



Swiss Re doubles net income to CHF 1.4 billion in first half 2004
Strong return on investment of 5.8%
Improved performance in all business groups

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Zurich, 26 August 2004 - Swiss Re's net income doubled to CHF 1.4 billion in the first half 2004. Total premiums earned were CHF 14.1 billion, a decline of 2% on 2003, as Swiss Re continued to underwrite selectively and focus on profitability. Swiss Re posted a strong return on equity of 15.6%, as shareholders' equity increased to CHF 19.4 billion from CHF 18.5 billion at the end of 2003. All business groups contributed to the strong performance, which was supported by an excellent investment result.

John Coomber, Swiss Re's Chief Executive Officer comments:
"Swiss Re is on track to deliver strong results in 2004, building on its performance in the first half year."

Net income doubles to CHF 1.4 billion

Swiss Re's first half 2004 earnings increased to CHF 1.4 billion or CHF 4.66 per share, compared with CHF 691 million, or CHF 2.23 per share, for the first half 2003. Annualised return on equity at 15.6% was above Swiss Re's average three year target of 13%. Net premiums earned declined 2% to CHF 14.1 billion.

Swiss Re produced an excellent investment result of CHF 3.1 billion in the first half 2004, due in part to equity gains. Return on investment was 5.8% compared to 4.8% for the same period in 2003.

All business groups performed well

Property & Casualty Business Group operating income grew 79% to CHF 1.5 billion. The combined ratio improved 3.7 percentage points to 96.1%. Premiums earned declined 4% to CHF 7.5 billion due to fewer non-traditional transactions.

In the Life & Health Business Group operating income increased 34% in first half 2004 to CHF 633 million. Return on operating revenues improved to 8.6% from 8.1% for the first half 2003. Premiums were stable at CHF 5.0 billion, although currency adjusted, underlying

growth was actually 4%. The business group further extended its Admin ReSM portfolio with the successful closing of the transaction with CNA Financial Corp. in the US. This week Swiss Re also completed the acquisition of Life Assurance Holding Corporation Ltd. in the UK.

Financial Services Business Group contributed operating income of CHF 359 million for the first half 2004, an increase of 32% over 2003. Premiums grew 2% to CHF 1.6 billion or 5% currency adjusted. Trading revenues and fee business improved with revenues increasing 11% to CHF 470 million compared to the first half 2003.

Jacques Aigrain named Deputy CEO of Swiss Re Group

Swiss Re's Board of Directors is pleased to announce that Jacques Aigrain will succeed Rudolf Kellenberger as Deputy Chief Executive Officer of Swiss Re Group with effect from 1 January 2005. Rudolf Kellenberger joined Swiss Re in 1978. In his successful career he headed Swiss Re's engineering department, was instrumental in establishing the Division Europe of the Property & Casualty Business Group and has held the position of Deputy CEO since 2000. Rudolf Kellenberger will retire in early 2005. Mr Aigrain will combine his new responsibilities with his current role as Head of the Financial Services Business Group. He joined Swiss Re in 2001 and has led the profitable growth of the Financial Services Business Group.

Outlook

Swiss Re remains optimistic about market fundamentals and is committed to delivering improved profitability. While the investment performance of the first half year may not be repeated in the second half, Swiss Re continues to expect good results for the full year 2004.

Media Conference and Analysts' Meeting

Swiss Re will hold a Media conference this morning at 11.30 CEST, 10.30 BST in London. Media not attending the conference will be able to dial in. The Media conference is followed by an Analysts' meeting at 15.00 CEST, 14.00 BST in London. Dial-in facilities are also available for the Analysts' meeting. For more information on both conferences please visit www.swissre.com.

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. Through its three business groups Property & Casualty, Life & Health and Financial Services, 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 is rated "AA" by Standard & Poor's, "Aa2" by Moody's and "A+" by A.M. Best.

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:

- cyclical nature 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.