

News release

Swiss Re's closed book business ReAssure to acquire 1.1 million Legal & General life policies for GBP 650 million

- Swiss Re has agreed to purchase 1.1 million life policies from Legal & General for GBP 650 million
- Agreement is consistent with ReAssure's strategy, strengthens its market position in the UK
- Transaction recognizes Swiss Re's expertise in acquiring and integrating large books of business and delivering attractive returns

Zurich, 6 December 2017 – Swiss Re has agreed to purchase 1.1 million life insurance policies from UK financial service provider Legal & General Group PLC (L&G) for GBP 650 million. These policies will be managed by ReAssure, a market-leading UK closed life book consolidator within the Swiss Re Life Capital business.

This move is consistent with Swiss Re's strategy to acquire closed life books in the UK. The policies – which include with-profit, unit-linked and savings products – will be transferred to ReAssure from Legal & General Assurance Society Limited, which is part of the L&G Group.

Thierry Léger, CEO of Life Capital, said: "We are delighted to have been able to acquire another attractive portfolio in the UK closed book market. This is an excellent fit with our strategy to grow ReAssure in order to create value for shareholders. Swiss Re remains committed to diversify its portfolio by accessing life and health risk pools via alternative channels, and ReAssure provides an excellent platform for growth."

As a result of this transaction, ReAssure Group will administer an additional 1.1 million policies, bringing the total number of owned or administered policies to approximately 4.7 million, while increasing ReAssure assets under management including investments for unit-linked and with-profit business by GBP 33 billion to approximately GBP 77 billion.

Matt Cuhls, CEO of ReAssure, said: "This is an exciting accomplishment that allows us to achieve economies of scale using our proven platform. After the successful integration of Guardian, we are confident in our capability to deliver once again. The UK closed book market is consolidating, and this deal allows us to do what we do best: integration, migration and the delivery of great customer service."

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Founded in 1836, L&G is one of the world's largest insurance and investment management companies with GBP 950 billion in assets under management. The transaction is subject to regulatory approval.

Swiss Re

The Swiss Re Group is a leading wholesale provider of reinsurance, insurance and other insurance-based forms of risk transfer. Dealing direct and working through brokers, its global client base consists of insurance companies, mid-to-large-sized corporations and public sector clients. From standard products to tailor-made coverage across all lines of business, Swiss Re deploys its capital strength, expertise and innovation power to enable the risk-taking upon which enterprise and progress in society depend. Founded in Zurich, Switzerland, in 1863, Swiss Re serves clients through a network of about 80 offices globally and is rated "AA-" by Standard & Poor's, "Aa3" by Moody's and "A+" by A.M. Best. Registered shares in the Swiss Re Group holding company, Swiss Re Ltd, are listed in accordance with the International Reporting Standard on the SIX Swiss Exchange and trade under the symbol SREN. For more information about Swiss Re Group, please visit: www.swissre.com or follow us on Twitter [@SwissRe](https://twitter.com/SwissRe).

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Certain statements and illustrations contained herein are forward-looking. These statements (including as to plans, objectives, targets, and trends) 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", "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 the Group's actual results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects to be materially different from any future results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects expressed or implied by such statements or cause Swiss Re to not achieve its published targets. Such factors include, among others:

- further instability affecting the global financial system and developments related thereto;
- further deterioration in global economic conditions;
- the Group'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 due to actual or perceived deterioration of the Group's financial strength or otherwise;

- 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 the Group's investment assets;
- changes in the Group'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 the Group'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 the Group's hedging arrangements may not be effective;
- the lowering or loss of one of the financial strength or other ratings of one or more Swiss Re companies, and developments adversely affecting the Group'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, morbidity and longevity experience;
- policy renewal and lapse rates;
- extraordinary events affecting the Group's clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- current, pending and future legislation and regulation affecting the Group or its ceding companies and the interpretation of legislation or regulations;
- legal actions or regulatory investigations or actions, including those 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. The Group 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.

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