

Swiss Re



Goldman Sachs

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Ann Godbehere

Chief Financial Officer

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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:

- 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.



Agenda

“Building on strength – delivering value”

- **Swiss Re profile**
Leading player in a growth industry
 - **GE Insurance Solutions update**
Compelling transaction providing bottom and top line growth
 - **2006 renewals**
2005 nat cats drive volume and economics of renewed business
 - **Summary**
-



Swiss Re at a glance

Leading position in P&C reinsurance (CHF 17.3bn NPE)

Leading L&H reinsurer (CHF 10.5bn NPE)

Leading provider of insurance-linked securitisation solutions
(CHF 3.4bn issued last 18 months)

Highly diversified portfolio by region and by line of business

Proven expertise in risk and capital management

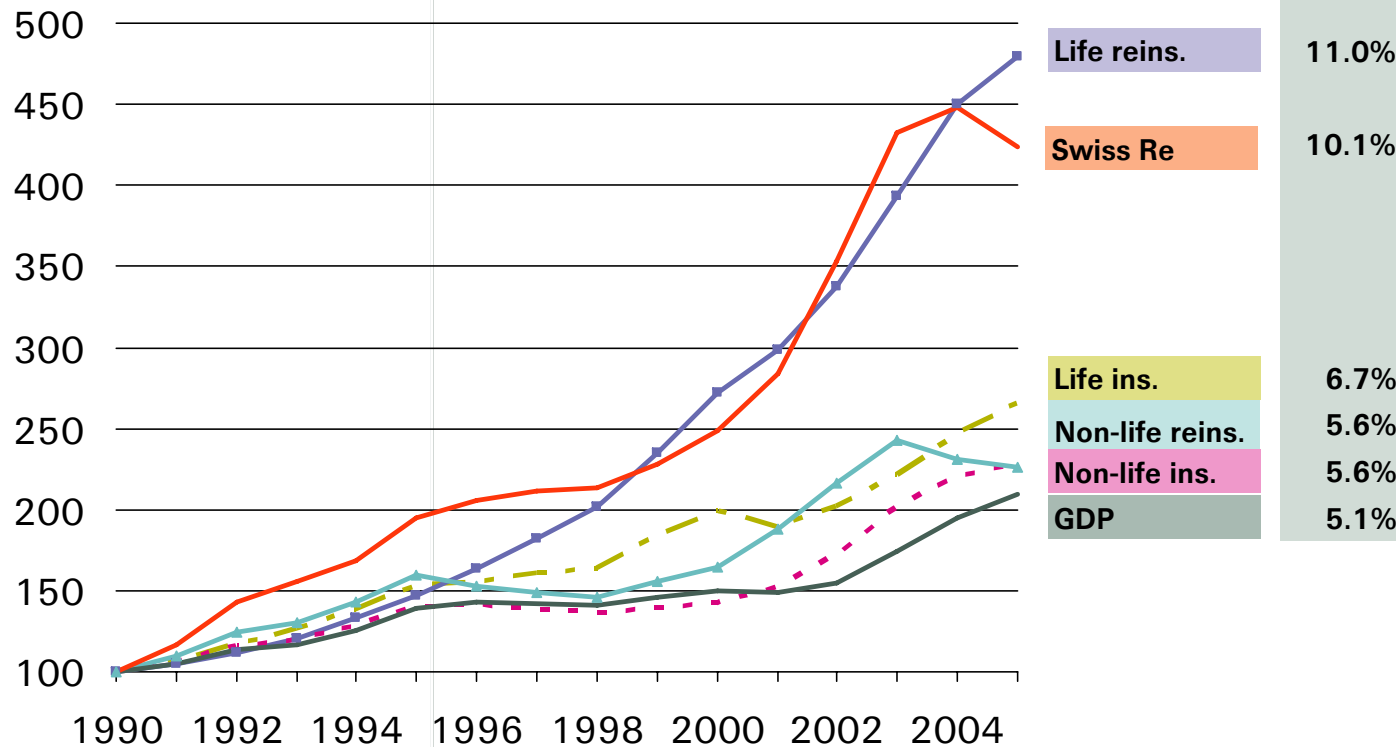
Strong corporate culture based on over 142 years of experience

Very strong capital base (AA ratings) and reserve position



Swiss Re is a leading player in a growth industry

Annual growth 1990 - 2005; nominal values



- Above GDP growth industry in the long run (exponentially in emerging economies)
- Swiss Re has outperformed becoming industry leader after GEIS acquisition
- Regulatory developments such as Solvency II benefiting large diversified players such as Swiss Re
- **Transactional growth such as GEIS is attractive alternative to organic growth in lower growth periods**

World reinsurance premiums in 2005* – life: USD 36bn; non-life: USD 132bn



Acquiring GEIS, Swiss Re consolidates its global leadership position

Top ten professional reinsurers by net premiums earned 2005 (USDm)

		P&C market share %*	L&H market share %*	
→	Swiss Re	22 336	10.6	20.7
	Munich Re	24 020	12.1	19.9
	Hannover Re	9 633	5.2	6.9
→	GE Insurance Solutions	7 136	3.5	6.3
	Gen Re	6 435	3.2	5.6
	XL Capital	5 009	2.1	5.5
	Berkshire Hathaway Re	3 963	3.0	--
	RGA	3 867	--	9.5
	Partner Re	3 599	2.4	1.1
	Transatlantic Re	3 385	2.6	--

Munich Re: Including intra-group transactions with NPE of USD 2 073m

Gen Re: Gen Re and Berkshire Hathaway Re combined had NPE of USD 10 398m

* Note that not all companies released their financial reports 2005. For companies that did not report figures of 2004 (e.g. CCR, Korean Re, Revios) were taken into account. Source: Strategy Development based on publicly available data



GEIS – a compelling transaction providing bottom and top line growth

<input checked="" type="checkbox"/> Powerful business fit	Complementary strengths
<input checked="" type="checkbox"/> Further strengthens Swiss Re's franchise	Swiss Re to become leading global reinsurer
<input checked="" type="checkbox"/> Cost reduction and optimisation	Expected cost synergies from staff/office reductions of at least USD 300m
<input checked="" type="checkbox"/> Strong reserve position	Total reserve strengthening in 2005 of USD 3.8bn before tax
<input checked="" type="checkbox"/> Financially highly attractive	Attractive price at discount to book value; EPS and RoE accretive in 2007
<input checked="" type="checkbox"/> Strong relationship with GE	GE to become largest Swiss Re shareholder; former GE Vice Chairman elected to Swiss Re BoD

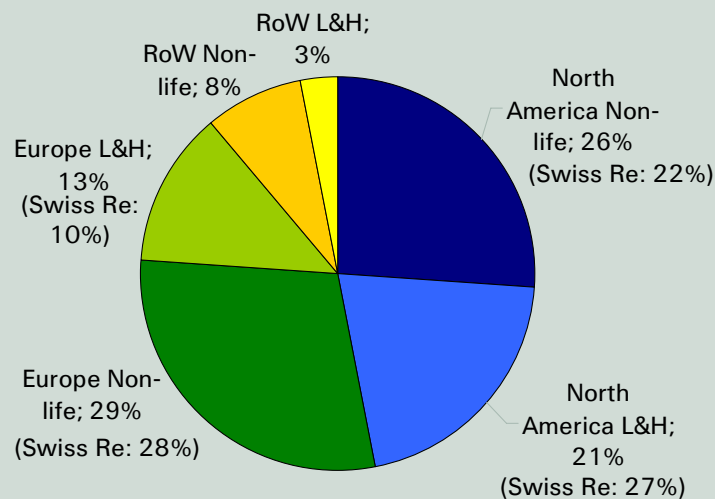
Transaction to accelerate quality of bottom and top line growth



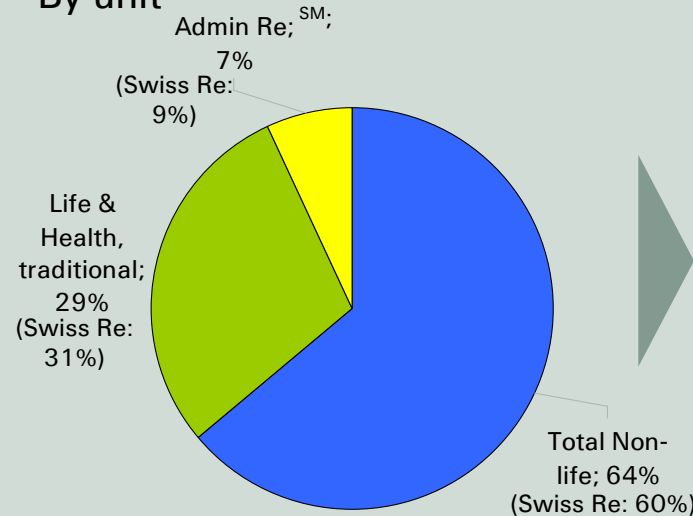
GEIS complements Swiss Re's well diversified book

Split of pro-forma Swiss Re / GEIS gross premiums written; total of CHF 39.7bn in 2005

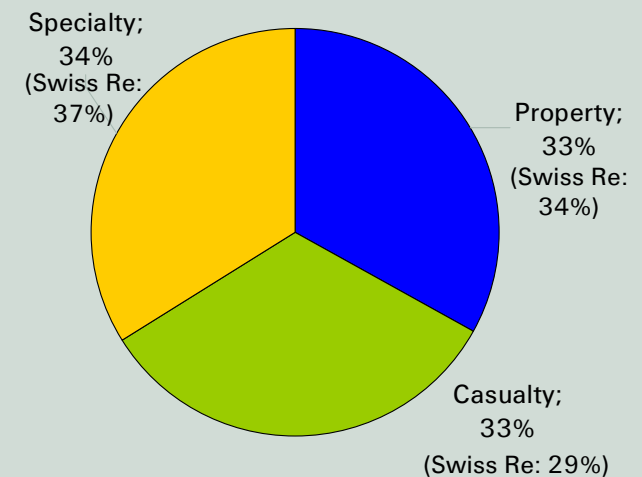
By region



By unit



Non-life by business



- Diversification ensures multiple sources of earnings and reduces volatility
- **GEIS will further diversify Swiss Re's book of business, in particular US regional non-life and European life businesses**



GEIS closing on track – thorough integration planning diminishes execution risk

-
- ☑ **Successful GEIS 2006 renewals: less attrition than anticipated and new business added**

 - ☑ **Rating agencies confirmed: no more than one notch downgrade**

 - ☑ **Integration and approval processes well on track**

 - ☑ **Well balanced financing structure**

 - ☑ **Swiss Re's strong acquisition and integration track record**

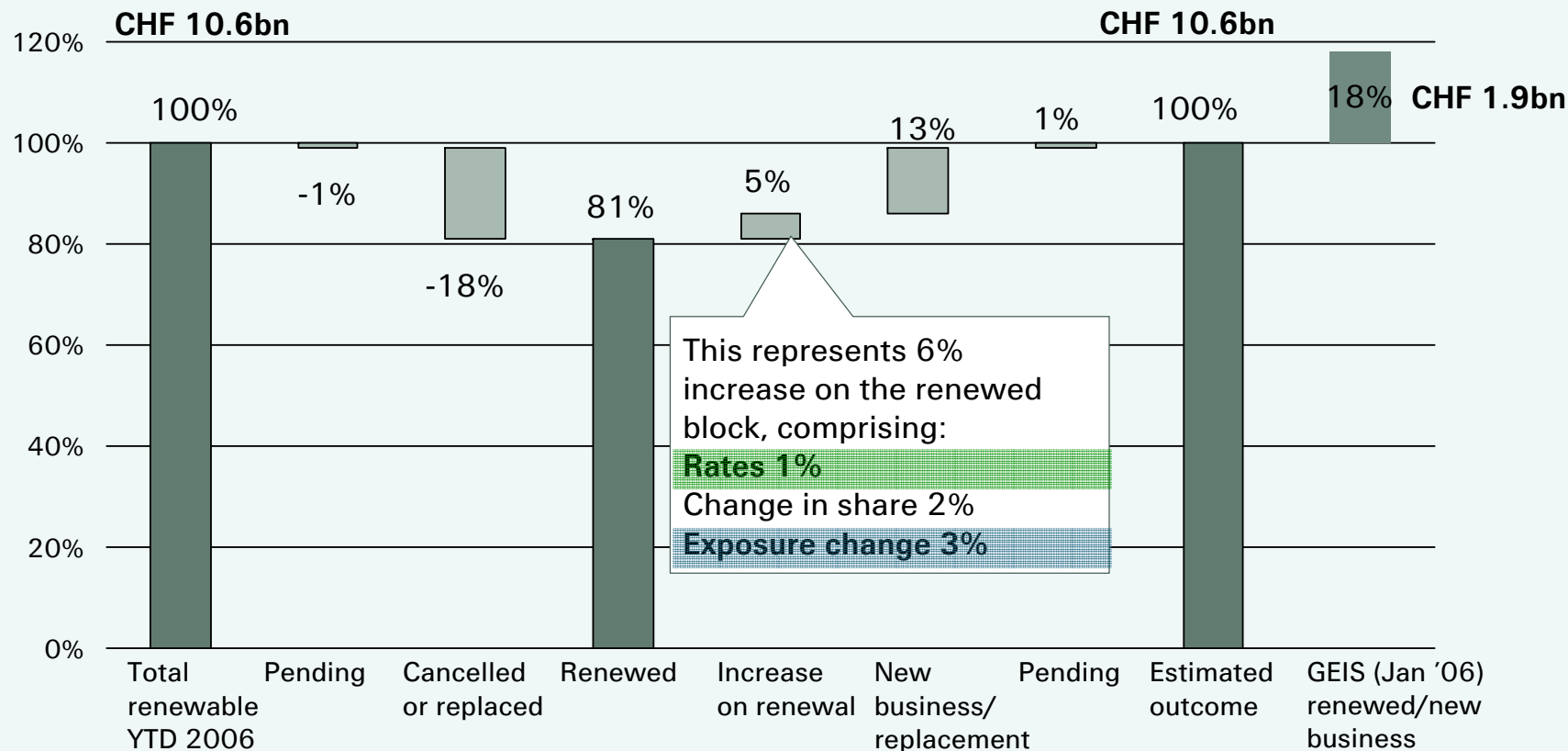
2006 renewals

Quality focus on renewal with added benefit of GEIS, which adds 18% to Swiss Re's renewed book

Swiss Re



YTD renewals of total traditional portfolio*



Rate changes are pure improvements of quality of our book and translate to 7% economic improvement

Increased loss expectancy and claims inflation are included in exposure change

* YTD renewal including April; all renewal figures are estimated and calculated at constant foreign exchange rates

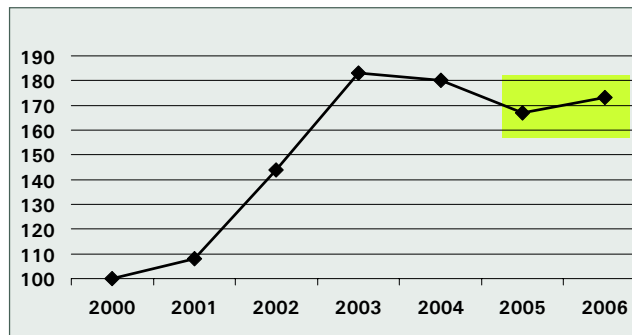


Swiss Re achieved attractive profitability levels at preferred terms

What Swiss Re said/expected*

Property, marine, nat cat US: "high double digit increases"

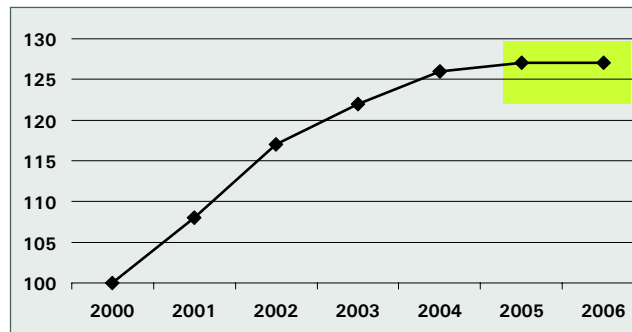
What Swiss Re achieved**



Property non-proportional

Hurricanes sharply reversed declining trend

Other property & casualty: "flat - single digit increases"



Total treaty proportional

Profitability maintained at high levels

"Swiss Re getting paid for AA balance sheet"

Preferred terms & conditions for AA balance sheet achieved on 25% of the renewed portfolio



Market outlook for July 2006 US renewals very attractive for Swiss Re as a net writer

Drivers

Retro market capacity shrinking on company withdrawals, while demand is up

Revised rating agency risk criteria and new/recalibrated cat models demand higher level of capital

Bermudan capacity substantially reduced by hurricanes in 2005

Tight capacity in US property markets, marine and energy

Market outlook

- Rates of cat exposed reinsurance business continue to rise substantially, in many cases by 100% or more
- Trend to CatXL programmes with lower loss frequency as primary companies increase their retentions
- Resurgence of interest in securitisation of cat risk as an alternative to retro
- Casualty and general reinsurance markets remain stable at levels that offer solid profit potential

Summary

Swiss Re strives to mitigate earnings volatility, deliver synergies and manage capital efficiently

Swiss Re



Lower volatility of earnings going forward

- Aimed at both sides of balance sheet
 - Liabilities: Further refinement of peak nat cat exposures, programme structures, etc.
 - Assets: Systematic downside protection of equity portfolio; recurring amount of capital gains
- **GEIS provides further diversification by client base and product**

Delivering on synergies

- Significant cost synergies in combined organisation
 - Get full benefit of scale
- **GEIS provides excellent opportunities to capture cost synergies of at least USD 300m per year first realised in 2007**

Efficient capital management

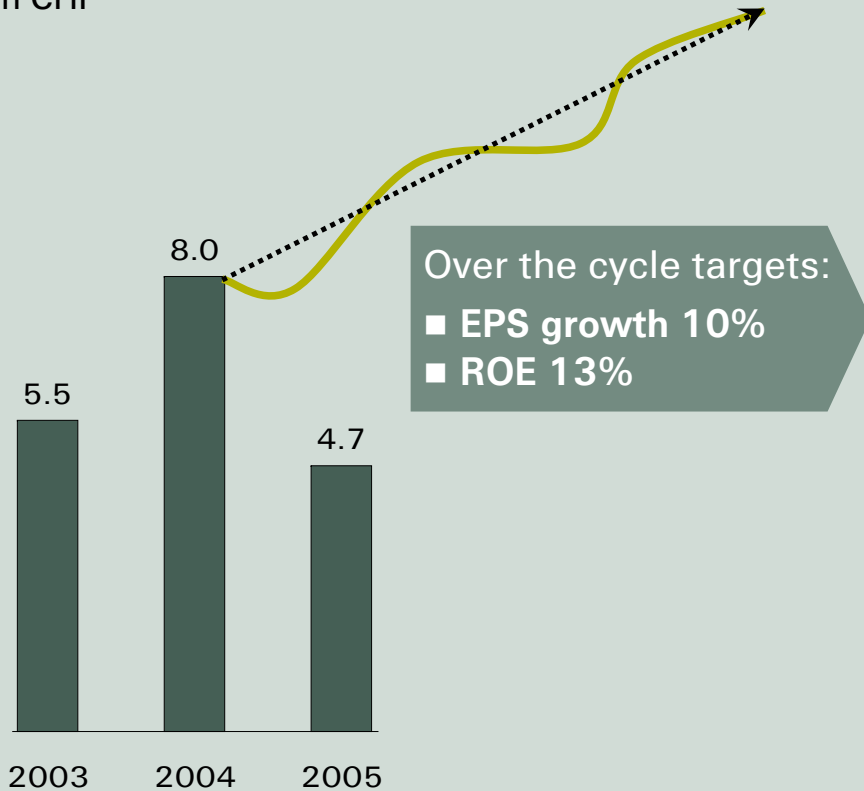
- Regulatory changes to benefit most advanced players
- Strong balance sheet in demand by Swiss Re's clients
- **Capital traps and inefficiencies at GEIS identified and addressed**



Overall performance supports
EPS growth and RoE targets

Earnings per share and RoE targets over the cycle

in CHF



Swiss Re confident for the future

- Legacy issues addressed
- Underwriting discipline and focus on business quality
- Yield on P&C assets
- Rising interest rates
- GEIS integration and synergies
- Growth opportunities in niches, specialties and client reach



Appendix

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European Financials Conf.
Barcelona, 7 June 2006

Slide 15



Swiss Re's ability to create value despite large events proven in 2005

Earnings

- Net income of CHF 1.5bn impacted by record natural catastrophe claims

Asset management

- Reliable investment performance with RoI of 5.7%

Property & Casualty Life & Health Financial Services

- P&C operating income decreased to CHF 1.0bn, reflecting an extraordinary year for natural catastrophes
- L&H operating income up 26% to CHF 1.6bn, reflecting continuing good mortality experience and higher realised gains
- FS operating income grew 15% to CHF 366m, driven by excellent performance in credit business

Sharehold.' equity

- Increased 20% to CHF 22.9bn reflecting earnings and strengthening of US dollar; capital adequacy further increased in 2005

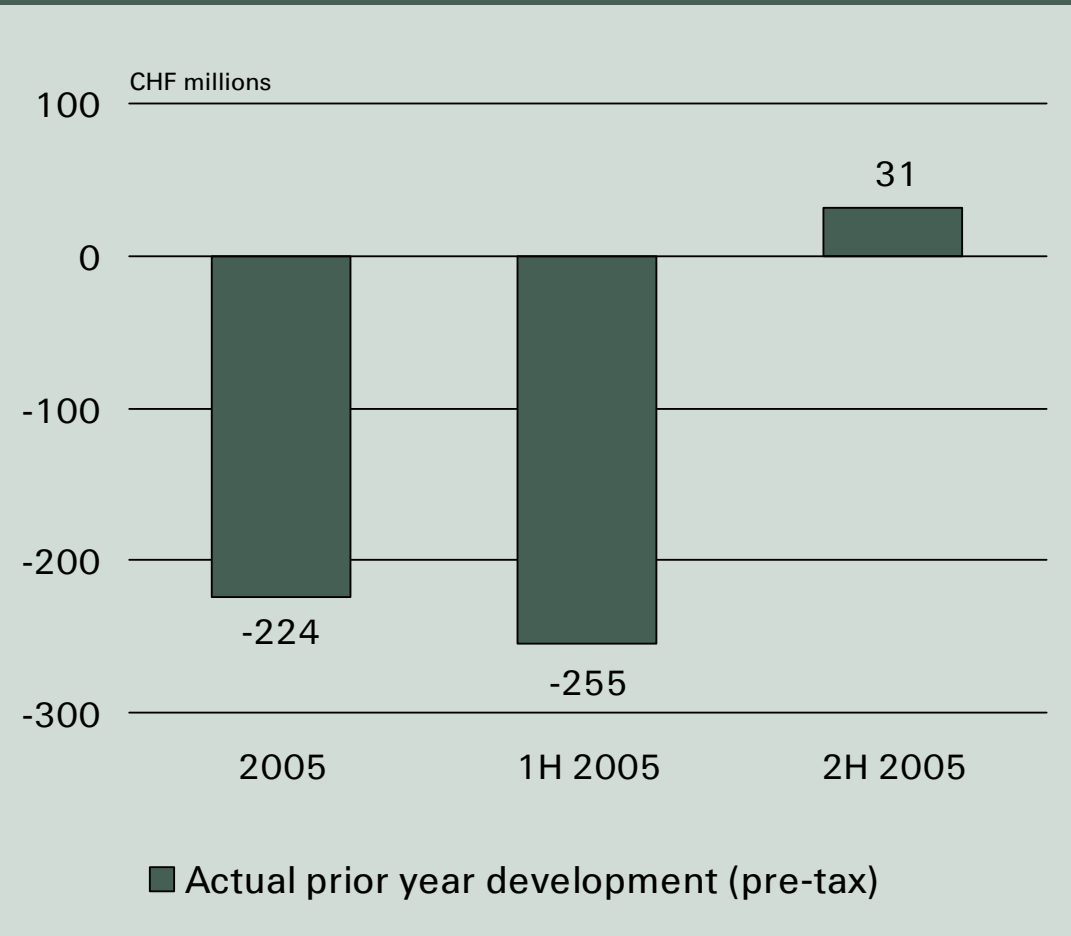
Dividend

- Substantial increase of 56% from CHF 1.60 to CHF 2.50 per share



Swiss Re's prudent reserving – legacy issues addressed

Adverse development in 2005

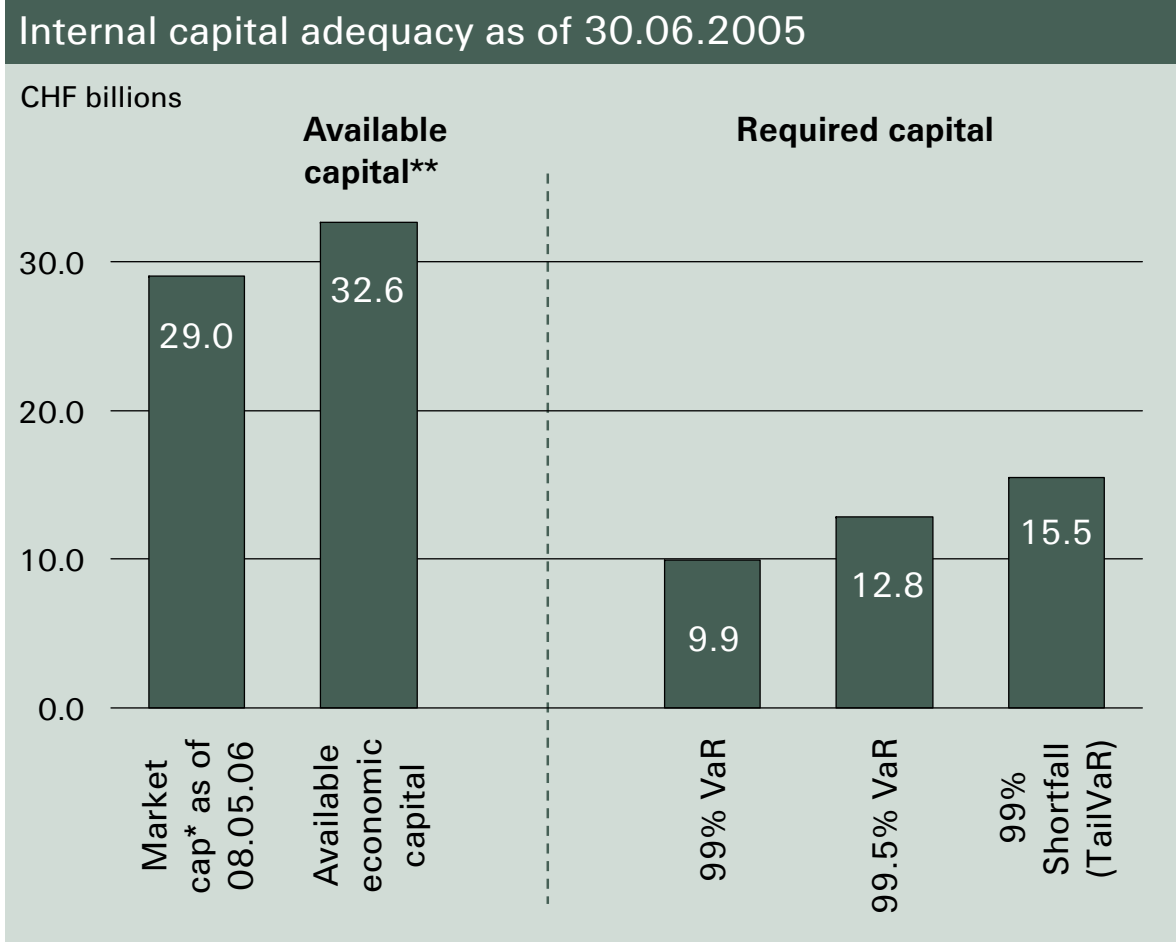


- Diversification of book of business reduces volatility in reserving
- Strengthening of liability reserves for US business written 1997-2001, mostly offset by releases in other lines (mainly property)
- 2H 2005 development was positive

- **GEIS reserves increased by USD 3.4bn pre-tax prior to closing**
- **Post transaction, combined non-life reserves approx. CHF 80bn, further reducing exposure to volatility in reserve developments**



Swiss Re's balance sheet equipped to absorb large events



- Available economic capital to:
 99% VaR = 329%
 99.5% VaR = 255%
 99% shortfall (TailVaR) = 211%
- Even after an extremely adverse year Swiss Re's financial strength remains very strong
- **GEIS financing package fully consistent with Swiss Re's strong capital adequacy**

* based on 310.5 million shares;

** incl. CHF 3.4 bn hybrid capital → non-dilutive to existing shareholders and MCS of EUR 672m

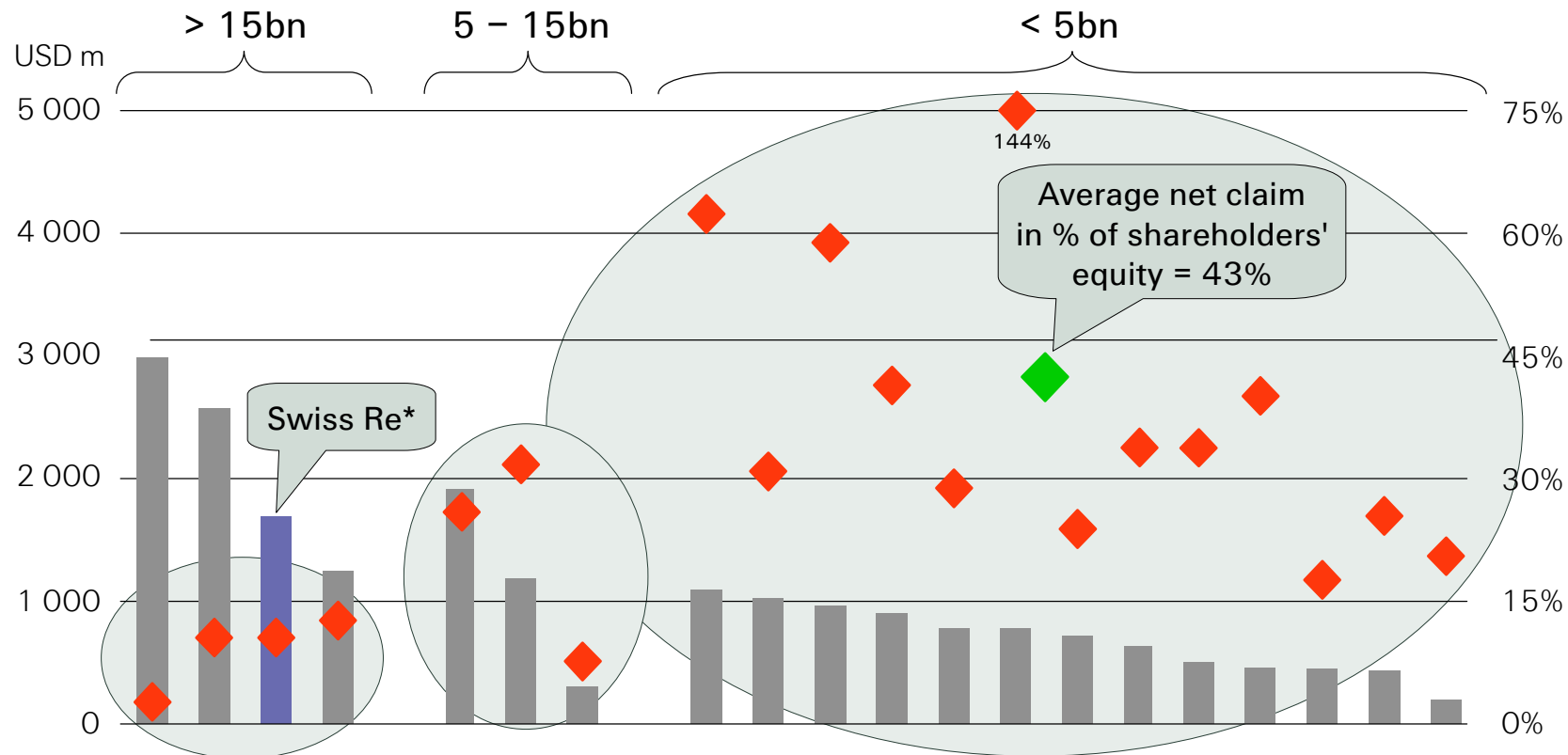


Katrina, Rita and Wilma (KRW)

Large caps equipped to handle large events

Capital of smaller less diversified companies significantly impacted by KRW hurricanes

Market capitalisation (USD)



Notes: Shareholders' equity as of 2004;
market cap as of 30.01. 2006

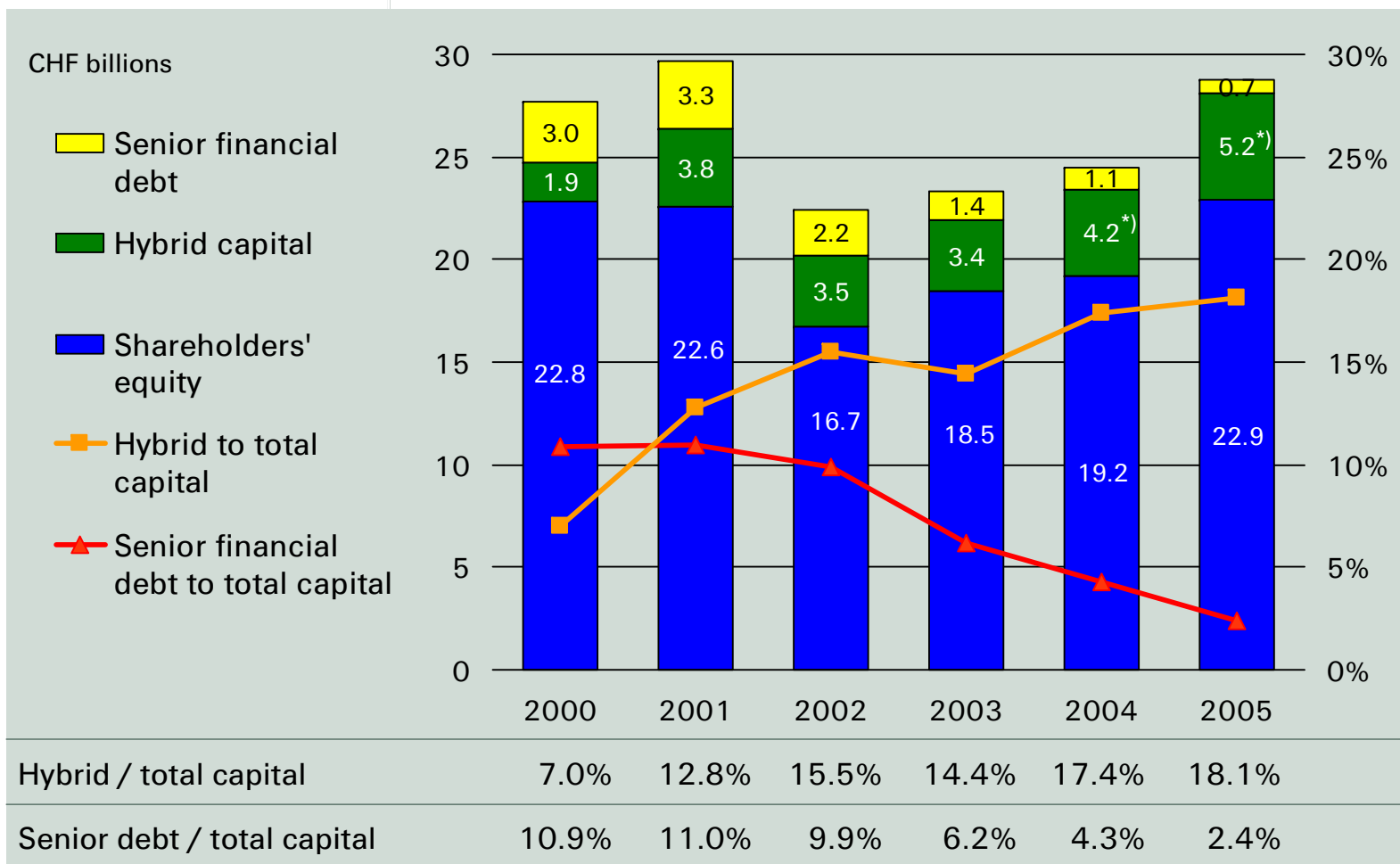
* Swiss Re claims estimate net of equalisation reserve release

■ Current net claims estimate (before tax)
◆ Net claim in % of shareholders' equity

Source: Company data



Swiss Re's effective capital management



- Swiss Re's value proposition includes commitment to prudent capital management
- At the same time financial flexibility and capital efficiency continue to increase over time
- **GEIS financing mix will include USD 2bn of hybrid capital**

^{*)} Incl. mandatory convertibles of CHF 1 011m in 2004 and CHF 1 107m in 2005, respectively, which received full equity credit from Moody's and S&P; accounted for as senior debt in financial statements



Swiss Re's record of acquisition successes

M&G Re
 GBP 1.7bn⁽¹⁾
 1996

- Swiss Re became the leading global L&H reinsurer
- Increased Swiss Re's size by 1/3
- Positive P&C reserve development

Life Re
 USD 1.8bn⁽¹⁾
 1998

- Admin ReSM: Swiss Re has completed more than 40 transactions (USD 4bn) since acquisition
- Significantly exceeded cost savings target

Underwriters Re
 USD 0.7bn⁽¹⁾
 2000

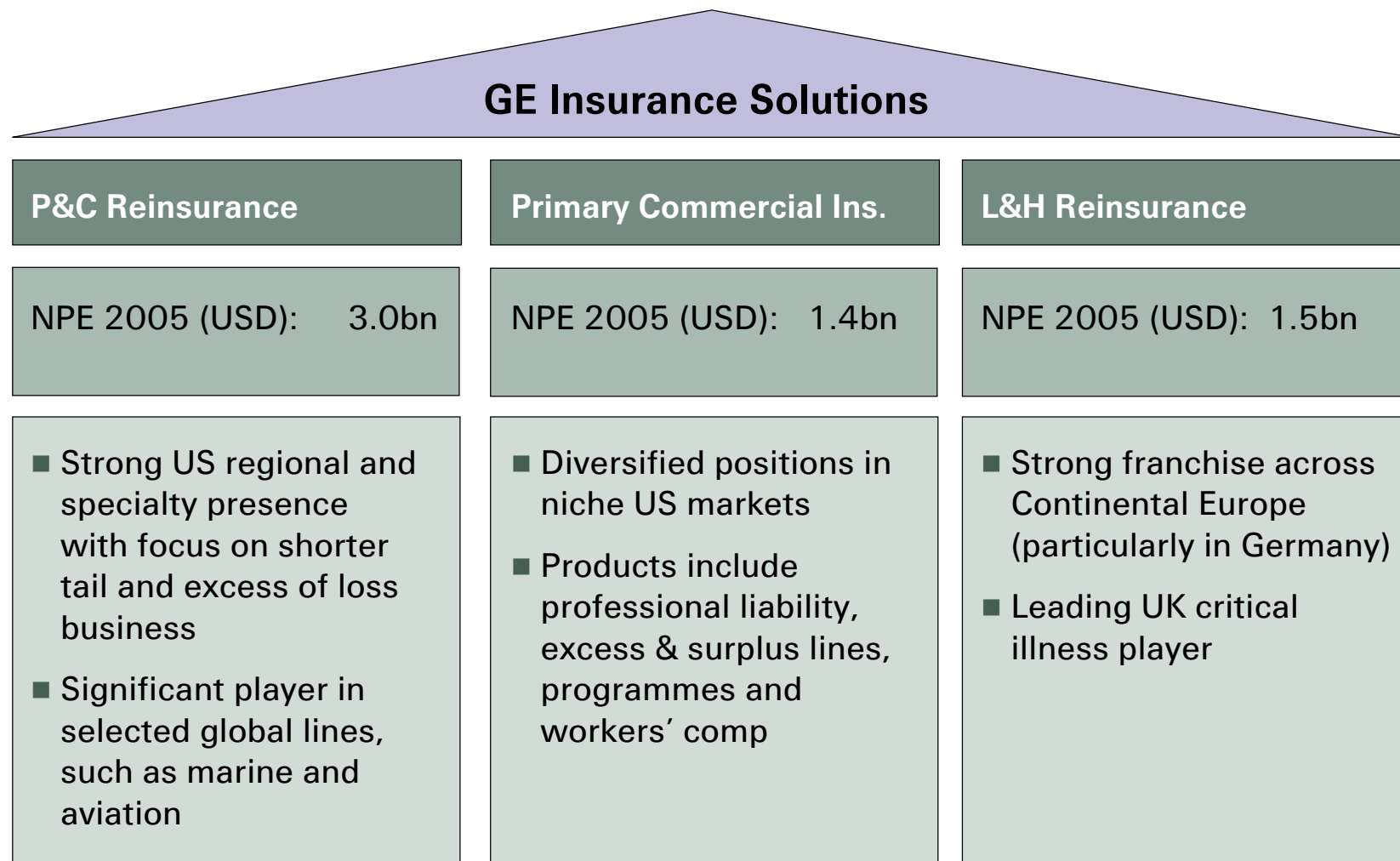
- Opened access to US broker channel
- Tripled in size since acquisition
- Positive P&C reserve development

Lincoln Re
 USD 2.0bn⁽¹⁾
 2001

- Strengthened leading L&H position in US
- Sophisticated mortality pricing tools
- Exceeded cost savings target



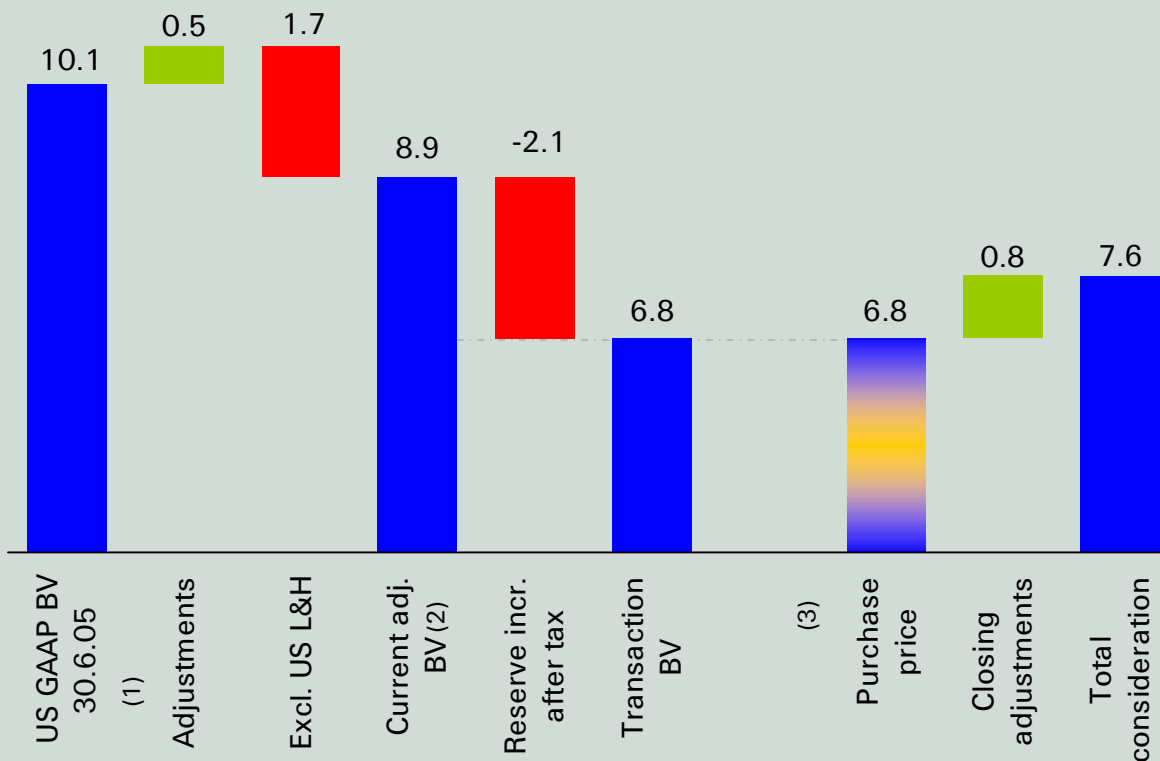
GEIS – the business Swiss Re buys





Acquisition at an attractive price as Swiss Re pays no premium for franchise

Book value reconciliation in USD billion⁽¹⁾



- Adjusted book value of USD 8.9bn
- Agreed purchase price of USD 6.8bn
- Implies book multiple of 0.76x
- Expected total consideration of USD 7.6bn including closing adjustments

Business acquired at approx. 1x transaction book value → no additional premium for franchise

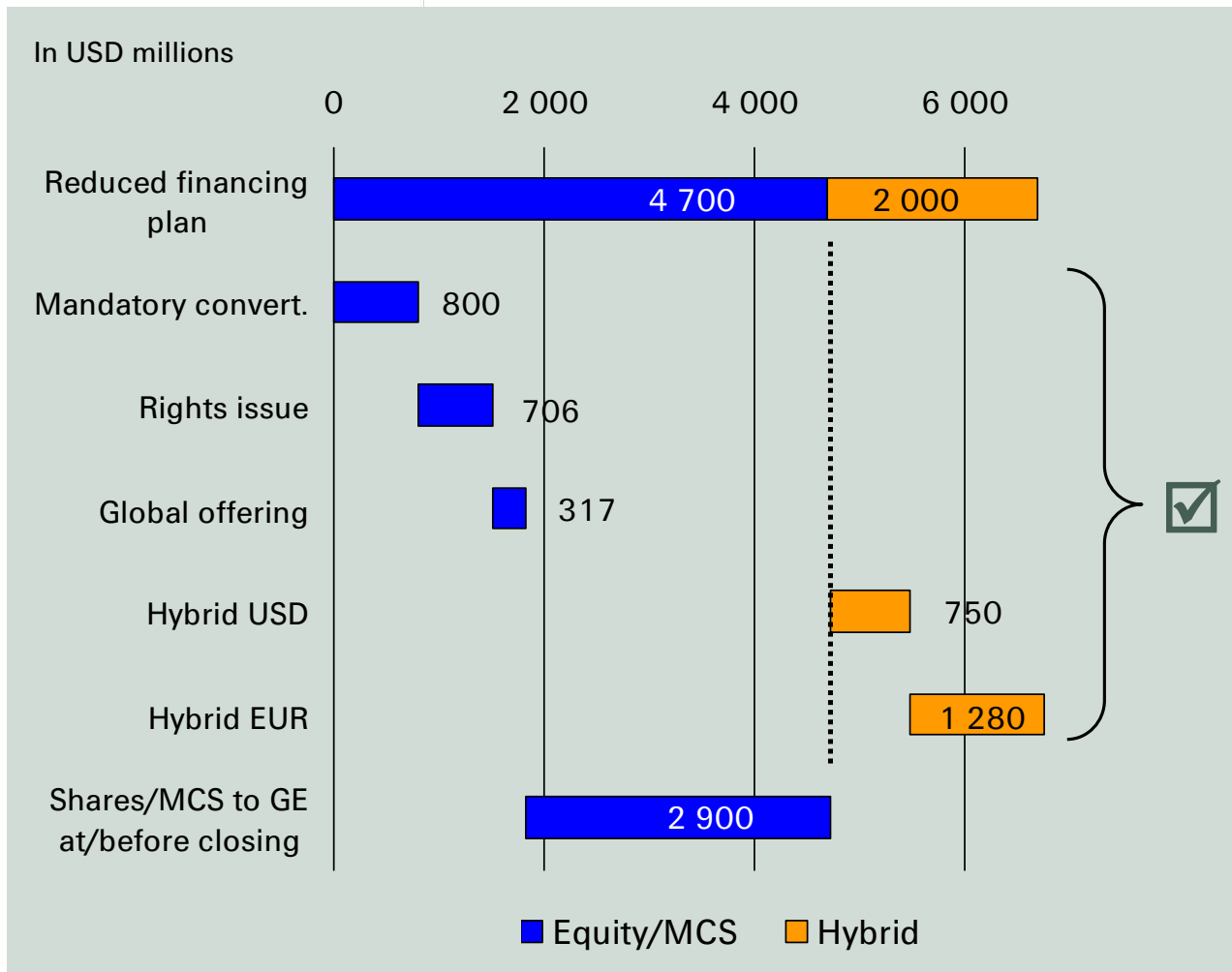
1) Includes change of GE Ins. Sol. retained earnings from 30.6.2005 to signing and GE capital contribution

2) Equals approx USD 3.4bn pre tax; Subject to applicable law and accounting rules

3) Includes change in GE Ins. Sol. retained earnings and net tax positions



Public equity and hybrid financing for GEIS successfully completed



Capital funding

- External capital financing reduced by USD 0.8bn to USD 6.7bn due to strong capital adequacy/operating cash flow
- High take-up of rights offering (69% of total equity raised) leaving small share for public offering, all priced at market
- Strong demand in global offering, allocations substantially reduced
- Equivalent of USD 2bn hybrid capital successfully placed – overwhelming demand multiple oversubscribed
- In addition, Swiss Re may issue other debt instruments to General Electric or the public to absorb trapped cash in GEIS regulated entities



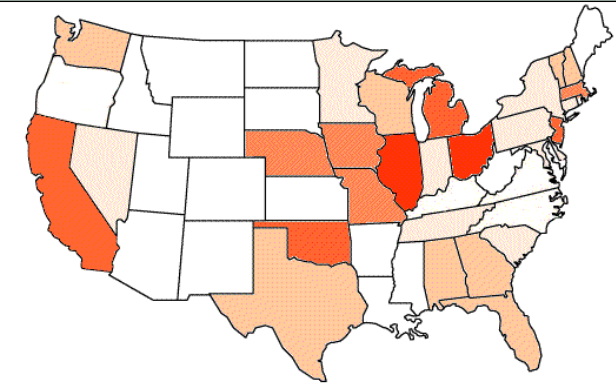
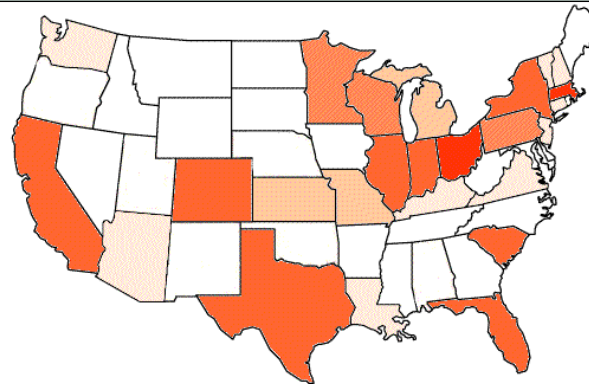
GEIS acquisition strengthens US regional presence

➔ Little client overlap

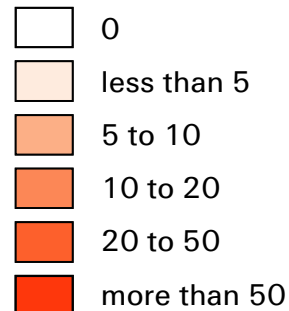
Direct regional P&C reinsurance business

Swiss Re America	Regionals:	15%
	Globals/Nationals:	84%
	Rest:	1%

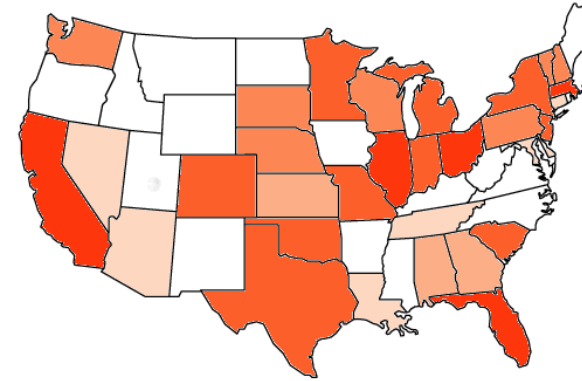
GE Ins. Sol.	Regionals:	35%
	Globals/Nationals:	43%
	Rest:	22%



Premiums assumed from regional cedents per state (2003)
(in USDm)



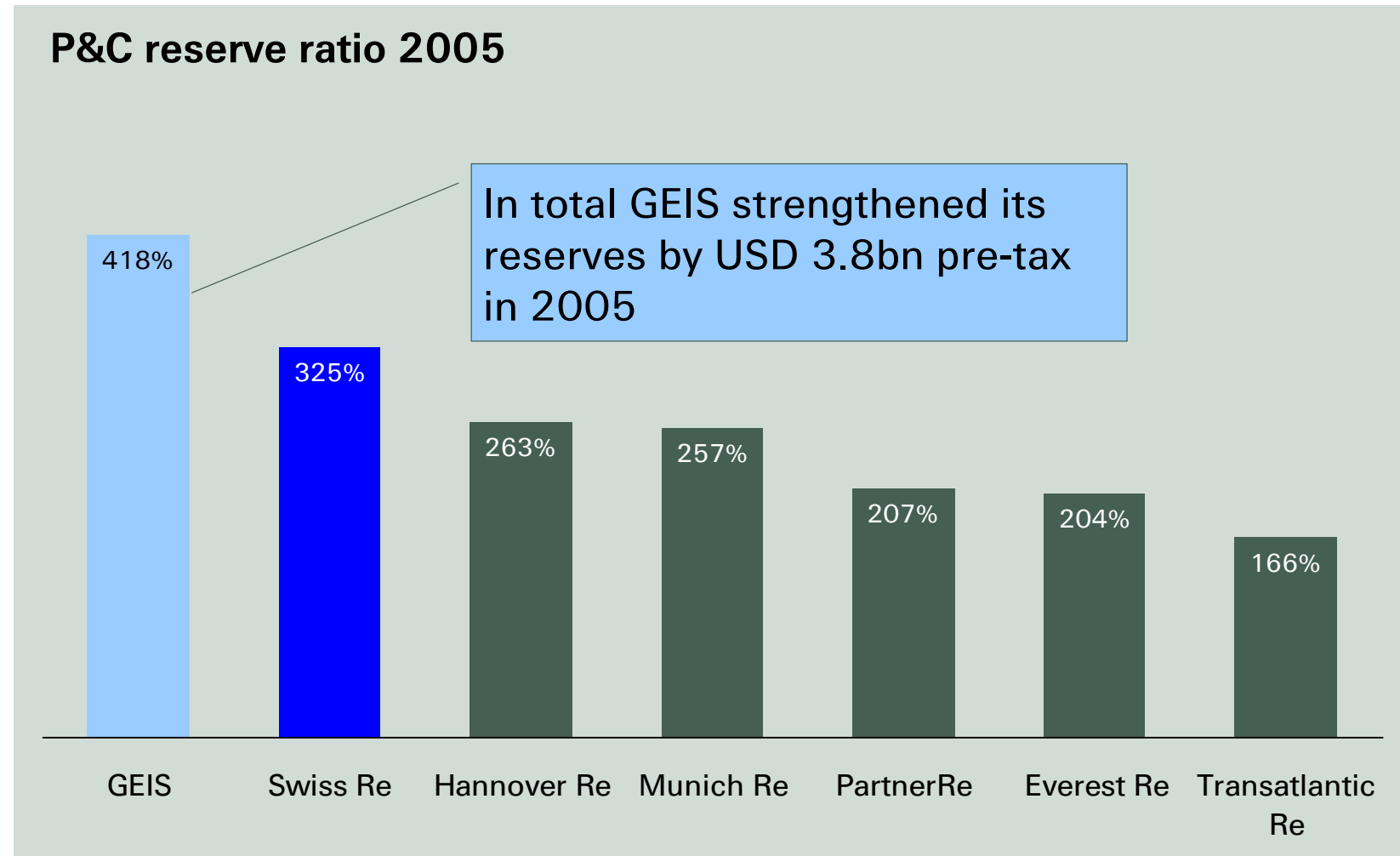
Combined	Regionals:	21%
	Globals/Nationals:	71%
	Rest:	8%





Swiss Re's reserves very strong,
GEIS transaction set up to reinforce them

P&C reserve ratio 2005





Corporate calendar & contacts

4 August 2006	Interim results 2006, Analysts' meeting
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20 November 2006	Investors' day
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Contacts Investor Relations

Zurich	+41 43 285 4444 Stefan Senn, Andreas Leu, Kathrin Schriber
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New York	+1 914 828 8078 Gloria Vogel
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