



Vontobel Summer Conference 2011

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Management Board

Interlaken, 16 June 2011



Introduction to Swiss Re



Swiss Re

Swiss Re is a leading and highly diversified global re/insurance company

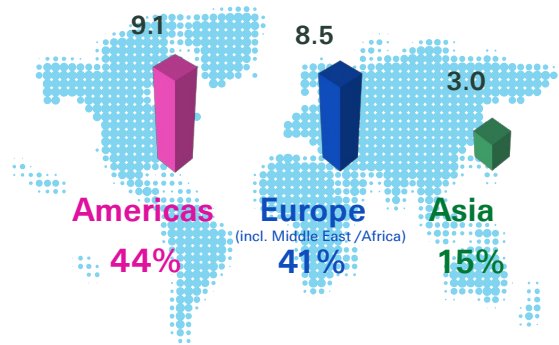
- **147 years of experience** in providing wholesale re/insurance and risk management solutions.
- **We deliver both traditional and innovative offerings** in Property & Casualty and Life & Health that meet our clients' needs.
- **A pioneer in insurance-based capital market solutions**, we combine financial strength and unparalleled expertise for the benefit of our clients.
- **Our financial strength** is currently rated:
Standard & Poor's: A+/positive; Moody's A1/stable; A.M. Best: A/positive



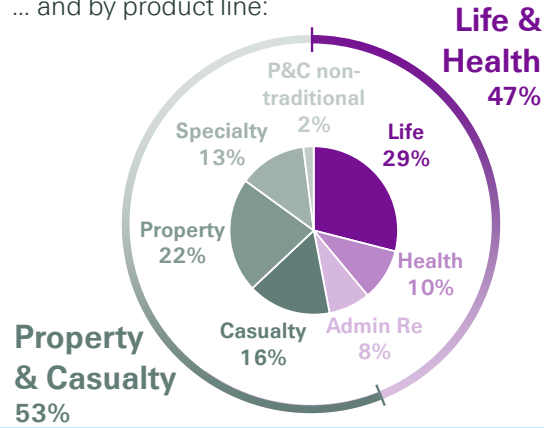
Swiss Re is broadly diversified by geography and product line

Premiums earned¹ 2010 (USD 20.6 billion)

by region (in USD bn)



... and by product line:



- Swiss Re benefits from geographic and business mix diversification and has the ability to reallocate capital to achieve profitable growth
- Combines accumulated expertise of over 147 years and continuing research with a widely recognised strong track record of innovation

¹ Includes fee income from policyholders



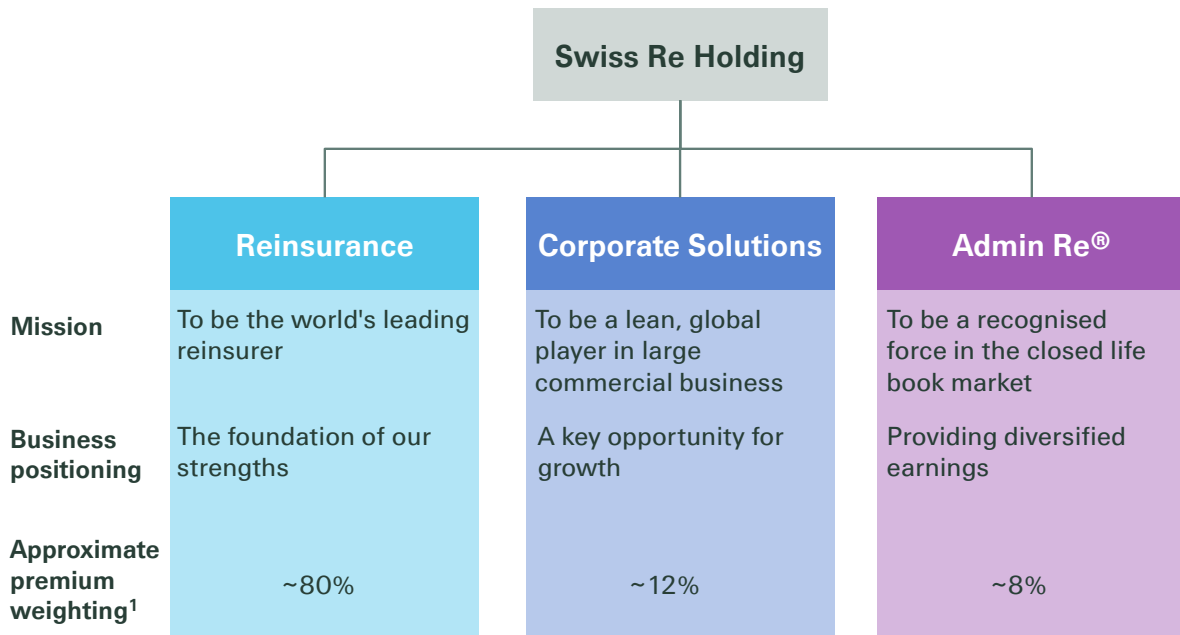
Swiss Re's priorities and new corporate structure



Swiss Re's priorities



Three Business Units to support our priorities



¹ Gross written premium, gross earned premium and fees for Admin Re®

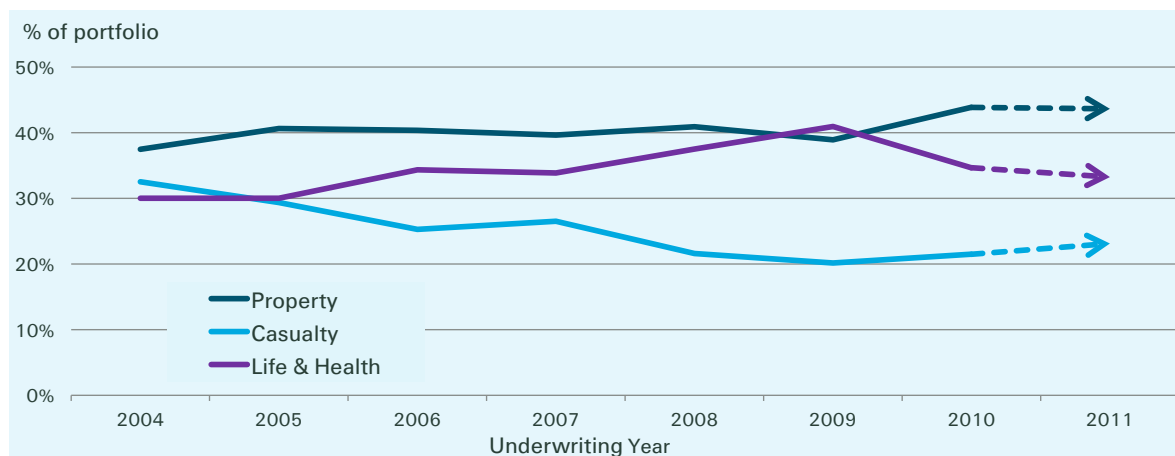
Objectives of new corporate structure

- **Sharpen focus on individual client needs** with three distinct Business Units with tailored strategies and differentiated product and service delivery to fully capitalize on attractive growth opportunities
- **Increase transparency** over allocated capital and assets, performance, and value of individual Business Units
- **Address proactively regulatory demand** for greater transparency on large international insurance groups
- **Increase accountability** through full accountability for the entire business performance including P&L and balance sheet
- **Strengthen flexibility** to capitalise on emerging opportunities
- **Deploy capital** to businesses with the most economic value potential

A world leading reinsurer

Portfolio construction Steering towards segments offering most value

Net present value of premiums written



- Steering is enabled by consistent, Group wide, value-driven metrics
- Swiss Re has steered away from Casualty in recent years

Our fundamental strengths

| | |
|---|---|
| Very strong client franchise | <ul style="list-style-type: none"> ■ Very strong, 148 years old brand ■ C-suite access with nearly all clients |
| Global distribution and access to risk | <ul style="list-style-type: none"> ■ Global presence ■ Very diversified portfolio ■ Underwriting knowledge in all relevant risk classes |
| Large and very strong balance sheet | <ul style="list-style-type: none"> ■ More than USD 10bn of excess capital (SR Group as at 31 Dec 2010) ■ Ability to deploy very large capacities for single risks and events (both P&C and L&H) |
| Unique own proprietary risk analysis | <ul style="list-style-type: none"> ■ Separation of costing and pricing to keep costing unbiased ■ Own R&D and models to better estimate risks |
| Leading reinsurer in transforming risks to the capital market | <ul style="list-style-type: none"> ■ Natural Catastrophes ■ Mortality ■ Longevity |

Reinsurance strategy





Client segmentation Targeted sales approach

| Segments | Description & needs | Our approach |
|----------------------|--|--|
| Globals | <p>Very large global players Usually active on several continents Complex capital structures and financial needs Aggregators</p> | <p>One globally dedicated team Tailor made solutions Large capacities</p> |
| Large | <p>National market leaders and/or active in several countries Strive to grow and/or become Globals Similar complexity to Globals, but not yet global knowledge Aggregators</p> | <p>"Light" version of Globals approach One main Swiss Re contact person Tailor made solutions with increasing focus on risk & capital management opportunities</p> |
| Regional & Nationals | <p>Combination of national insurers, mutuals, start-ups and specialised companies Mainly traditional reinsurance products</p> | <p>Lean and efficient delivery model Pursue growth</p> |



Customised transactions vs. traditional flow business

| Traditional flow business | Customised transactions |
|---|---|
| <ul style="list-style-type: none"> ■ Part of daily business of insurers ■ Renewed or re-priced frequently ■ Tendered in open market with potentially dozens of reinsurers ■ Commodity-type product ■ Dealt with by reinsurance manager | <ul style="list-style-type: none"> ■ Customised solutions to address specific client needs ■ Often multi-year deals ■ Often granted exclusivity to one partner ■ Price is not the primary consideration ■ Dealt with by client C-suite |

We expect customised transactions will grow
Swiss Re is ideally placed to benefit from this trend



First quarter 2011



Q1 2011 Highlights

High level of natural catastrophes

- **Net loss USD 0.7bn** vs net income USD 0.2bn in Q1 2010
- **P&C combined ratio 163.7%**
 - Nat cats account for 89.4% pts
 - Combined ratio adjusted for normal expected level of nat cats and reserve development 90.1%
- **L&H impacted by less favourable mortality**
- **Strong Asset Management performance**
 - RoI 4.0%
- **Book value per share CHF 65.19 (USD 71.26)** vs book value per share of CHF 68.99 (USD 74.02) at end December 2010

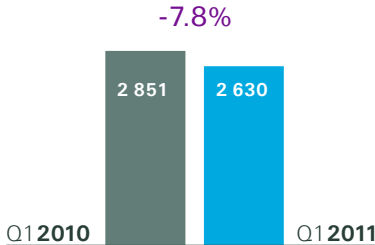


Property & Casualty

Strong underwriting results impacted by high losses from natural catastrophes

Premiums earned

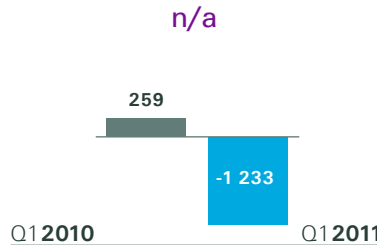
USD m



- Premiums written increased by 11.6% reflecting successful January 2011 renewals
- Premiums earned reflect cycle management actions in 2010, unfavourable premium updates and impact of delayed US GAAP earning recognition

Operating income/loss

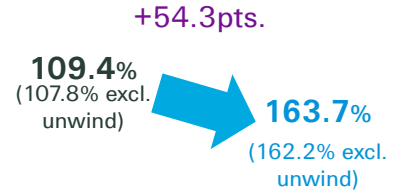
USD m



- Decrease driven by natural catastrophe experience, impacting the Q1 2011 results by USD 2.3bn
- Net investment income decreased by USD 112m mainly due to lower interest rates

Combined ratio, trad.

%



- Net impact from natural catastrophes was 89.4% pts, which is 79.8% pts above expected
- Favourable net reserve development of 6.2% pts
- Adjusting for normal nat cat and reserve development CR is 90.1%



January and April 2011 renewals

Continued growth, high portfolio quality maintained

January 2011 renewals

Total treaty portfolio



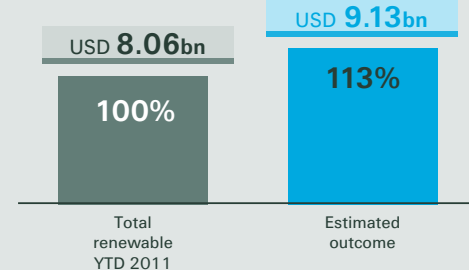
April 2011 renewals

Total treaty portfolio



YTD 2011 renewals (January – April)

Total treaty portfolio



- Strong price increases in April Japanese renewals of around 20 - 50% for non-proportional EQ and around 4 - 10% for non EQ exposed property covers
- Long term price adequacy in April 2011 increased to 117% compared to 114% in April 2010 – Including model adjustments for increased near-term seismicity for Japan EQ (aftershock risk), the long term price adequacy is 109%
- Nat cat events of 2010 and Q1 2011 are expected to accelerate price improvements

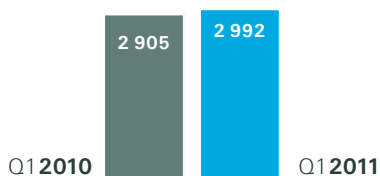
¹ January 2011 numbers have been remeasured with current FX rates

Life & Health Less favourable mortality

Operating revenues

USD m

+3.0%

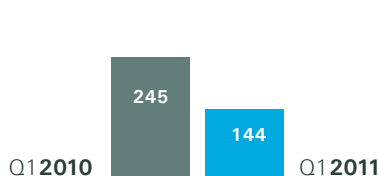


- Increased premiums and fee income driven by growth in traditional health business, primarily in Asia

Operating income

USD m

-41.2%



- Mortality experience slightly below expectations and significantly less favourable than prior year
- Morbidity experience better than expectations compared to unfavourable prior year result
- VA and pre-2000 GMDB loss of USD 13m (Q1 2010 gain of USD 55m)

Benefit ratio¹

%

+0.3 pts



- Benefit ratio stable
- Slight increase due to less favourable mortality, partly offset by favourable morbidity experience

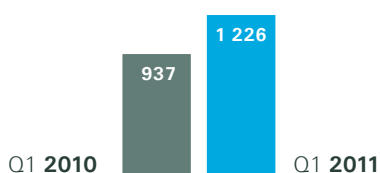
¹ Benefit ratio excludes the impact of VA & pre-2000 GMDB from all periods presented

Asset Management Strong income and improved Rol

Operating income¹

USD m

+30.8%

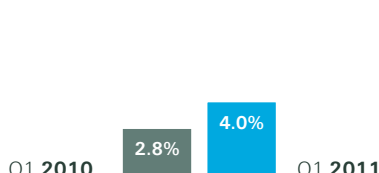


- AM fixed income running yield of 4.0% for Q1 2011, 4.2% for Q1 2010
- Higher realised gains mainly from securitised products and equities
- Increased investment income from rates and corporate bonds offset by decrease in securitised due to de-risking
- Duration closely matched

Return on Investments

%

+1.2pts

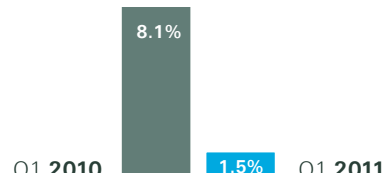


- Rol of 3.3% for rates, 4.4% for credit and 10.4% for equities and alternative investments
- Excluding FX impact, Rol is 4.2%. Impact is -0.2% in both Q1 2011 and Q1 2010
- Impairments of USD 54m mainly driven by securitised products, Q1 2010: USD 90m

Total return²

%

-6.6pts



- Total return of -1.3% for rates, 4.0% for credit and 15.7% for equities and alternative investments
- Increase in equities and alternative investments driven by m-t-m of underlying positions
- Decrease in unrealised gains due to higher interest rates compared to year end 2010

¹ Minority interests included in operating income but excluded from the Rol and total return

² Total return includes change in unrealised gains/losses



Summary

Expect to benefit from improving market conditions

- Net loss for period driven by very high level of nat cats
- Nat cat events expected to accelerate market hardening
- Renewals show continued growth and underwriting quality
- Good result in AM, portfolio in line with asset allocation mid-term plan
- Underlying business demonstrates progress towards 5 year financial targets

- Our market position and capital strength are a competitive advantage

Questions & answers

Corporate calendar & contacts

Corporate calendar

| | | |
|-------------------|------------------------------------|-----------------|
| 04 August 2011 | Second Quarter 2011 results | Conference call |
| 12 September 2011 | Investors and Media meeting | Monte Carlo |
| 03 November 2011 | Third Quarter 2011 results | Conference call |
| 09 December 2011 | Investors' Day | |

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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:

- further instability affecting the global financial system and developments related thereto;
- changes in global economic conditions;
- Swiss Re'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 under derivative contracts due to actual or perceived deterioration of Swiss Re's financial strength;
- 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 Swiss Re's investment assets;
- changes in Swiss Re'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 Swiss Re's balance sheet equivalent to its 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 hedging arrangements may not be effective;
- the lowering or loss of financial strength or other ratings of one or more of the companies in the Swiss Re group or developments adversely affecting the 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 and morbidity experience;
- policy renewal and lapse rates;
- extraordinary events affecting Swiss Re's clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- current, pending and future legislation and regulation affecting Swiss Re or its ceding companies, and regulatory or legal actions;
- changes in accounting standards;
- significant investments, acquisitions or dispositions, and any delays, unexpected costs or other issues experienced in connection with any such transactions, including, in the case of acquisitions, issues arising in connection with integrating acquired operations;
- changing levels of competition;
- operational factors, including the efficacy of risk management and other internal procedures in managing the foregoing risks; and
- challenges in implementation, adverse responses of counterparties, regulators or rating agencies, or other issues arising from, or otherwise relating to, the changes in Swiss Re's corporate structure.

These factors are not exhaustive. Swiss Re 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.