



Swiss Re completes second securitisation of in-force life insurance policies worth USD 370 million

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Zurich, 28 December 2005 – Following its first transaction in January 2005, Swiss Re has now successfully completed another securitisation of future profits from a portfolio of US life insurance policies. The ALPS transaction is a USD 370 million issue and benefits Swiss Re by transferring insurance risk to the capital markets, thereby increasing capital efficiency.

John H. Fitzpatrick, Head of Swiss Re's Financial Services Group, commented: "One of Swiss Re's strategic objectives is to increase the amount of insurance risk we make available to capital market investors. The ALPS transaction represents the latest development in achieving this goal in a cost-effective manner. By packaging and selling a pool of future life insurance cash flows, Swiss Re is successfully increasing the velocity of its balance sheet."

The issue, which closed on 23 December 2005, was purchased by a variety of institutional investors. It consists of four separate tranches of securities with a weighted average coupon on the notes of 6.7% and an average maturity ranging between two and eleven years. Two of the tranches are floating-rate notes; the others carry a fixed-rate coupon. Series A and B are covered by a financial guarantee policy provided by XL Capital Assurance (UK) Ltd. and therefore carry a AAA / Aaa rating from S&P and Moody's respectively.

	Series A	Series B	Series C	Series D
Securities sold	USD 220m	USD 90m	USD 30m	USD 30m
Average maturity	2.3 years	6.6 years	9.2 years	10.4 years
Rating (S&P / Moody's)	AAA / Aaa	AAA / Aaa	BBB / Baa1	BB / Ba1

The securitisation relates to the expected future profits from four portfolios of life insurance business previously acquired by Swiss Re through Admin ReSM transactions. The investor return is subject to various factors reflecting the risks of the underlying business, including mortality, persistency and investment risks.

Of the USD 370 million in proceeds, USD 45 million will go into a reserve fund and USD 325 million will be paid as a ceding commission to Swiss Re.

By transforming insurance risk into a tradable security, Swiss Re is converting intangible assets which would only emerge over time into cash. In addition, the transfer of risk to the capital markets allows Swiss Re to manage its capital more effectively. As a result, shareholder return on the risks flowing through Swiss Re's balance sheet is improved.

This is not an offer to sell or the solicitation of an offer to buy securities. The securities sold by ALPS Capital II plc have not been, and will not be, registered under the U.S. Securities Act of 1933 and may not be offered, sold or delivered in the United States, except in transaction registered under the Securities Act or in a transaction that is exempt from registration.

Notes to editors

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 currently has the following ratings: (i) from Standard & Poor's: long-term counterparty credit, financial strength and senior unsecured debt ratings of "AA (CreditWatch negative)", and a short-term counterparty credit rating of "A-1+", (ii) from Moody's: insurance financial strength and senior debt ratings of "Aa2" (on review for possible downgrade), and a short-term rating of "P-1" and (iii) from A.M. Best: a financial strength rating of A+ (superior) (under review with negative implications).

Admin ReSM - Admin ReSM is the acceptance of a closed block of in-force life and health insurance business either through acquisition or reinsurance, typically assuming the responsibility to administer the underlying policies. Admin ReSM can also extend to the acquisition of an entire life insurance company. Admin ReSM provides the benefits of reducing administrative costs and freeing up capital .

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:

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- the impact of future investments, acquisitions or dispositions, and any delays, unexpected costs or other issues experienced in connection with any such transaction, including the ability to efficiently and effectively integrate the GE Insurance Solutions operations into our own;
 - cyclicalities 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.