



Swiss Re obtains USD 205 million of catastrophe protection through the Arbor programme - the successor of PIONEER

Contact:

Group Media Relations, Zurich
Telephone +41 43 285 7171

Investor Relations
Telephone +41 43 285 4444

Media Relations, New York
Telephone +1 212 317 5663

Swiss Reinsurance Company
Mythenquai 50/60
P.O. Box
CH-8022 Zurich

Telephone +41 43 285 2121
Fax +41 43 285 2999
www.swissre.com

Zurich, 11 August 2003 - Swiss Re has received USD 205 million protection against a series of natural catastrophe risks, through the 'Arbor programme'. As part of the transaction, six new special purpose Cayman Islands exempted companies (SPC) were created, which issued the catastrophe bonds. Swiss Re Capital Markets Corporation, acting as sole bookrunner, privately placed the securities with institutional investors. The proceeds from the offering fully collateralise financial contracts between Swiss Re and the SPCs. These financial contracts will indemnify Swiss Re should any of the specified natural catastrophes occur.

The details of the issuance are as follows:

<u>SPC</u>	<u>Peril</u>	<u>Amount⁽¹⁾</u>	<u>Rating⁽²⁾</u>	<u>Spread⁽³⁾</u>
Palm Capital Ltd.	North Atlantic Hurricane	22 million	BB+/Ba3	575 bp
Oak Capital Ltd.	European Windstorm	24 million	BB+/Ba3	475 bp
Sequoia Capital Ltd.	California Earthquake	23 million	BB+/Ba3	575 bp
Sakura Ltd.	Japanese Earthquake	15 million	BB+/Ba3	450 bp
Arbor I Ltd.	Multi-Peril ⁽⁴⁾	95 million	B	1550 bp
Arbor II Ltd.	Multi-Peril ⁽⁴⁾	27 million	A+/A1	100 bp

Notes:

1. Amounts in USD
2. Ratings by Standard & Poor's Rating Service and Moody's Investors Service, Inc., respectively
3. Spread (in basis points) to three month LIBOR
4. Includes all preceding four single perils

The financial contracts provide protection to Swiss Re based on parametric index triggers and have similar structural characteristics (e.g., index, attachment points, etc.) as the corresponding single peril tranches of Pioneer.

Bruno Porro, Chief Risk Officer of Swiss Re, comments, "The Arbor programme confirms Swiss Re's commitment to the capital markets as a capacity provider for insurance risks. The placement of the B rated Arbor I is an important enhancement from PIONEER, as it is a particularly efficient risk management tool for Swiss Re. At the same time, it enables institutional investors to tap into a broader spectrum of risks. Pricing is becoming increasingly attractive as the market for catastrophe bonds continues to expand."

Notes to Editors

Swiss Re

Swiss Re is a leading reinsurer and the world's largest life and health reinsurer. The company is global, operating from 70 offices in 30 countries. Since its foundation in 1863, Swiss Re has been in the reinsurance business. Swiss Re has three business groups: Property & Casualty, Life & Health and Financial Services. Swiss Re offers a wide range of traditional reinsurance products and related services, which are complemented by insurance-based corporate finance solutions and supplementary services. Swiss Re is rated "AA" by Standard & Poor's, "Aa1" by Moody's and "A++" by A.M. Best.

Parametric index triggers are based on physical parameters such as earthquake strength or wind speed.