- Re/insurance markets improving, with broad market turn still to come
  - P&C improving, but pockets with soft conditions prevail
  - L&H driven by economic growth, ageing, and financial markets
- Current environment requires diversification, size, and agility – founded on firm underwriting and low-risk asset management



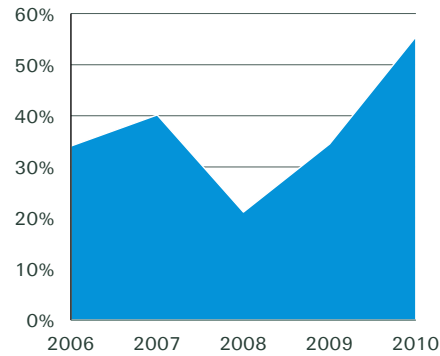
# Outperformance through cycle management

## Market share vs profitability, 2006–2010

Swiss Re's P&C premium share vs top 8 reinsurers



Swiss Re's P&C underwriting profit<sup>1</sup> share vs top 8 reinsurers



### Consistent strength in underwriting

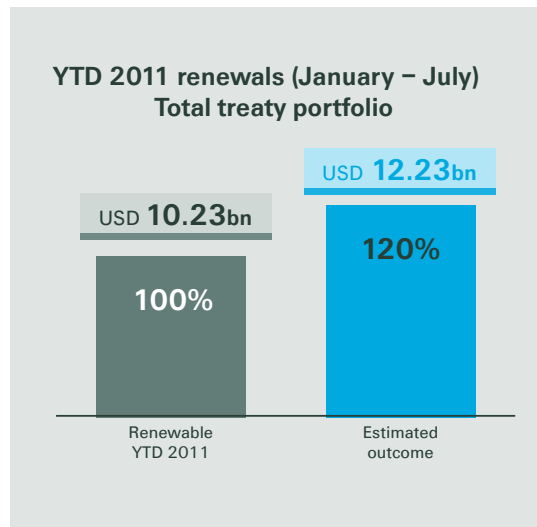
<sup>1</sup> Underwriting profit = premiums earned - claims and claims adjustment expenses - acquisition costs - other expenses  
 Top 8 reinsurers include: Swiss Re, Munich Re, Hannover Re, PartnerRe, SCOR, General Re, Everest Re, Transatlantic Re  
 Source: Swiss Re Economic Research and Consulting



# 2011 renewals

## Rising prices, higher volumes

Total treaty portfolio, premiums as costed



- Strong growth in January/April driven by solvency relief transactions, mainly in Asia
- Year-to-date, Swiss Re's treaty portfolio grew by 20% and rate adequacy was maintained

<sup>1</sup> New solvency driven transactions in Asia were concluded after the first quarter, and have been formally accounted for in April 2011 renewals  
 Figures have been restated with current fx rates

## Conservative asset portfolio

- Bulk of invested assets in cash, treasuries or government backed
  - 59% of proprietary investment portfolio at end Q3 2011
- Minimal exposure to peripheral EU sovereigns
  - Total USD 74m, Greece nil, at end Q3 2011
- Conservative medium-term asset allocation plan

- Comparatively low-risk, very controlled approach to asset management

## Swiss Re is well positioned

- Excellent capitalisation, strong recent financial results
- Conservative asset portfolio to navigate through difficult markets, minimal exposure to peripheral EU sovereigns (at end Q3 2011: USD 74m)
- Recent rating agency upgrades: S&P to AA-, AM Best to A+
- Deep understanding of risk and underwriting, as evidenced by our effective cycle management and focus on economic profit
- 2011 renewals, leading to earnings growth; P&C market turn underway
- New group structure, will aid transparency of business unit performance
- Ideally positioned to capture growth opportunities based on strong capitalisation, excellent client franchise and innovation power

- We are well on track to achieving our 2011-2015 financial targets





# Questions & answers



## Corporate calendar & contacts

### Corporate calendar

---

23 February 2012	<b>Annual Results</b>	Zurich
22 March 2012	<b>AGM briefing</b>	Conference call
13 April 2012	<b>148<sup>th</sup> Annual General Meeting</b>	Zurich
17 April 2012	<b>Investors' Day</b>	London
04 May 2012	<b>First Quarter 2012 results</b>	Conference call

### Investor Relations contacts

---

#### Hotline

+41 43 285 4444

#### E-mail

Investor\_Relations@swissre.com

Eric Schuh

+41 43 285 4708

Ross Walker

+41 43 285 2243

Chris Menth

+41 43 285 3878

Simone Lieberherr

+41 43 285 4190

Simone Fessler

+41 43 285 7299



## 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, including as a result of concerns over, or adverse developments relating to, sovereign debt of eurozone countries;
- further deterioration 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 their mark-to-market values recorded for accounting purposes;
- the outcome of tax audits, the ability to realise tax loss carryforwards 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 Swiss Re's hedging arrangements may not be effective;
- the lowering or loss of financial strength or other ratings of Swiss Re companies, and developments adversely affecting Swiss Re's ability to achieve improved ratings;
- 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 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;
- legal actions or regulatory investigations or actions, including in respect of industry requirements or business conduct rules of general applicability;
- changes in accounting standards;
- significant investments, acquisitions or dispositions, and any delays, unexpected costs or other issues experienced in connection with any such transactions;
- 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.