Swiss Re

Investors' day

New York

15 June 2005

Swiss Re

Programme for the day

Item	Speaker	Timing (NY time, approx.)	Tab
Breakfast buffet		From 7:45	
Welcome and introduction	Godbehere	8:15 – 8:20	
Corporate strategy	Coomber	8:20 – 8:50	1
Swiss Re's global business	Aigrain, Fitzpatrick, Lippe	8:50 – 9:50	2
Q&A		9:50 – 10:20	
Coffee break		10:20 – 10:45	
Risk management	Mumenthaler	10:45 – 11:15	3
Asset management strategy	Meuli	11:15 – 11:45	4
Capital adequacy and outlook	Godbehere	11:45 – 12:05	5
Q&A		12:05 – 12:45	
Lunch (optional)			
Appendix			6

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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:

- cyclicality 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 our 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.

Swiss Re

Corporate strategy

John Coomber
Chief Executive Officer

Swiss Re

Agenda

- Swiss Re at a glance
- Strategy
- Organisational alignment
- Vision 2015

Swiss Re

Swiss Re at a glance

Leading reinsurer with a truly global business

- Founded in 1863 and developed into one of the world's largest and globally active multi-line reinsurer
- Wholesale manager of capital and risk focused on reinsurance and related trading activities
- Strong financial position in the industry with AA rating
- Knowledge based industry leader
- Key statistics:
  - Premiums earned 2004: CHF 29.4bn (USD 23.6bn)
  - Net income 2004: CHF 2.5bn (USD 2.0bn)
  - Total assets 2004: CHF 184.5bn (USD 162.3bn)

Swiss Re

Swiss Re´s history

1863	Foundation of the company
1864	Business relations in 7 countries (Germany, Italy, France, Austria, England, Belgium and Russia)
1906	San Francisco Earthquake, Swiss Re establishes its reputation
1910	First branch office (New York)
1950 – 1956	Opening of offices in South Africa, Canada, Australia, Hong Kong
1968 – 1976	Creation of several advisory and service companies in Asia and South America
1985	Strategy to diversify
1994	Refocus on core business - selling majority shares in several insurance companies
from 1995	Development of financial services offerings, including securitisation of insurance risks
1996 – 2001	Strengthening of life and health business through several acquisitions
2003 – 2004	Strengthening market position in Asia

Swiss Re

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Swiss Re's strategic priorities

Swiss Re

I. Actively manage the cycle for profits

II. Optimise organic and transactional growth

III. Extend leadership in Asia

IV. Accelerate the balance sheet through risk securitisation

Excellence in execution

Alternative responses for managing the cycle

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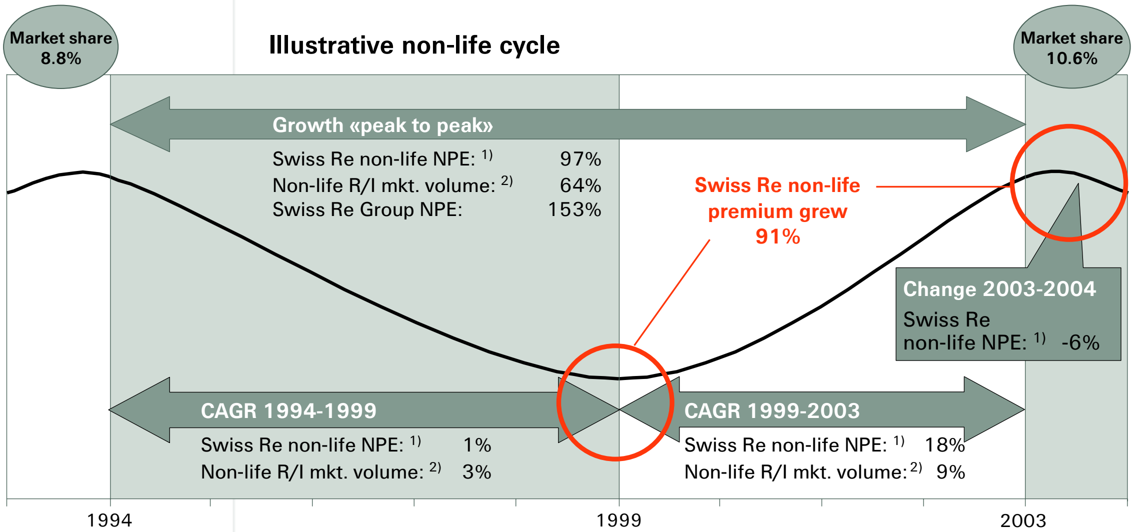
Strategy	Conclusion
Maintain market share	RoE too low
Grow market share	RoE much too low
Constant RoE	Interesting; risk to client franchise
Manage the cycle	Today's preferred option

Swiss Re

How Swiss Re has managed the cycle in the past

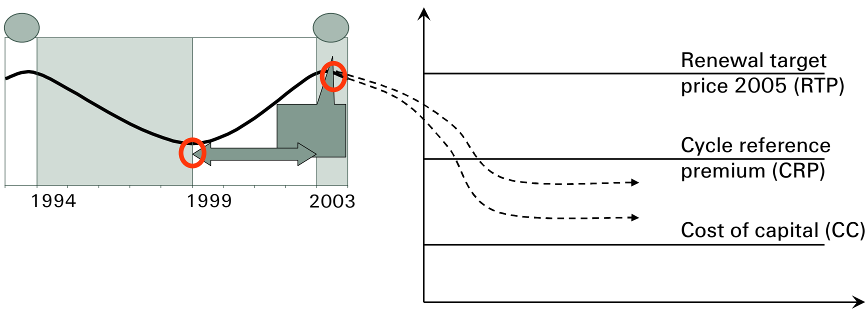


1) Net premiums earned (1994 -1998 based on Old Swiss GAAP);
Swiss Re non-life is the sum of P&C BG and FS BG net premiums earned

2) Source: Swiss Re Economic Research & Consulting

Swiss Re

Capital allocation driven by cycle position

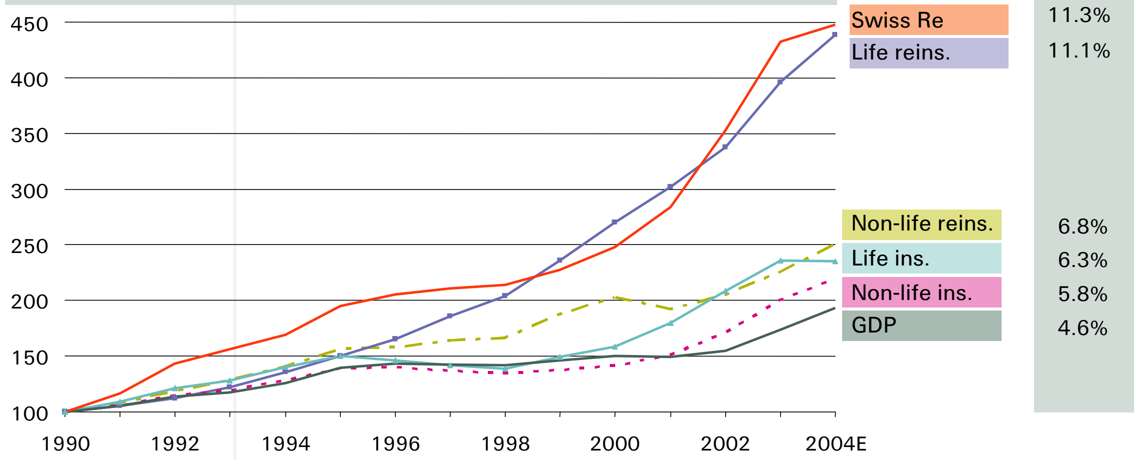


- Knowing position in the cycle is critical to cycle management
- Management able to select preferred premium volume/RoE combination
- Strategy below CRP will be client specific

Risk is a growth business: Reinsurance outpaced insurance and GDP growth

Swiss Re

Annual growth 1990 - 2004E; nominal values



World premium volume 2003: life: USD 29bn; non-life: USD 141bn

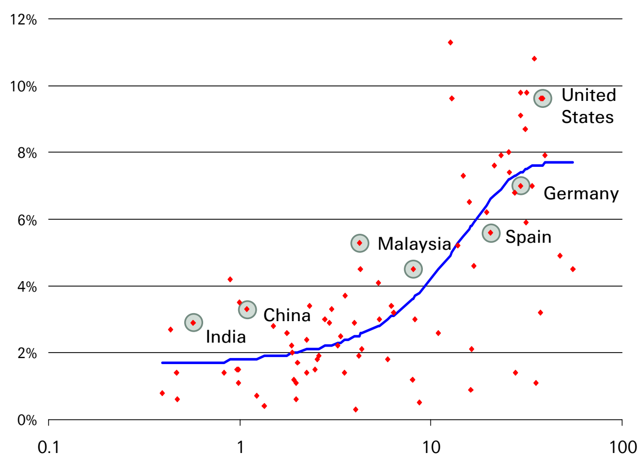
* Source: Swiss Re, Economic Research and Consulting: estimated

Asia as a growth market

Swiss Re

- Step change in demand function. When GDP per capita gets close to USD 10 000, insurance penetration rises to a level above 4% with a steep slope
- We have a strong Asia-wide network:
  - 8 branches and
  - 3 representative offices

Premiums per GDP, life and non-life, 2003



GDP per capita, 1 000 USD, 2003

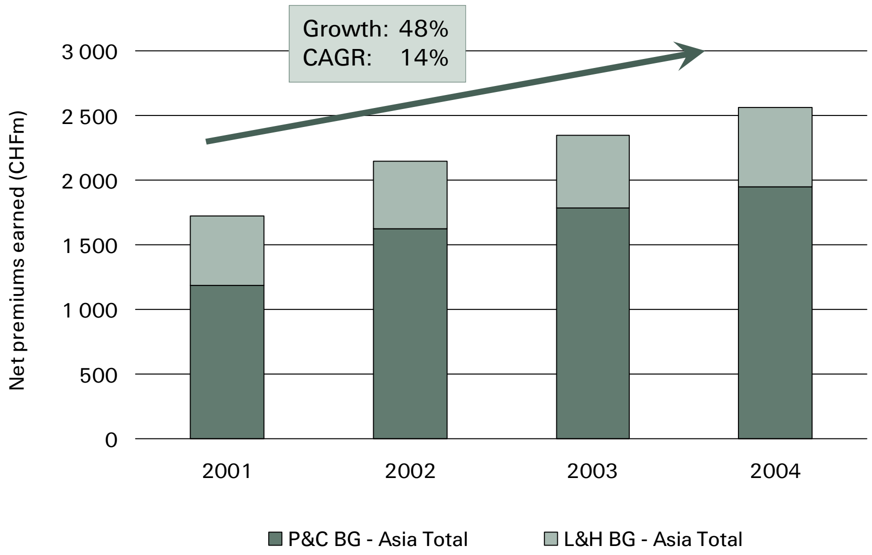
Source: Swiss Re Economic Research & Consulting

Swiss Re

P&C and L&H growth in Asia

Swiss Re initiatives in Asia

- Expanded Swiss Re's local presence through additional branch offices
- Product development for emerging markets



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Transactions as major growth driver

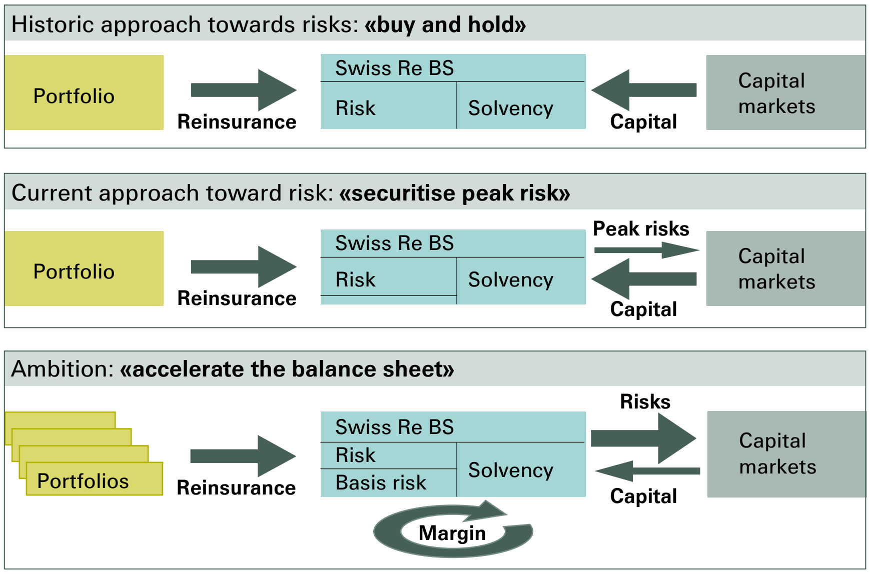
Disposals	
1994	Lloyd Adriatico
1994	Elvia Group
1994	Vereinte/Magdeburger
1994	SCHWEIZ Seguros
1994	SCHWEIZ Italia
1994	La Equitativa
1997	M&G Re America
2000	IRMG
2001	NCM Group
Total	**CHF 6.7bn**

Acquisitions	
1995	Alhermij Group
1996	M&G Re
1996	Uniorias
1998	NCM Holding
1998	Falcon Asset Management
1998	Reaseguros Alianza
1998	Life Re
1998	Fox-Pitt, Kelton
1999	Reacol
1999	Underwriters Re
2000	Washington International
2000	Società Italiana Cauzioni
2001	Conning
2001	Lincoln Re
Total	**CHF 14.0bn**

- In the last 10 years, Swiss Re has invested CHF 14bn on acquisitions (excluding Admin Re^{SM})
- Swiss Re divested operations (about CHF 6.7bn) to finance growth in reinsurance business (CHF 5.5bn of primary insurance in 1994)

Swiss Re

Insurance-linked securities may lead to a change in business model



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Accelerate the balance sheet: Benefits

- Buy
- Manage the Cash Flow
- Transform
- Sell

- Capital requirements ↘
- Intangibles ↘
- Volatility ↘
- RoE ↗
- Growth (other transactions) ↗

Swiss Re

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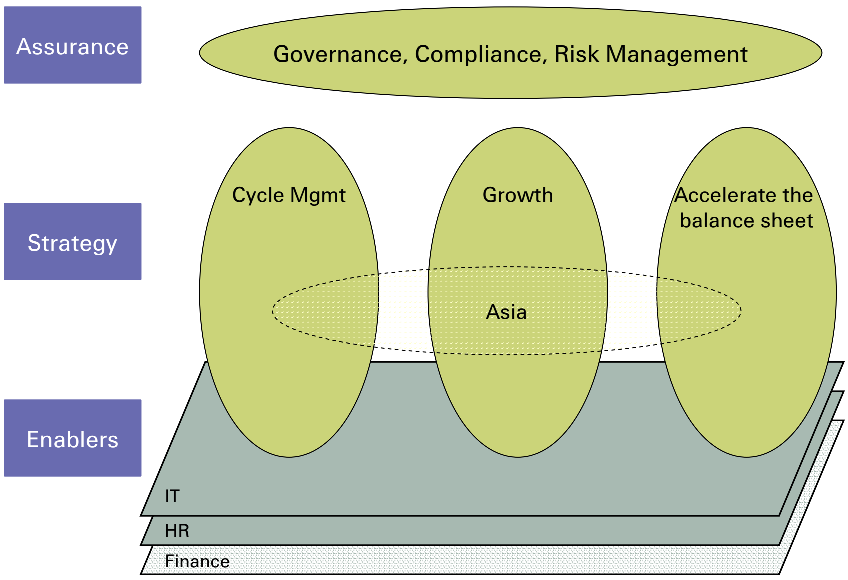
Swiss Re

Align organisation to strategy



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Strategic priorities to be addressed by the new organisation

Cycle management → **Products (S. Lippe)**

- Optimise capital allocation based on uniform pricing
- Build engine for product development
- Attract and build best talent in the industry

Growth / **Asia** → **Client Markets (J. Aigrain)**

- Link client segmentation to cycle position
- Increase "share of wallet" with most attractive clients through various channels
- Penetrate (emerging) markets with clear action plans
- Remove layer of decision-taking
- Leverage cost efficiencies

Accelerate the balance sheet → **Financial Services (J. Fitzpatrick)**

- Continuous emphasis on asset management
- Fast-track ILS development

Swiss Re

Product pricing within Products, client profitability within Client Markets

Products

Products set "objective" price and terms/ conditions for individual deals (LoB, ToB)

- Product "cost" or cycle reference price
- Consistent cost loading for product pricing and suitability of wordings
- Performance measured against integrity of pricing accuracy
- Total portfolio view

→
- Focus on "business" line profitability
- Pricing engine / cycle mgmt

Client Markets

Markets take cycle reference price as basis for client negotiation

- Final pricing decision lies with Markets subject to underwriting and price adequacy requirements
- Entire client relationship must meet profit target although individual lines of business may differ from respective targets
- Performance measured against renewal target price (RTP)
- Total client view incl. facultative, special lines and L&H business

→
- Focus on overall "client" profitability (targets)
- CRM / channel mgmt

"Balance of duties" to be secured through
(1) transparent escalation process
(2) balanced representation of Products/Markets at all levels
(3) strict underwriting and pricing adequacy boundaries
(4) effective controlling of deviations to targets

Swiss Re

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Swiss Re

Scenarios 2015: Enabling strategy

Insurance industry	Consequences for Swiss Re
■ Distribution channels for reinsurance continue to be a mix of direct and broker as today	■ Swiss Re to develop multi-channel access to risk ■ Continue to strengthen direct client franchise, e-solutions and broker relations
■ Advances in data collection and management systems ■ Industry cost structure improves	■ Fingertip information systems, supported by global low-cost admin systems
■ Regulation will continue to converge towards a global 'best practice' with a move to economic methodologies	■ Swiss Re to be a leader in promoting transparent and well-informed dialogue with regulators. Continuous monitoring of the way the regulatory agenda is moving
■ Scarcity of high quality underwriting and financial talent	■ Create mobile highly skilled teams and attract the best talent

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Scenarios 2015: Growth

Insurance industry	Consequences for Swiss Re
■ Retail and wholesale risk transfer markets continue to show growth above GDP, say 6% pa nominal ■ World insurance to grow from 8% to 9% of GDP	■ Business focus continues to be on wholesale financial services ■ Grow market share 1% over the cycle (peak to peak) – Swiss Re achieved 1.8% growth over the last cycle
■ Accelerated process of industry consolidation/business exits	■ Active corporate development policy adding to revenue growth
■ Emerging markets grow from 12% to 17% of world cessions	■ Swiss Re establishes market share above its global average
■ The future for services and products will not be a straight line projection of today ■ Sustainability will become a main stream concept	■ Swiss Re to be a leader in developing new risk solutions (e.g. emissions trading, wind farms underwriting etc)

➔ Target over cycle: 10% EPS growth

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Scenarios 2015: Margin

Insurance industry	Consequences for Swiss Re
■ Continuation of business cycles	■ Active management of capacity and capital allocated to cyclical business
■ Low investment return environment	■ Underwriting quality is key to profitability ■ Outperformance of risk free benchmarks supports RoE
■ Securitisation of insurance risk increasingly established. Annual issuances reaching 5% of worldwide insurance premium (0.1% in 2003)	■ Securitisation used to risk manage/yield enhance 30% of Swiss Re revenues ■ Earnings origination from trading and increased fee income

➔ Target over cycle: 13% RoE

Swiss Re

Conclusions

- Swiss Re has a global franchise in a growth business
- Swiss Re has the financial strength, product knowledge and people skills to realise today's market opportunities
- Swiss Re successfully manages the cycle through its ability to diversify across products and markets
- Proven transactional capabilities provide additional growth prospects
- Swiss Re is a leader in use of ILS techniques to transform business model for (re)insurance aimed at higher returns with lower volatility
- New management structure reinforces control of margin and intensifies client focus
- Financial targets (over the cycle):
  - 10% EPS growth
  - 13% RoE

Swiss Re

Swiss Re's global business

Jacques Aigrain
Deputy CEO, Head Financial Services Business Group

John Fitzpatrick
Head Life & Health Business Group

Stefan Lippe
Head Property & Casualty Business Group

Swiss Re

Swiss Re's Property & Casualty business

Stefan Lippe
Head Property & Casualty Business Group

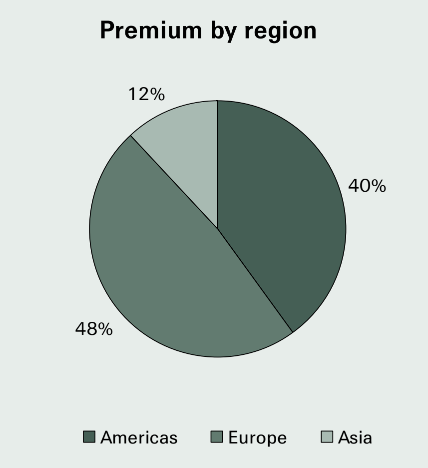
Swiss Re

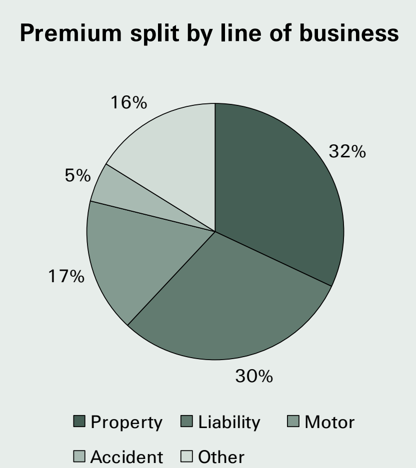
Profile of the Property & Casualty business

- World's second-largest P&C reinsurer with 11% market share of the global property & casualty reinsurance market
  - Premiums earned CHF 16bn in 2004
  - Operating in over 70 countries
- Key competitive advantages in global risk management
  - Large scale and excellent geographical and product diversification
  - Very strong financial ratings
  - A knowledge leader in the industry
- Significant contributions made to overall Swiss Re Group
  - Contributed 54% of the total Swiss Re premiums earned in 2004 and 54% of pre-tax income before Corporate Centre expenses and goodwill
  - 2004 combined ratio of 98.4% unchanged from 2003 despite high claims from natural catastrophes

Property & Casualty Business Group: Portfolio structure demonstrates ability to diversify risk

Swiss Re



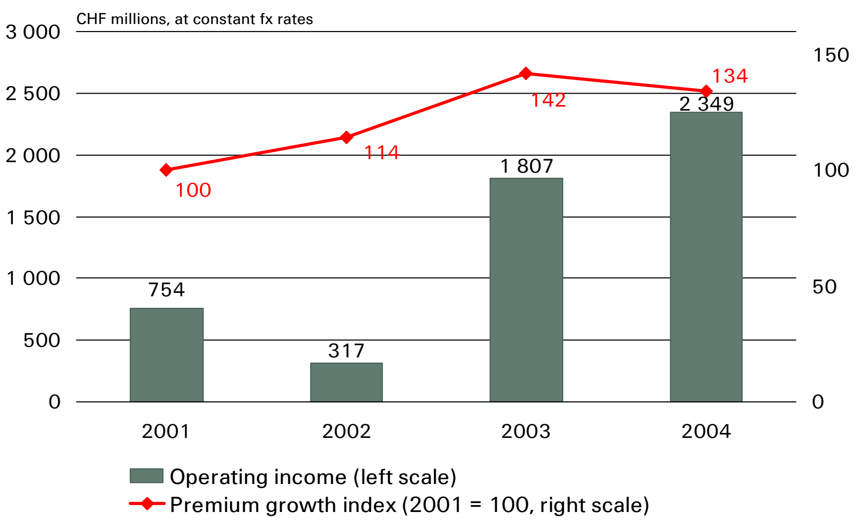


Based on 2004 premiums earned

Property & Casualty Business Group: Operating income increased to CHF 2.3bn in 2004

Swiss Re

Premiums earned CAGR of 10% in attractive market conditions



Property & Casualty Business Group: Approximating the 2004 published result from treaty year information

Swiss Re

	Nominal		Excluding TY large claims							
	Treaty year 2003	Treaty year 2004	Treaty year 2003	Treaty year 2004	Blended ratio	Current TY Large claims after eq. res.	Prior year impacts	Retro	Impact of Nontrad and Other	Published combined ratio in 2004
Property	77.5%	88.3%	72.0%	68.2%	69.9%	15.3%	-8.6%	2.9%	0.6%	80.1%
Liability	96.2%	95.9%	95.7%	95.3%	95.5%	0.0%	22.9%	0.3%	-1.6%	117.1%
Motor	101.0%	97.5%	101.0%	97.1%	98.8%	2.0%	1.7%	1.1%	0.6%	104.2%
Accident	95.4%	95.1%	95.4%	92.7%	93.9%	0.0%	-12.9%	0.0%	-0.8%	80.2%
Other	95.1%	98.3%	94.1%	86.1%	89.7%	11.2%	-1.5%	0.0%	0.0%	99.4%
Total	**90.5%**	**93.9%**	**88.3%**	**84.9%**	**86.4%**	**7.3%**	**3.5%**	**1.2%**	**0.0%**	**98.4%**

- The blended ratio for 2004 comprises 45% of the 2003 treaty year (TY) and 55% of the 2004 TY, excluding large claims related to the current TY
- Large claims as a % of current TY traditional premiums were 2.2% in 2003 and 9.0% in 2004. After adjusting for equalisation reserve, the 2004 large claims were 7.3% of current TY premiums
- Large claims relating to prior years are included in the prior year impacts
- As this is an approximation, the "Other" column includes the reconciliation to the published results

Property & Casualty Business Group: Treaty year results

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Treaty year 2004	Nominal combined ratio	Average duration in years	Average discount rate [1]	Discount effect as percentage of premiums	Economic combined ratios
Property	88%	2.3	2.5%	2%	86%
Liability	96%	6.3	4.0%	14%	82%
Motor	97%	4.0	3.4%	7%	90%
Accident	95%	6.5	4.1%	17%	78%
Other	98%	3.5	3.1%	5%	93%
Total	**94%**	**4.0**	**3.5%**	**8%**	**86%**

1) All premiums, claims and costs discounted

- The discount effect is the difference between nominal expected cash flows and discounted cash flows
- All pricing uses discounted cash flow assumptions, so expected payment patterns and currency are key elements in the process

Property & Casualty Business Group: Capital costs and investment income influence relative performance

Swiss Re

Treaty year 2004	Nominal combined ratio	Economic combined ratios (1)	Result as % of premiums	Capital allocation as % of premium (2)	Return on capital pretax
Property	88%	86%	14%	82%	17%
Liability	96%	82%	18%	97%	19%
Motor	97%	90%	10%	37%	27%
Accident	95%	78%	22%	97%	23%
Other	98%	93%	7%	40%	18%
Total	**94%**	**86%**	**14%**	**70%**	**20%**

1) All premiums, claims and costs discounted
2) Illustrative

- These examples assume that total capital is 70% of total premiums
- For each line of business or segment, capital is allocated depending on its specific characteristics in terms of risk, regulatory requirements and rating agency requirements
- Allocated capital is sufficient for the full life of the business written
- The return on capital excludes the investment income on the capital itself, corporate centre costs, Group retrocession, tax and leverage

Property & Casualty Business Group: Portfolio profile

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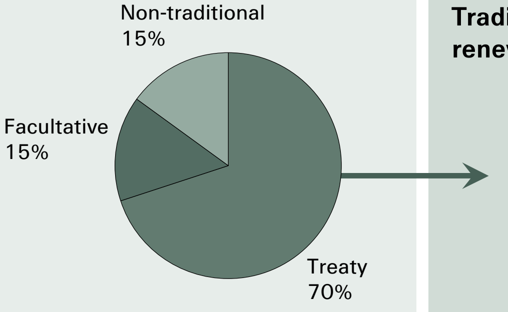
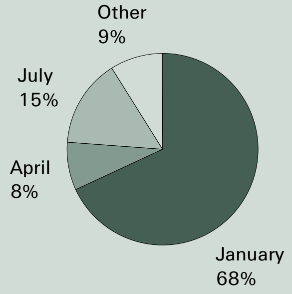
- Treaty business accounts for 70% of the business group's portfolio
- Of this 70%, 76% is typically renewed by April

2004 portfolio by type of business



Traditional treaty renewal pattern



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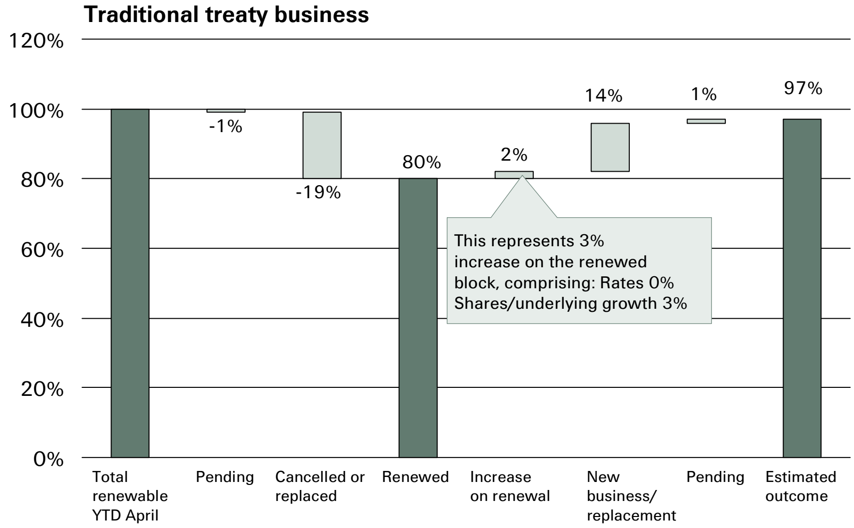
2005 year to date renewals: Property & Casualty Business Group total

- July renewal in the US is expected to be satisfactory and in line with year to date levels

All renewal figures are estimated and calculated at constant foreign exchange rates



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2005 year to date renewals

- Treaty renewals to date indicate profit margins remain very attractive for bound business. Technical combined ratio and economic profit margins have remained stable
  - Renewals in Europe indicate that rates have stabilised at a high level
  - In Americas a slight decrease was seen in January, but there are recent signs of stabilisation and in some cases rates have slightly improved
  - In Asia Japan showed improved terms supported by last year’s windstorm activity. Elsewhere rates are still satisfactory
- Year to date facultative volume is lower than last year as fewer risks meet our pricing criteria. Price adequacy remains attractive on renewed portfolio

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Organisational alignment with strategy: Actively manage cycle for profits

Swiss Re has:

- An organisational structure which supports objectivity by separating product pricing from the selling function
- A global framework comprising centrally controlled renewal messages (terms, conditions and exclusions) and escalation procedures
- Consistent benchmarks for cycle reference premium and renewal target premium and uniformity in pricing tools
- A clear understanding of each product's position in the cycle and a defined strategy for each
- Real time tracking through the renewal process
- Ongoing monitoring of reliability of claims estimates which is the sole basis for underwriter compensation

➔ The determination to optimise profitability over the cycle

Swiss Re

Swiss Re's Life & Health business

John Fitzpatrick
Head Life & Health Business Group

Swiss Re

Profile of the Life & Health business

- Leading reinsurance provider with 21% market share of the global life and health reinsurance market
  - One of the largest books of mortality risk in the world: ~4% of global mortality risk
  - Operating in over 70 countries
- Specialist provider of alternative capital solutions for clients such as Admin Re^{SM}
  - Competitive advantage due to experience and knowledge
  - Over 40 blocks of business acquired since 1998, with more than 5 million policies under management
- Significant contributions made to overall Swiss Re Group
  - Contributed 35% of total Swiss Re premiums earned in 2004 and 30% of pre-tax income before Corporate Centre expenses and goodwill
  - 2004 embedded value increased 7% to CHF 17.1bn, embedded value earnings increased 86% to CHF 2.0bn

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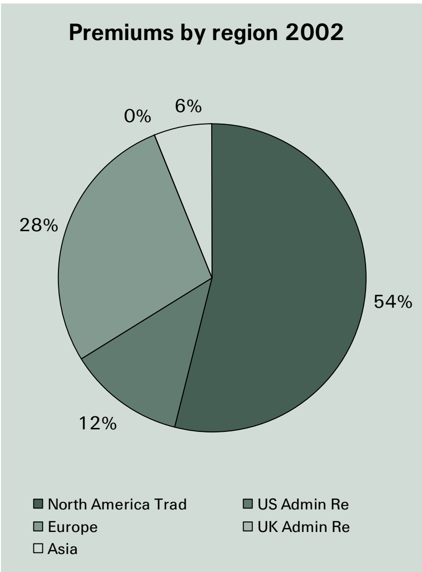
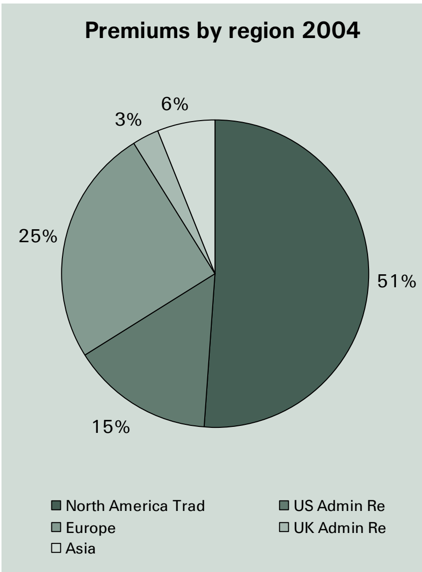
Life & Health Business Group: Weighting of premiums from North America has reduced since 2002





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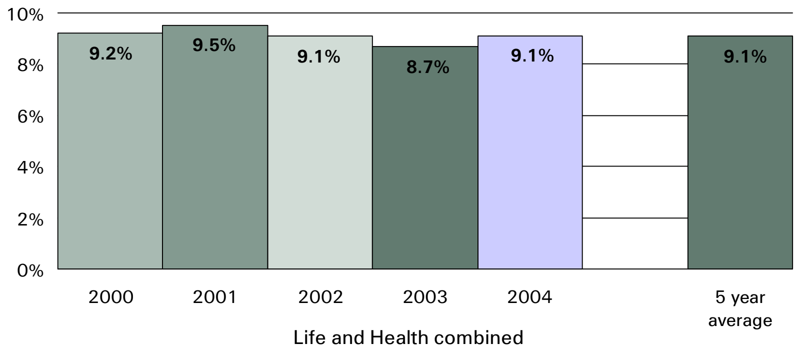
L&H business provides low volatility earnings for Swiss Re

- L&H business provides a good quality earnings source for Swiss Re and good diversification from P&C

L&H BG return on operating revenues*
(target 2005 /2007 : 9.0% pa average)



* Operating revenues = net premiums earned + net investment income

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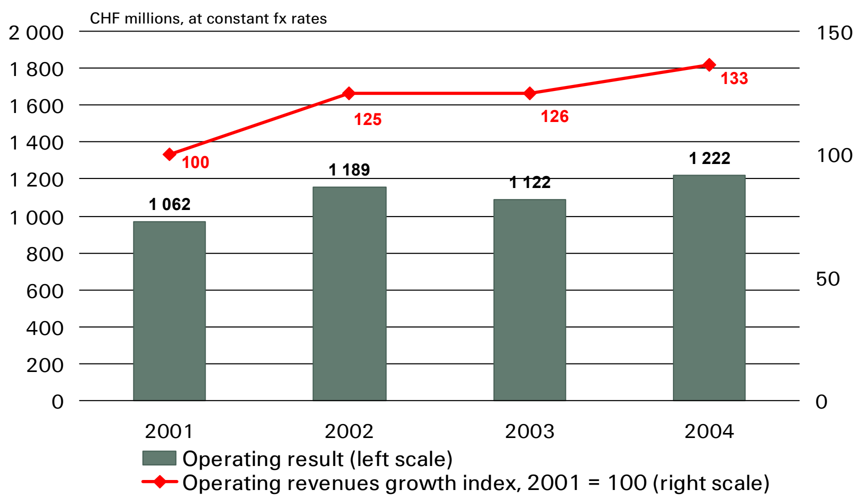
Life & Health Business Group: Operating result increased to CHF 1.2bn in 2004

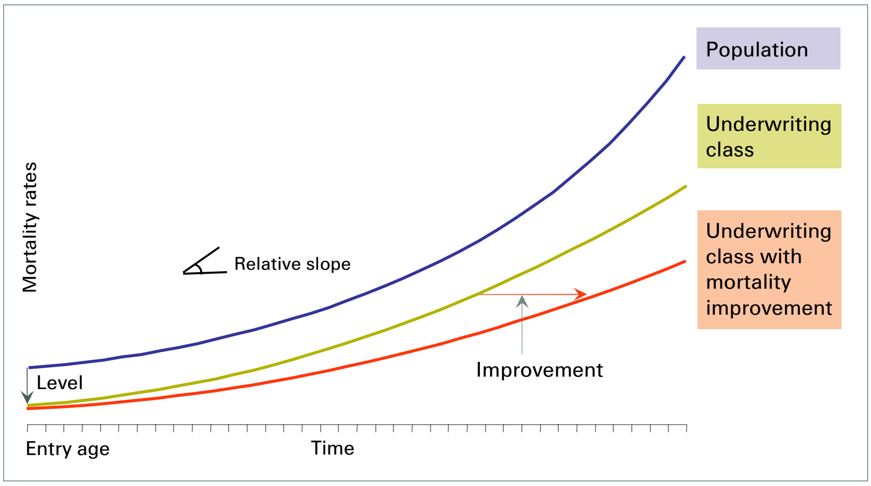
Operating revenues compound average growth rate is 10%



Swiss Re

Construction of US mortality tables: Illustration of industry legacy approach

illustrative



- Consider each assumption in isolation (level, slope, improvement by calendar year)
- Consider overall position for reasonableness

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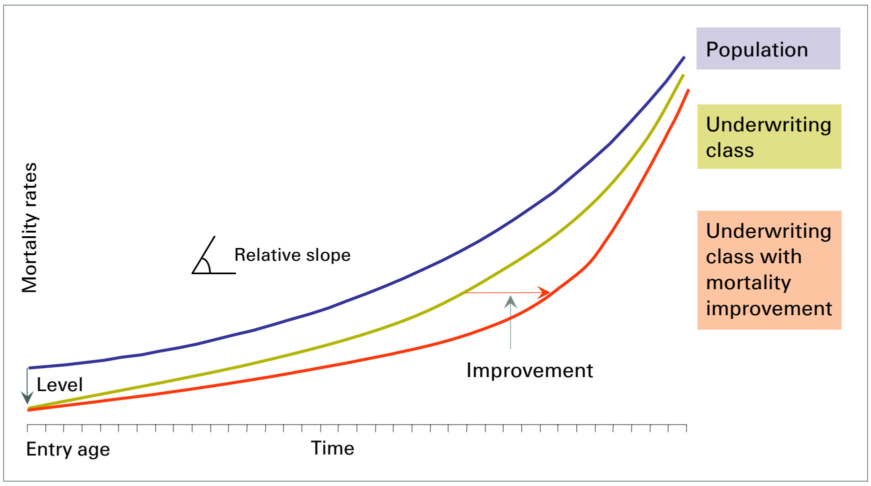
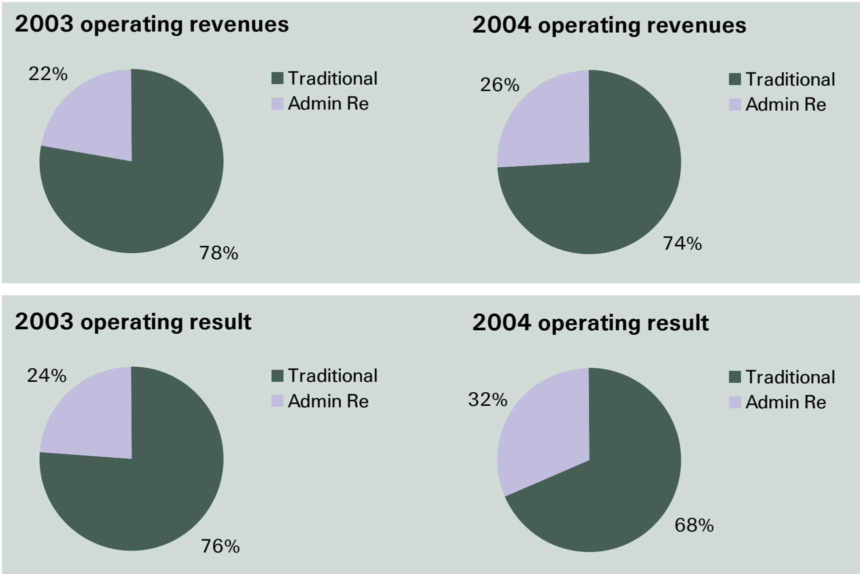
Construction of US mortality tables: Improved Swiss Re approach

illustrative



- Improved confidence in overall position which remains largely unchanged
- Increased accuracy of explicit mortality improvement

Admin Re^{SM} business increased to 26% of operating revenues in 2004



Strategy of continued investment in Admin Re^{SM}

- Over recent years deal sizes have increased
  - Swiss Re has a proven track record of execution on larger deals, i.e. the acquisition of the individual life business of CNA in April 2004 for USD 690m
- Swiss Re benefits from global coverage, well diversified and seasoned blocks of business within its Admin Re^{SM} portfolio
- Swiss Re enjoys significant competitive advantages in the acquisition of closed books
  - years of experience of structuring transactions, gaining regulatory approvals, conversion of administration systems and management of run-off books
  - significant experience in compliance, regulation, tax and employment issues
  - proven ability to complete swift due diligence and close deals

Swiss Re

L&H contributes to strategic initiative of accelerating the balance sheet

Queensgate (first time sale of PVFP to monetise an intangible asset): first offering completed January 2005 for USD 245m

Principal impact from inforce life securitisation

CHF millions (USD/CHF 1.20)

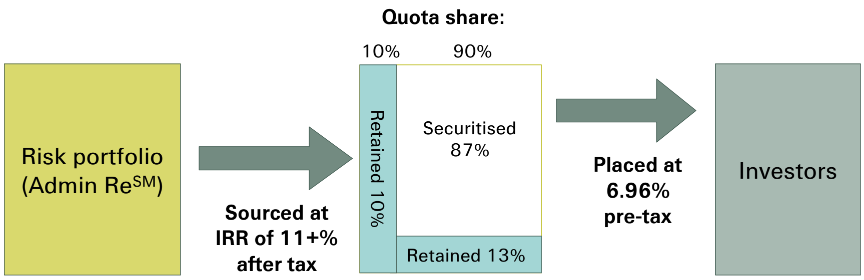
■ Cash increased:	252
■ PVFP reduced:	-184
■ Deferred gain: CHF 68m deferred gain will flow through the income statement over the life of the securities	68

→ cash can be redeployed to support new transactions

→ capital requirements decline

Swiss Re

Accelerate the balance sheet: Improving margin



- Swiss Re realised a USD 57m deferred gain on the securitised portion (78%) of the business while retaining the remainder (22%)
- Swiss Re believes current structure is scaleable and can be applied to other blocks of life business and potentially other risk classes
- These types of transactions accelerate Swiss Re's balance sheet and improve return on capital employed
  - increased volatility in the remaining embedded value more than compensated by improved returns

Swiss Re

L&H BG strategic priorities: Supporting Group wide strategic initiatives

- Capital market solutions will continue to be explored for both Traditional and Admin Re^{SM} business, including additional securitisations
- Utilise competitive advantages to increase investment in Admin Re^{SM}
- Active management of mortality through sophisticated proprietary in-house mortality system
  - calibrated against what we believe to be the largest body of empirical data available in the US market on preferred risk business
  - US prices increased close to 9%

Swiss Re

Organisational alignment with strategy: Accelerate the balance sheet

	Short term	Long term
Increase capacity for growth	Use ILS to create capital and increase capacity	Impact on prices as a key driver for growth
Increase Group RoE through higher turnover of capital & acceleration of risk through the balance sheet	Accelerate risks through the balance sheet and shorten “effective” holding duration	Use securitisation to increase the "R" and reduce the "E"
Reduce/manage RoE volatility	Sell/hedge risks on both assets and liabilities	Management of relationship of level and volatility of RoE
Increase sustainability of the franchise	Continue first class execution Establish tools and techniques to institutionalise processes	Recognised leader in the area

Swiss Re

Accelerate the balance sheet: Changing business model

Buy, structure and sell

Growth

Cash redeployed to support new transactions

Margins and return on capital

Improve as capital turnover is accelerated

Volatility

Could increase for retained portions but return more than adequate for risk and in extreme scenarios volatility is limited

Sustainability

Scaleable financing system for insurance risk

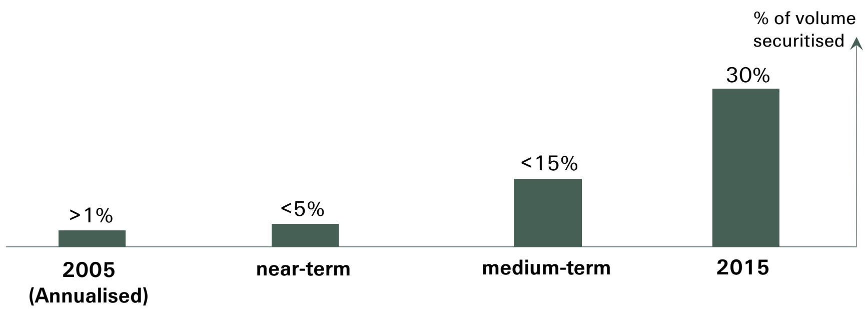
By 2015 estimated securitisation cover

30% Swiss Re revenues

5% insurance industry premiums

Swiss Re

Accelerate the balance sheet: Changing business model



2005 (Annualised)	near-term	medium-term	2015
■ Tools in place ■ Ad-hoc manual processes ■ Not material to the Group yet	■ Working to institutionalise process/team ■ Create new sources of capital ■ Developing risk duration landscape ■ Expand into other risk classes	■ Predictable flow of securities ■ Improvements in RoE more visible ■ Feedback loop to pricing team	■ ILS becomes part of everyday business ■ Program has positively impacted pricing ■ Achieve 30% securitisation target

Swiss Re

Swiss Re's Financial Services business

Jacques Aigrain
Deputy CEO, Head Financial Services Business Group

Swiss Re

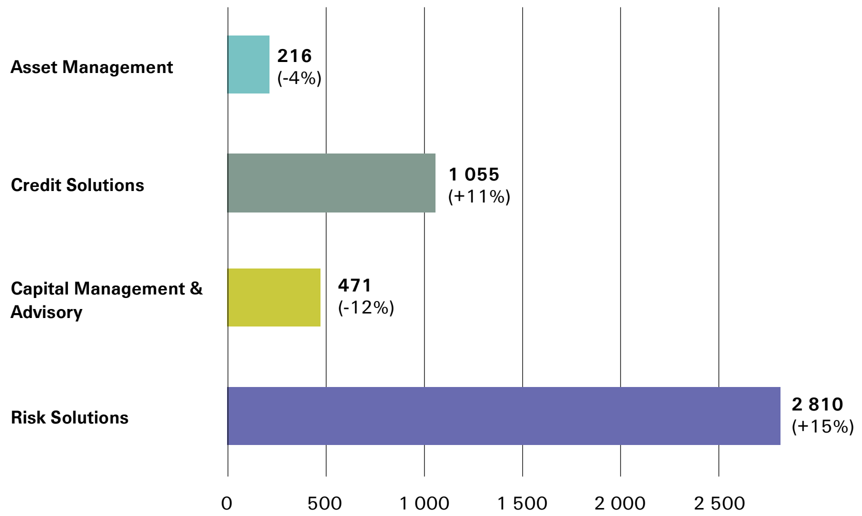
Profile of the Financial Services business

- A leading provider of risk management techniques, capital management and structured investments by integrating capital markets and insurance capabilities
- Links marketing, financial advisory, structuring and underwriting, in order to develop and deliver sophisticated, insurance-based corporate finance solutions
- Addresses the credit risk management issues and credit risk capital needs of insurance companies and corporations worldwide
- Specialises in investment solutions for small and medium-sized insurance companies and other institutional investors outside the Swiss Re Group

Swiss Re

FSBG revenues 2004 by product

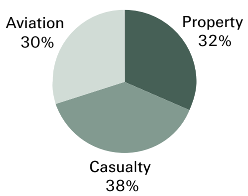
CHF m (growth at constant exchange rates in %)



Swiss Re

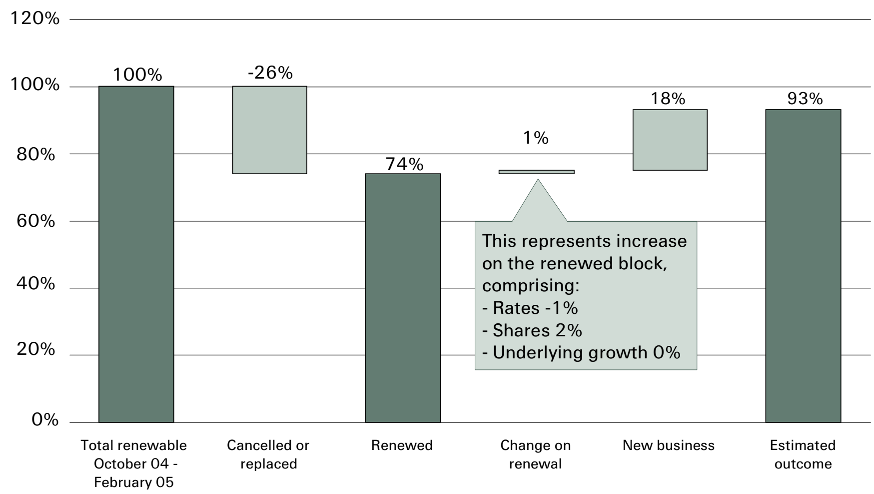
Corporate Risk Underwriting: YTD renewals

Premiums earned split 2004



All renewal figures are estimated and calculated at constant foreign exchange rates

Traditional business (property, casualty and aviation combined)

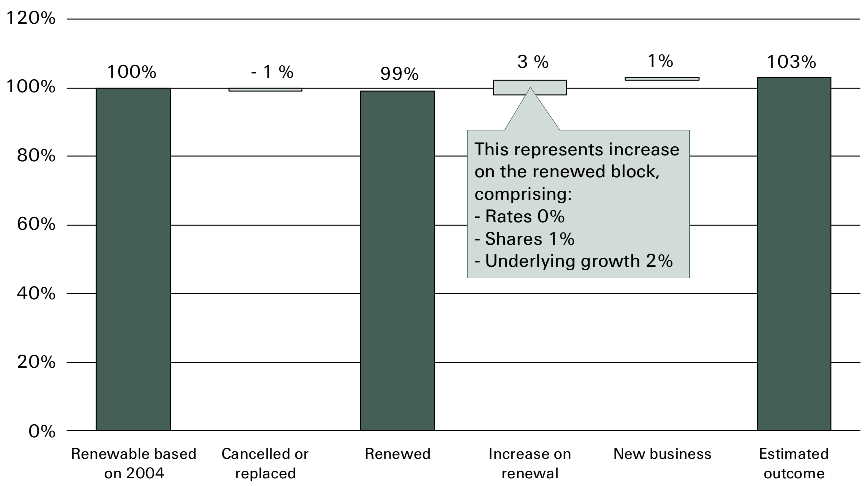


Swiss Re

Credit & surety: YTD renewals

All renewal figures are estimated and calculated at constant foreign exchange rates

Traditional re-/insurance business (credit & surety)



Swiss Re

FSBG's initiatives are embedded into Swiss Re's strategic priorities: Selection of key strategic initiatives

- Actively manage the cycle for profits
  - Continue portfolio monitoring and active steering of price adequacy and terms and conditions
- Optimise organic and transactional growth
  - Establish critical mass in fee business
- Extend leadership in Asia
  - Credit Solutions have allocated significant resources to their Asia business initiatives including the Chinese and South Korean markets
- Accelerate the balance sheet
  - Focus on transforming risk through the use of capital markets

Swiss Re

Swiss Re Capital Markets: Distribution & secondary trading

SRCM's market knowledge gives it intelligence which is an advantage to both investors and issuers

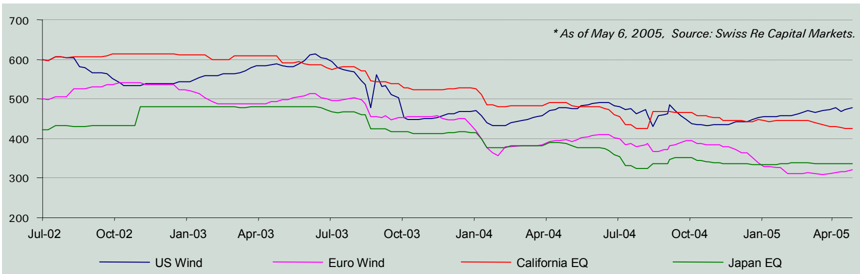
- Dedicated distribution effort
  - Teams in New York, London and Tokyo
  - Licensed broker dealer
  - Relationships with all insurance-linked securities (ILS) investors
- Leading dealer and liquidity provider in all major ILS issues
  - Cumulative annual ILS trading exceeded USD 820m in 2004
  - Provides liquidity through trading on both a principal and agency basis
  - Disseminates pricing information used to value investor positions
  - Efficient pricing with bid/ask spread tighter than comparable high yield corporate bonds

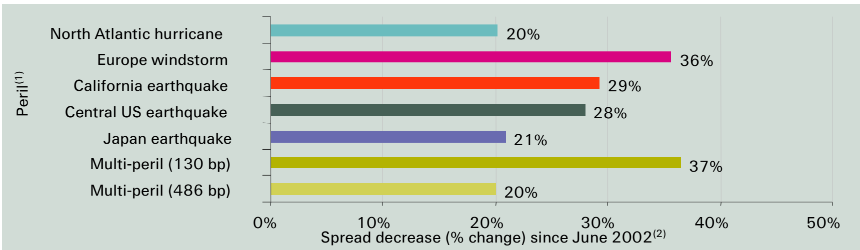
Swiss Re

Secondary markets spread trends

Spread levels have continued to come in dramatically across all perils, as demand significantly outpaces supply

Average spread compression since June 2002 was approximately 25%





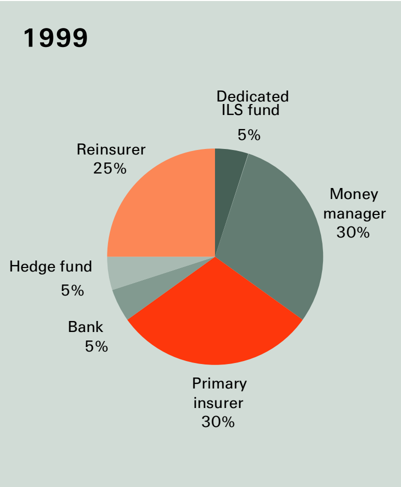
(1) Each of the perils is represented by the corresponding PIONEER and Arbor bonds
(2) From inception through May 6, 2005 as represented by Swiss Re Capital Markets' mid-market levels; for "Multi-peril (486 bp)" since July 2003

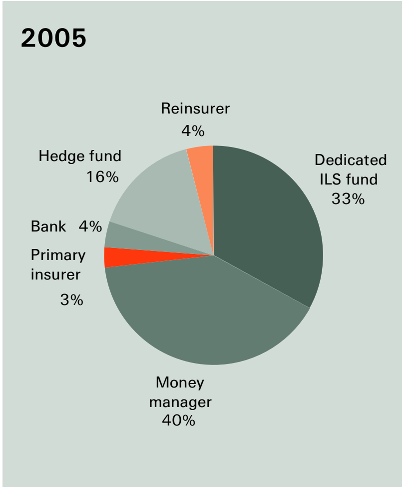
Swiss Re

Investor segmentation

Institutional investors now dominate the ILS investor base, including large money managers and many funds dedicated to the sector

- In recent years, dedicated ILS funds, money managers and global macro hedge funds have increased their participation in the sector



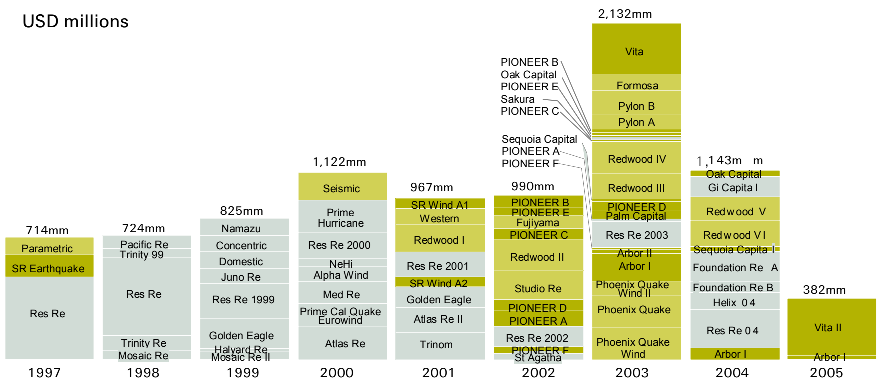


Swiss Re

ILS transaction history: Catastrophic events (nat cat and mortality)

Swiss Re has the clear leadership position in the insurance-linked security (ILS) sector

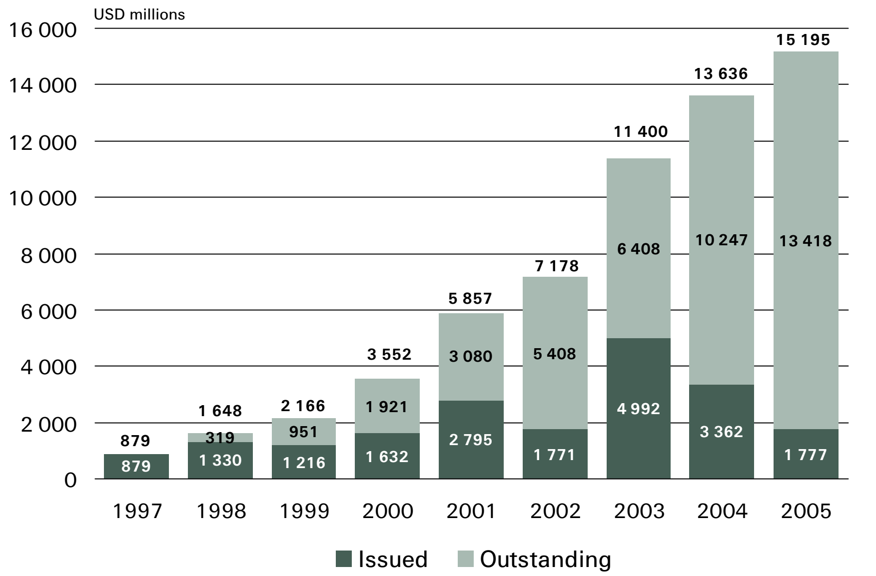
USD millions



- Transformed by Swiss Re and/or underwritten by Swiss Re Capital Markets (lead or co-lead)
- Sponsored by Swiss Re and underwritten through Swiss Re Capital Markets (sole)

Swiss Re

World-wide ILS outstanding: Life and catastrophic events



Swiss Re

Organisational alignment with strategy: Client Markets will tailor its strategic priorities to underlying regional needs

Americas

Manage existing and new **insurance relationships** embracing multi-channel distribution

Offer broad range of **traditional** and **tailor-made** risk solutions

Continue **Admin Re^{SM}** growth

Develop **life blocks** for **securitisation**

Europe

Take advantage of **merged L&H and P&C units** to focus on distribution

Redeploy capital and skills to be **more effective in key markets**

Target an average **market share** of **20% - 25%** in **P&C** while substantially **expanding L&H** position

Expand **Admin Re^{SM}** in **Continental Europe**

Asia

Expand **Swiss Re footprint** in growing markets and become partner of choice

Offer **integrated client service** deploying full range of capabilities

Grow **market share** in Asia and significantly contribute to **Group's revenues** over next 5 years

Foster **Admin Re^{SM}** in Japan

Develop (third party) **asset management** to complement reinsurance business

Refocus internal resources to client service and enable transactional growth via flexible and lean organisation

Swiss Re

Risk management

Christian Mumenthaler
Chief Risk Officer

Swiss Re

Agenda

- Risk measurement framework
- Asset liability management (ALM)
- Risk figures update

Swiss Re´s risk landscape

Core risks (quantified)

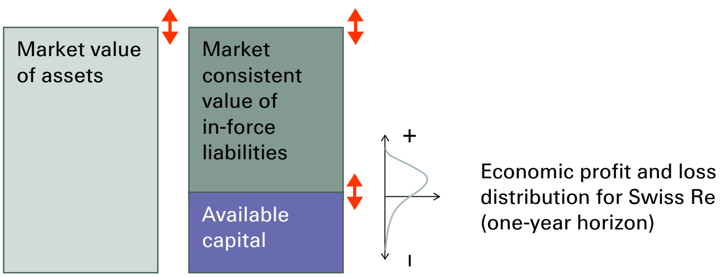
Insurance	Financial Market	Credit
Natural catastrophe	Equity	Default
Other property	Interest rate	Migration
Liability	Credit spread	
Mortality	Real estate	
Morbidity	Foreign exchange	

Ancillary risks (partly quantified)

Operational	Other
People	Funding and liquidity
Process	Reputational
System	
External	

Risk is quantified using a market consistent metric

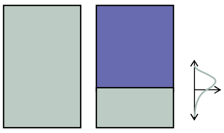
Balance sheet based on market consistent values

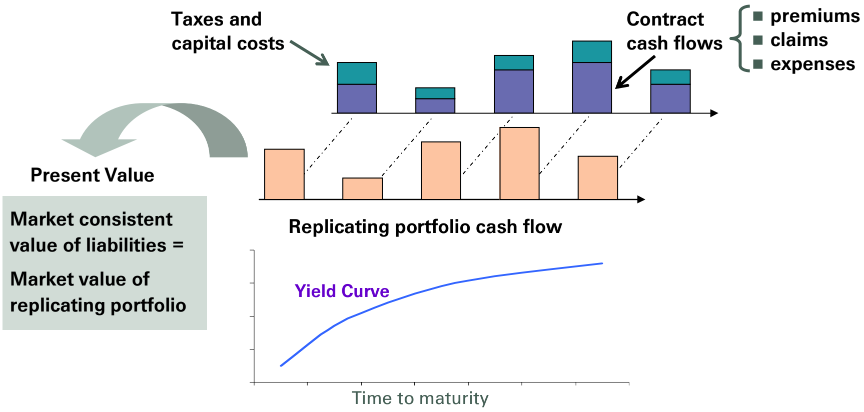


- Available capital is the total capital exposed to risk and is broadly equal to the difference between the market value of assets and the market-consistent value of in-force liabilities
- Risk is quantified by modelling the change in available capital for Swiss Re over a one-year horizon

Swiss Re

Market consistent value of liabilities based on replicating portfolios



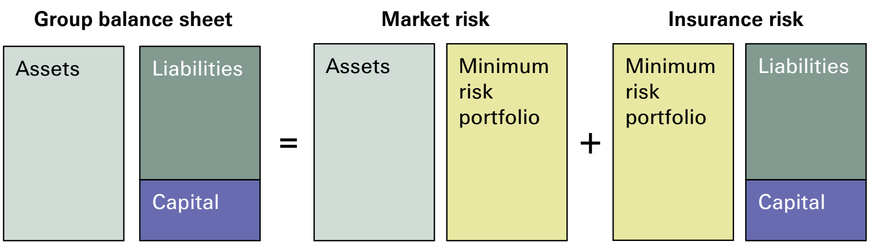


- To determine the market consistent value of liabilities, a replicating portfolio is constructed
- This is a portfolio of risk free assets which provides the cash flows needed to meet expected future payments
- Deviations from expected cash flows are absorbed by capital

Swiss Re

Market and insurance risk need to be separated: ALM approach

- **Replicating portfolio** hedges market risk within liabilities
- **Minimum risk portfolio** invests liabilities in the replicating portfolio and represents:
  - An asset to insurance operations and
  - A liability to investment operations



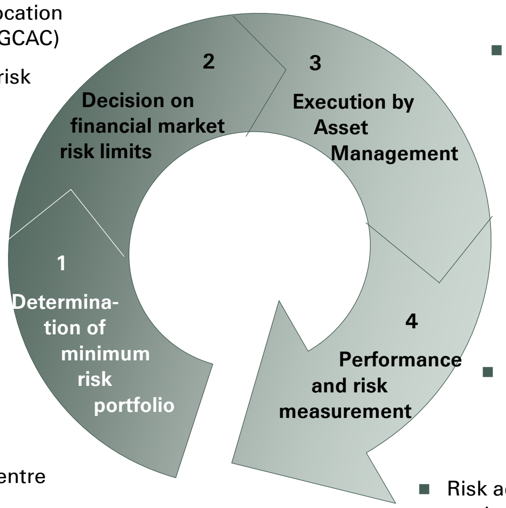
➔ This separation is the key to measuring market risk relative to liabilities and allowing proper asset-liability management (ALM)

Swiss Re

ALM process and responsibilities

- Group Capital and Capacity Allocation Committee (GCAC)
- Decision on risk limits for specific asset classes

- Asset Management Division
- Day-to-day tactical positioning within given limits

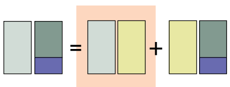


- Business Groups and Corporate Centre
- Modelling of liabilities

- Financial Controlling and Group Risk Management
- Risk adjusted performance, market risk report and ALM report

Swiss Re

ALM reporting

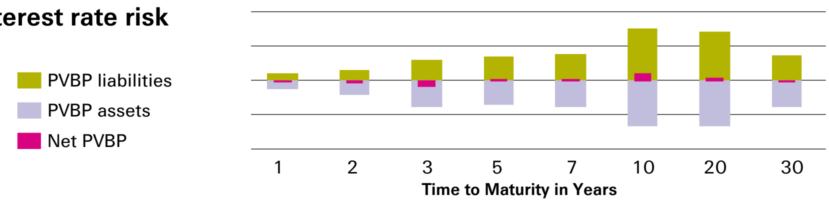


Measurement of financial market risk

Illustration

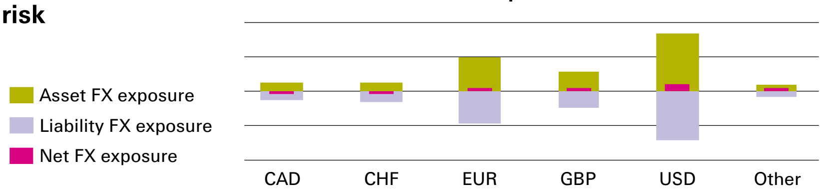
Example:
Interest rate risk

Price value of a basis point (PVBP)



Example:
FX risk

FX exposures



Swiss Re

Market risk stress scenarios (per 31.12.2004)

Scenario	Estimated economic impact on Swiss Re[1] (CHF bn)
30% fall in global equity markets [2]	-2.4
100bp parallel increase in global yield curves [3]	+0.3
15% fall in global real estate markets [4]	-0.6
30% decline of USD against CHF [5]	-3.3
30% decline of EUR against CHF [5]	-2.5

Notes:
1. Pre-tax impact on available economic capital as at 31.12.2004
2. Equity exposure includes traded equities, private equities, equity derivatives, Alternative Asset Re, GMDB, equity exposure in pension funds
3. The interest rate scenario depicts the net economic impact from assets and liabilities
4. Real estate exposure includes investments in real estate and own-use property
5. Foreign exchange movements also impact required capital. The net impact of foreign exchange movements on capital adequacy is reduced by the extent to which assets are held in the same currency mix as the business they are supporting

Swiss Re

Credit risk stress scenarios (per 31.12.2004)

Scenario[1]	Estimated economic impact on Swiss Re[2] (CHF bn)
Rating migration comparable to experience of 2001	-0.2
Default rate increase comparable to experience of 2001[3]	-0.4
Deterioration of recovery levels comparable to experience of 2001	-0.2
Combined effect	-0.8

Notes:
1. The credit environment development of 2001 represents the worst credit experience of the past 10 years. The chosen period also reflects the changes in credit markets due to the increased use of credit derivatives
2. Pre-tax impact on available economic capital as at 31.12.2004
3. The default scenario shows estimated additional (unexpected) losses due to adverse default rate changes

Insurance risk stress scenarios (per 31.12.2004)

Swiss Re

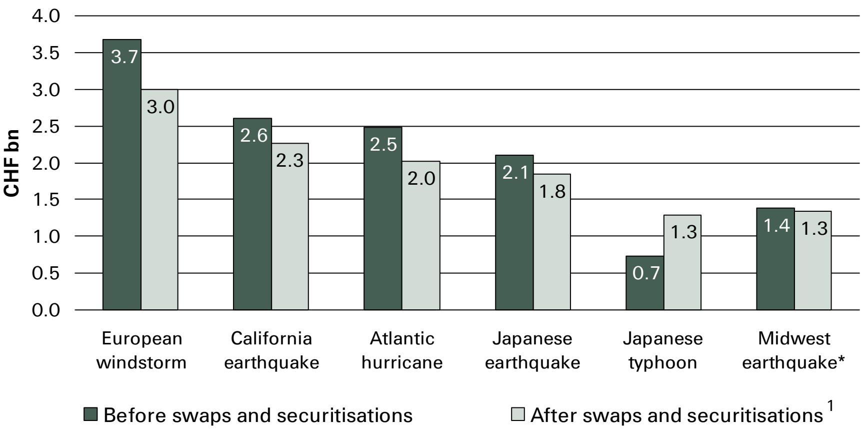
Scenario	Estimated economic impact on Swiss Re[1] (CHF bn)
European windstorm (200 year return period) [2]	-3.0
California earthquake (200 year return period) [2]	-2.3
Atlantic hurricane (200 year return period) [2]	-2.0
Japanese earthquake (200 year return period) [2]	-1.8
Mortality (300'000 excess deaths in the US) [3]	-1.8

Notes:
1. Pre-tax impact on available economic capital as at 31.12.2004.
2. Expected discounted claims for each loss event after allowing for retrocessions, risk swaps and securitisations. The figures take into account that an event can trigger claims in various lines of business.
3. Claims based on the average sum at risk. It is assumed that excess mortality is evenly spread across the population, not allowing for the typically lower mortality experienced among the insured population.

Swiss Re actively manages the diversification of its portfolio using securitisations and risk swaps

Swiss Re

Single event claims, 200 year return period* (per 31.12.2004)



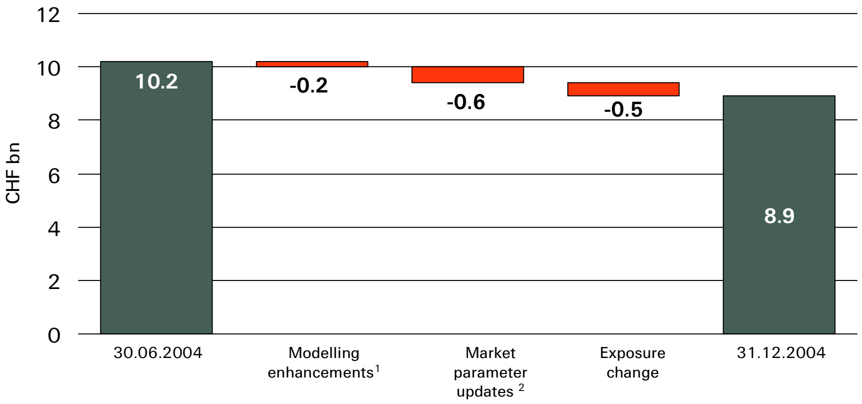
* Midwest (US) earthquake figures based on 500 year return period

1 Allowing for basis risk and possible currency mismatch between underlying exposure and cover

Swiss Re

USD main driver for reduction of Swiss Re Group risk

Analysis of change 2H 2004



Notes:
1. Model enhancements in 2H include improved natural catastrophe and credit migration modelling.
2. Mainly represents the impact of foreign exchange rate movements. Market parameter updates also include the impact of updates to financial market correlation and volatility parameters, credit default and migration probabilities, and updating the yield curves to recent market observations.

Swiss Re

Swiss Re Group 99% VaR capital requirement calculation

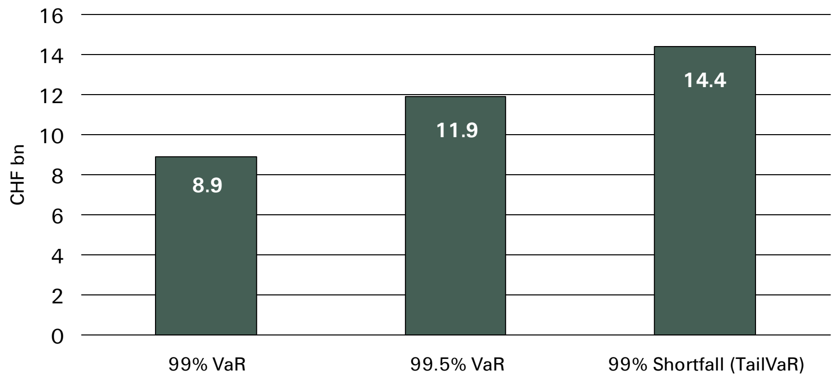
CHF billions	30.06.2004	**31.12.2004**	% change
Property and casualty	5.5	**4.9**	-11
Life and health	1.7	**1.7**	0
Financial market	4.9	**4.3**	-12
Credit	1.7	**1.6**	-6
Funding and liquidity[1]	0.7	**0.3**	-57
Simple sum	14.5	**12.8**	
Diversification effect[2]	4.3	**3.9**	
Swiss Re Group	10.2	**8.9**	-13

Note:
1. The reduction in funding and liquidity risk is mainly due to the improvement in Swiss Re's financial strength, which has reduced the likelihood that the collateral covenants are triggered to less than 1%.
2. The size of the diversification effect calculated by subtracting the Group capital requirement from the simple sum depends critically on the risk measure and on the number risk categories considered. Fewer risk categories would result in a smaller *measured* diversification effect and vice versa.

Swiss Re

Alternative risk measures used for analysing capital adequacy

Measures of risk for Swiss Re Group (31.12.2004)



- ➔ Swiss Re also considers shortfall because it provides more information on tail behaviour (similar to stress test)
- ➔ On the other hand, shortfall is driven by more extreme events that are less certain

Swiss Re

Summary

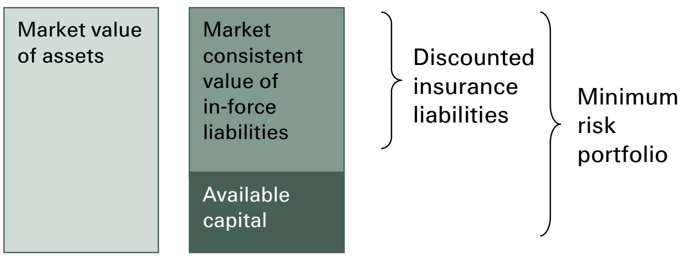
- Overall risk expressed in CHF decreased mainly due to the impact of the USD decline in the second half of 2004
- Risk figures based on integrated Group risk model which is consistently relying on economic principles
- ALM approach to assess financial market risk is based on replicating portfolios and measures net exposure of assets and liabilities towards interest rate and foreign exchange risk

Asset management strategy

Benjamin Meuli
Chief Investment Officer

Investment process: Absolute return approach

The minimum risk portfolio is a benchmark comprised of market indices which reflect the replicating portfolios for net insurance liabilities plus the amount of economic net worth



- A replicating portfolio is constructed quarterly to determine the economic value of insurance liabilities
- Deviations from the replicating portfolio result from active management; they are closely monitored and subject to risk limits
- For assets not backing liabilities, risk-adjusted return is maximised

Swiss Re

Investment process: Tailor-made investment management

Minimum risk portfolio is reviewed and modified on a quarterly basis to reflect changes in the liability structure

Investment approach tailor-made to maximise shareholder return on a risk-adjusted basis which takes the liability structure into consideration

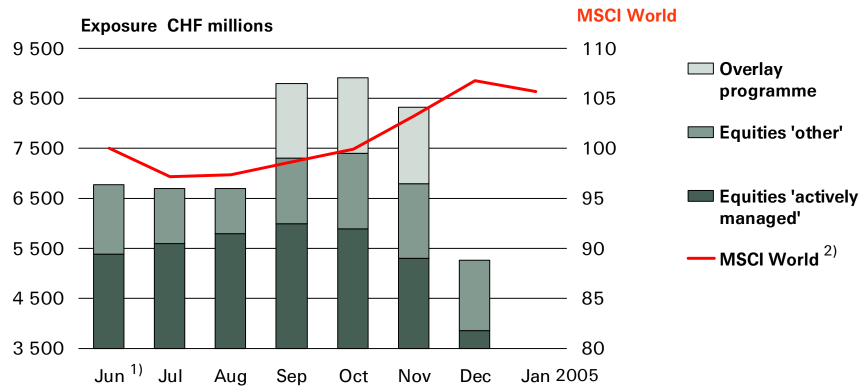
Minimum risk portfolio

L&H managed to yield	■ Duration mainly matched ■ Active credit spread management
Total return portfolios	■ Active duration management based on replicating portfolios ■ Active credit spread management
Economic net worth	■ Absolute total return approach across different asset classes

Swiss Re

Active investment management: Equity exposure management at work

Swiss Re pro-actively adapted its equity exposure to changing market conditions by using derivative instruments with limited downside risk



[1] restated to reflect reclassification of 'separate account assets' to 'assets held for linked liabilities'
[2] MSCI World Developed Total Return index, local currency

Swiss Re

Active investment management: Fixed income duration

- In anticipation of rising interest rates, Swiss Re remained defensively positioned in its total return portfolios at the beginning of the year
- In Q1 2005, US duration was tactically increased to 4.1 years to benefit from temporary peak in US interest rates

Duration fixed income portfolio	31.12.2004	31.03.2005	31.05.2005
■ L&H managed to yield	7.1	7.2	7.2
■ Total return portfolios	3.1	3.6	3.4
– US	2.8	4.1	3.7
– Rest of the world	3.3	3.1	3.0
Total	**4.7**	**5.2**	**5.1**
Duration liabilities total return portfolios*)	**4.3**	**4.3**	**est. 4.3**
Yield (US treasury 10y)	**4.22**	**4.48**	**3.99**

*) Based on volume of fixed income portfolio

Swiss Re

Active investment management: Capital gains realisation

A well diversified multi-asset class investment portfolio builds the foundation for regular capital gains realisation

Net realised investment gains of total return (non-life) portfolios

CHF millions	Total 2003	Total 2004	Change
Realised investment gains & losses	**909**	**1 112**	**203**
■ Fixed income	941	179	-762
■ Equities	558	683	125
■ Other *)	-590	250	840
Net impairments	**-586**	**-77**	**508**
■ Fixed income	-16	-16	0
■ Equities	-450	-22	427
■ Other	-120	-39	81
Total net realised investment gains	**324**	**1 035**	**711**

*) 2003 includes mark-to-market losses on equity overlay program

Swiss Re

Risk management process: Risk management framework

Risk limits are reviewed and approved by the Group Capital and Capacity Allocation Committee (GCAC)

- Measurement of financial market risk is achieved using the following primary methods
  - value-at-risk (VaR)
  - stress scenarios
  - exposure limits
  - notional limits
- All VaR and exposure limits are measured on a relative basis against the minimum risk portfolio benchmark (ALM approach)
- Risks are monitored, measured and managed on a daily basis by SRAM's Global Asset & Risk Management function in close cooperation with Group Risk Management
- Swiss Re Asset Management has a well developed operational risk (OR) framework consisting of OR policy, OR committee and OR management function

Swiss Re

Risk management process: Risk limit framework

More detailed risk limits reviewed and approved on a regular basis by the Group Chief Investment Officer

- Relative VaR limits (250d, 99%, VaR relative to the MRP benchmark) for equities, interest rates, foreign exchange and aggregate
- Stress test limits for equities
- Exposure limits
  - Public equities gross, long only physical stock holding limit
    - Detailed equity exposure limits (single stock, short stocks, industries, market indices etc.)
    - Equity certificates
  - Fixed income security type exposure limits (non-sovereign bonds, corporate bonds, agency bonds, MBS, ABS etc.)
    - Credit exposure limits (depending on portfolios ie L&H / non-life, overall / issuer limits, credit rating buckets etc.)
  - Alternative investments
  - Real estate

Swiss Re

Risk management process: Usage of risk capacity

Currency risk is measured relative to a basket of the most important currencies

Risk figures change over time both due to strategy shifts in Swiss Re's investment portfolio and changes in the replicating benchmark portfolio

Development of value at risk (1y, 99%) in CHF billions

	30.06.04	30.09.04	31.12.04	31.03.05
Equities	3.7	3.8	2.8	2.9
- Asset Management's positions	2.7	2.9	2.1	2.2
- Strategic positions	1.0	1.0	0.8	0.8
Interest rates	0.7	1.1	0.6	0.6
Foreign exchange rates	1.0	0.6	0.8	0.9
Real estate	0.8	0.8	0.8	0.8
- for investment	0.4	0.4	0.4	0.4
- for own use	0.3	0.3	0.3	0.3
Credit spreads	2.2	2.1	1.8	1.9
Aggregate financial market VaR	4.9	5.4	4.3	4.2

Note: VaR figures are obtained from the Group risk model including all cross category dependencies

Swiss Re

Update on investment position: 2005 early year tactics

Fixed income

- Tactically increased duration for total return portfolios in Q1 2005
- Lowering US total return duration at 10y rates around 4%
- Reduced "lower quality" credit exposure since late 2004

Equities

- In anticipation of a short-term market correction, Swiss Re maintained its reduced exposure to equities
- Began rebuilding net exposure in early May
- Continued to favour European and Asian over US stocks

Alternative investments including real estate

- Continued solid performance particular from private equity fund-of-funds
- Current focus for additions to the portfolio are in Asian, indirect real estate and sustainability investments

Swiss Re

Update on investment position: Corporate bond exposure

- The average quality of the overall fixed income portfolio is AA+
- Corporate bonds represent 21% of the total fixed income portfolio
- Pro-active sales of both GM and Ford corporate bonds totaled CHF 184m since June 2004
- As of end of May, GM corporate bond exposure was CHF 157m, while Ford totaled CHF 137m
- High yield corporate bond exposure (incl. GM and Ford) is modest with 1.5% of total fixed income portfolio
- Since late 2004, Swiss Re has reduced lower quality credit exposure by some CHF 1bn (5% of corporate bond portfolio)
- Swiss Re Asset Management has an immaterial amount of CDO's, below CHF 25m

Swiss Re

Summary

- Funds not replicating liabilities are managed in an absolute return framework maximising shareholders risk-adjusted return
- Funds are managed relative to the minimum risk portfolio and customised to the specific requirements and constraints of the liability structure
- Investment risk at Swiss Re is measured and monitored relative to the liability side of the balance sheet and the Group's overall capital adequacy
- Usage of risk limits can vary substantially within a defined limit framework based on the assessment of the risk/return profile of an asset class

Swiss Re

Capital adequacy and outlook

Ann Godbehere
Chief Financial Officer

Swiss Re

Principles of capital management

- Determination of appropriate level of capitalisation (available and required) is done on a group-wide basis
- Capital requirements on a legal entity basis are fulfilled as prerequisite for doing business
- Swiss Re actively manages capital and risk appreciating the different relevant views for capital adequacy:
  - internal economic view
  - rating agencies' capital models
  - regulatory solvency capital models
- Swiss Re steers (underwrites, limits, monitors and measures) its business based on the internal model; where other views are constraints, these are considered

One group, one capital base

Available capital: Internal view

Swiss Re

CHF millions	30.06.2004	**31.12.2004**
Shareholder's equity	19 386	19 177
+ Mark-to-market adjustments [1]	542	1 184
+ Non-life and L&H valuation adjustments [2]	9 033	8 471
+ Equalisation reserves	1 403	1 177
+ Hybrid capital [3]	3 360	4 252
- Goodwill	- 2 777	- 2 482
- Tax and other	- 2 503	- 2 472
Total available capital	**28 444** [4]	**29 307**

[1] Includes fixed income securities excl. L&H, investments in real estate, own-use property

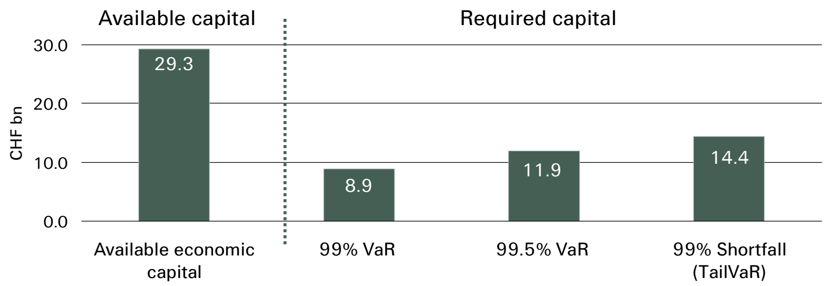
[2] Includes discounting of non-life reserves, Life & Health's value not recognised in the balance sheet and other

[3] Includes CHF 1 020m mandatory convertible issued in July 2004 which received full equity credit from Moody's and S&P

[4] Adjusted for foreign exchange movements: CHF 27.4bn

Capital adequacy: Internal view (per 31.12.2004)

Swiss Re

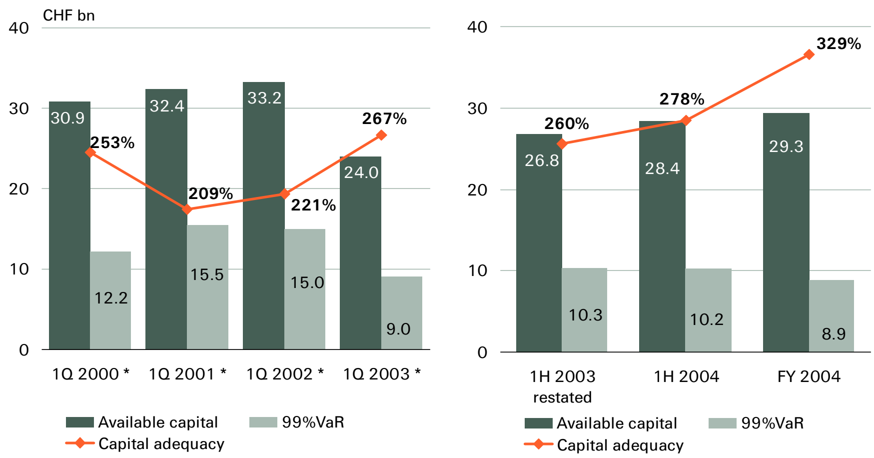


- CHF 8.9bn represents the difference between the expected result and an adverse result with a frequency of once in 100 years
- CHF 11.9bn broadly reflects BBB capital requirements (once in 200 years)
- Available economic capital to 99% VaR = 329%
  to 99.5% VaR = 246%

Even after an extremely adverse year Swiss Re's financial strength remains very strong

Active management of capital and risk 2001–2004

Swiss Re



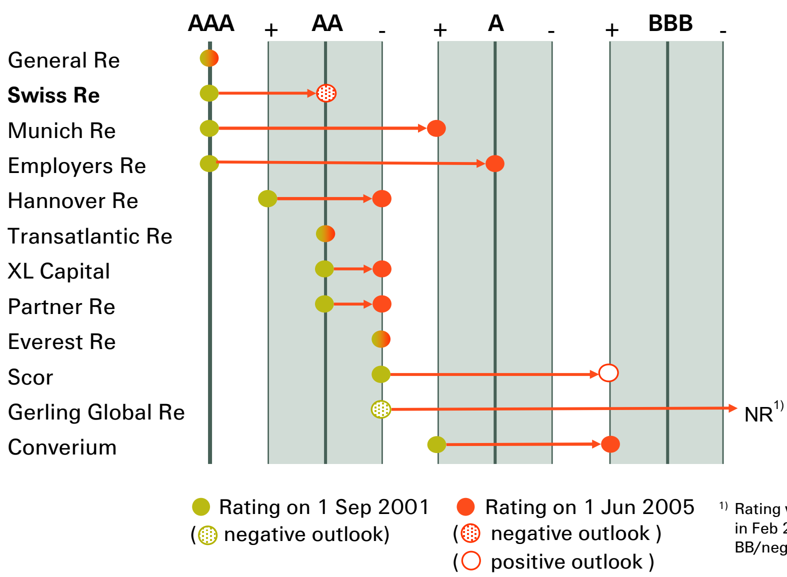
Swiss Re's capital adequacy has significantly strengthened since 2000, supporting average annual double digit top line growth in all three business groups

* Limited comparability between different years due to model changes

Investors' day
15.06.2005

S&P financial strength ratings September 2001 to June 2005

Swiss Re



1) Rating withdrawn in Feb 2003 at BB/negative outlook

Investors' day
15.06.2005

Swiss Re

Assessment of capital adequacy

- Superior financial strength is part of Swiss Re's value proposition to its clients
- Event strategy is to emerge from a major loss event with financially strong rating to exploit opportunities
- External constraints and restrictions are considered
  - Rating agencies' capital adequacy models
  - Regulatory developments, incl. Solvency II, Swiss Solvency Test
- Retained earnings as efficient source to finance growth

Swiss Re

Outlook

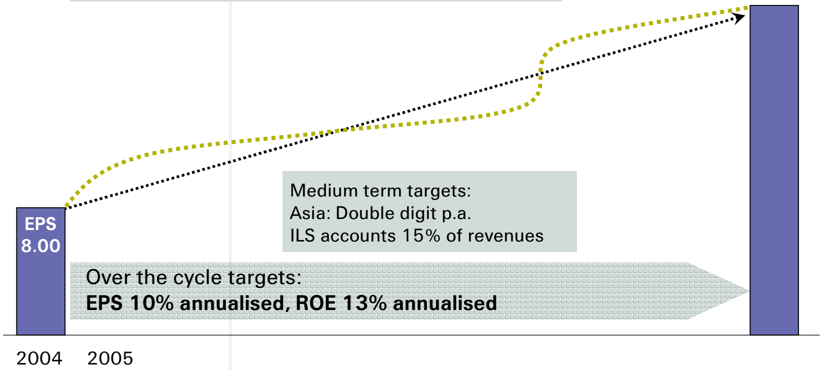
- P&C: Assuming a normal claims burden, Swiss Re expects combined ratio for 2005 to be in the region of 96%
- L&H: Strongly positioned to meet return on revenues target of 9% in 2005, attractive opportunities for expansion of Admin Re^{SM}
- FS: Expansion of ILS and fee income
- Investments: Expect interest rates to rise especially in the US, moderately positive on equities
- Overall: Operating performance expected to further improve in 2005

Swiss Re is only pure play reinsurer of significant size available

Swiss Re

Overview of targets

Targets 2005:
- P&C: 96% combined ratio
- FS: 95% combined ratio (premium business)
- FS: 15% return on total rev. (fee business)
- L&H: 9% return on operating revenues



Scenarios 2015:
- **Industry**
  - World insurance to grows above GDP (from 8% to 9%)
  - Emerging markets increase in importance (from 12% to 17%)
  - Securitisations grow to 5% of worldwide premiums
- **Swiss Re**
  - Grow market share 1% over the cycle (peak to peak)
  - Securitisations reach 30%

Swiss Re

"Making strategy work"

Vision 2015

Swiss Re's view on the industry and consequences for Swiss Re in the next ten years

Four strategic priorities

I Actively manage the cycle for profits
II Optimise organic and transactional growth
III Extend leadership position in Asia
IV Accelerate the balance sheet through risk securitisation

Organisational alignment

Corporate Centre

Products | Client Markets | Financial Services

Superior financial strength, risk management, people skills, product knowledge, client relationship

Swiss Re

Appendix

- Economic combined ratios 2003
- Underwriting steering values
- Case study: Arbor program
- Case study: Vita Capital II Ltd.

Swiss Re

Property & Casualty Business Group: 2003 treaty year combined results

Treaty year 2003	Nominal combined ratios	Average duration in years	Average discount rate	Discount effect as % of premiums	Economic combined ratios[1]
Property	78%	2.3	2.6%	2%	76%
Liability	96%	6.6	3.6%	14%	82%
Motor	101%	3.4	3.2%	7%	94%
Accident	95%	5.1	3.1%	9%	86%
Other	95%	3.3	2.8%	4%	91%
Total	**91%**	**3.9**	**3.3%**	**7%**	**84%**

[1] All premiums, claims and costs discounted

- The discount effect is the difference between nominal expected cash flows and discounted cash flows
- All pricing uses discounted cash flow assumptions, so expected payment patterns are a key element of the process
- The discount rate depends on when cash flows will occur and the currency

Approximating the 2003 published result from treaty year information

Swiss Re

	Nominal treaty year 2002	Nominal treaty year 2003	Blended ratio	Prior year impacts	Partial discounting in US	Retro and other	Published combined ratio in 2003
Property	86.8%	77.5%	81.7%	-2.8%		1.6%	80.5%
Liability	102.7%	96.2%	99.1%	17.8%	-0.8%	0.3%	116.4%
Motor	105.3%	101.0%	102.9%	-2.2%		1.7%	102.4%
Accident	111.6%	95.4%	102.7%	0.0%	-3.4%	0.0%	99.3%
Other	105.1%	95.1%	99.6%	0.0%		0.5%	100.1%
Total	**98.6%**	**90.7%**	**94.3%**	**3.5%**	**-0.5%**	**1.1%**	**98.4%**

- The blended ratio for published 2003 comprises 45% of the 2002 treaty year and 55% of the 2003 treaty year; this is driven by the inception dates and earning patterns of the underlying business
- Large claims for these treaty years were fairly consistent as a percentage of premium; this simplified ratio would not be appropriate if the underlying incidence of large claims was markedly different

How capital costs influence relative performance

Swiss Re

The property result in 2003 benefited from a lower than expected large claim load. Normalised for large claims, the return on capital for property as well as for the total portfolio would be 19%.

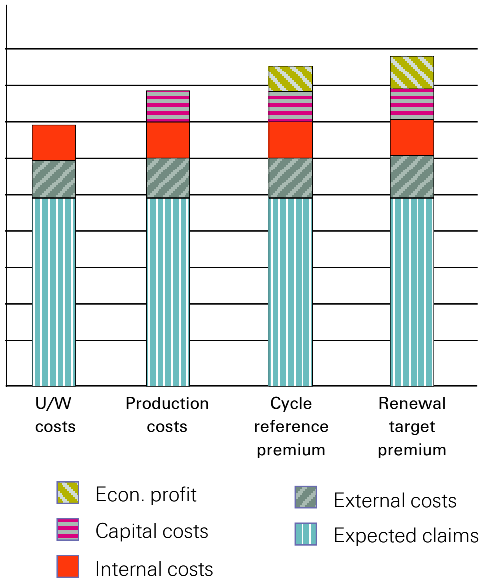
Treaty year 2003	Nominal combined ratios	Economic combined ratios[2]	Result as % of premiums	Capital allocation as % of premium[1]	Return on capital pretax[1]
Property	78%	76%	24%	82%	29%
Liability	96%	82%	18%	97%	19%
Motor	101%	94%	6%	37%	16%
Accident	95%	86%	14%	97%	14%
Other	95%	91%	9%	40%	22%
Total	**91%**	**84%**	**16%**	**70%**	**23%**

[1] Illustrative
[2] All premiums, claims and costs discounted

- These examples assume that total capital is 70% of total premiums
- For each line of business or segment, capital is allocated depending on its specific characteristics in terms of risk, regulatory requirements and rating agency requirements
- Allocated capital is sufficient for the full life of the business written
- **The return on capital excludes the investment income on the capital itself, corporate centre costs, tax and leverage**

Underwriting steering values: Definition of key measures

Swiss Re



- **Cycle reference premium (CRP)**:
  Price to be charged in order to achieve an average performance over a full cycle
- **Renewal target premium (RTP):**
  Set to produce the economic profit margins planned for the next year
- All values discounted at risk free rate

The Arbor program

Swiss Re

- Provides Swiss Re with payments related to North Atlantic hurricane events, Europe windstorm events, California earthquake events, and Japan earthquake events
- Maximum aggregate principal amount permitted to be outstanding at any time is USD 1bn for each issuer
- Parametric index triggers – an adaption of a pure parametric trigger
  - Uses more refined locations and applies different weights to each location to reflect Swiss Re's exposure to events in the area

Swiss Re

Arbor program summary

	Issuance (as of March 05) in USD millions	Covered perils	Annualised expected loss [a]	Rating [b]	Latest pricing
Palm Capital	41.35	North Atlantic hurricane	1.28%	BB+/Ba3	LIBOR + 500
Oak Capital	58.10	Europe windstorm	1.27%	BB+/Ba3	LIBOR + 350
Sequoia Capital	45.00	California earthquake	1.28%	BB+/Ba3	LIBOR + 450
Sakura	14.70	Japan earthquake	1.29%	BB+/Ba3	LIBOR + 450
Arbor I	269.65	All of the above	4.86%	B/NR	LIBOR + 1225

[a] As estimated by EQECAT
[b] Standard and Poor's, Moody's

Swiss Re

Vita Capital II Ltd.: Background I

- On 13 March 2005, Swiss Re successfully closed its second life catastrophe bond and obtained USD 362m of mortality risk coverage through the Vita Capital II program
- Swiss Re receives protection in the event of severe population mortality
- Coverage is based on a combined mortality index, which applies predetermined weights to the annual general population mortality in the United States, United Kingdom, Germany, Japan and Canada

Swiss Re

Vita Capital II Ltd.: Background II

- The principal of the Vita Capital II notes begins to be at risk if, during a measurement period of any two consecutive years within the risk coverage period, the combined mortality index exceeds predefined percentages of the expected mortality level (120% for Class B, 115% for Class C, 110% for Class D)
- Details of the issuance are as follows:

	Class B	Class C	Class D
Securities sold	UDS 62 m	USD 200 m	USD 100 m
Expected maturity	2010	2010	2010

Swiss Re

Corporate calendar & contacts

25 August 2005	Interim results 2005, Analysts' meeting
November 2005	Investors' day

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