



Swiss Re



Investors' meeting

11 September 2006
Monte Carlo








Swiss Re



Agenda

-
- **Market realities and renewals messages**
 - Insurance Solutions update
-

Reinsurance pricing levels remain firm

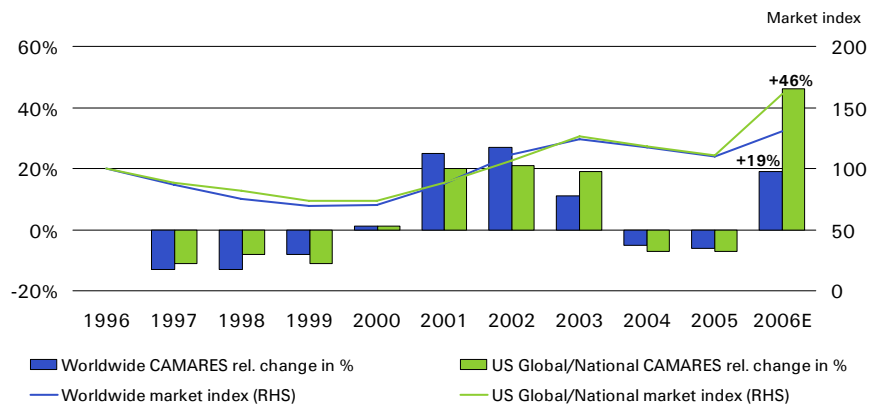
Property incl. nat cat US	
Property incl. nat cat (excl. US)	
Casualty overall (excl. motor)	
Motor	
Casualty critical risks/products (e.g. D&O)	
Special lines	
Marine offshore	

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 Monte Carlo
 11 September 2006
 Slide 3

Catastrophe excess of loss treaties Pricing adjusted favourably in 2006

Nat cat perils reinsurance prices have continued to increase sharply through 1 July renewals, pulling up overall price levels

Annual risk-adjusted premium level change in %



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 11 September 2006
 Slide 4

Source: CAMARES; Swiss Re's cat market research analyses the profitability of cat programmes in the 14 largest markets



Renewal 2006 – 2007

Property – nat cat in the spotlight

- Weather and demographic trends fuel increased risks
- Risk assessment and cat models must recognise:
 - higher expected losses
 - previously non-modelled perils (e.g. storm surge)
 - increased estimates of loss contributors (e.g. casinos and hotels on the shore)

▶ The insurance industry must incorporate these changes in its risk assessment – just looking backwards is not good enough

▶ Swiss Re is ready to fully deploy its capacity at appropriate premiums and contract terms



Renewal 2006 – 2007

Retrocession – affirming established position

- Retrocession business is less transparent than business written directly
- Committing capacity to insurance clients is of absolute priority to Swiss Re

▶ As a general rule, Swiss Re will discontinue incoming property retrocession acquired with Insurance Solutions



Renewal 2006 – 2007

Casualty – challenges in long-tail business

- Historically, high losses from US exposure business, written in or outside the US (e.g. product liability, pharma)
- Continued uncertainties in D&O, professional indemnity and medical malpractice – particularly in the US
- On a positive note, negative developments from years 1997-2001 have faded out, new business based on sound terms and responsible risk assessment showing increasingly good results

▶ Lessons from the past reinforce the need to maintain pricing and sound contract terms

▶ Swiss Re committed to long-tail business provided long-term focus and commitment is shared by the client



Renewal 2006 – 2007

Terrorism – Swiss Re's underwriting principles

Manage the maximum loss potential by

- Separating coverage from other man-made perils
- Channelling terrorism risk from individual covers into a common structure (non-life and life)
- Supporting comprehensive market solutions
- Encouraging governments' financial involvement

▶ Swiss Re supports market-wide special insurance vehicles in each country, to which all terrorism risks of all exposed lines are ceded

Agenda

- Market realities and renewals messages
- **Insurance Solutions update**

Integration of Insurance Solutions

- Organisational set-up defined around the globe and key staffing decisions completed
- In-depth review of business in all markets completed (per lines of business and per clients)
- Investment portfolio integration completed
 - All assets are on Swiss Re's IT platform
 - Fully integrated into Swiss Re's risk management framework

Renewal 2006 – 2007 Underwriting guidelines harmonised

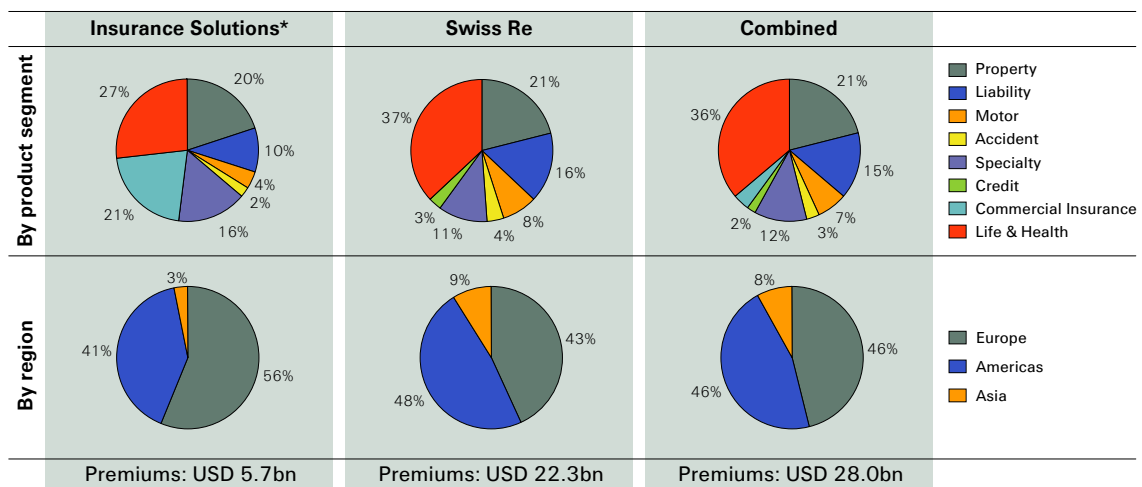
- Swiss Re and Insurance Solutions had very similar approaches with regard to guidelines, exclusions and referral processes
- Most of Swiss Re rules and recommendations will remain unchanged, occasionally **strengthened** by Insurance Solutions guidelines
- In some lines Insurance Solutions underwriting assumptions are being revised upwards slightly
- Going forward Swiss Re operating with single underwriting approach, pricing, guidelines and referral structure

► Swiss Re is ready for the upcoming renewal season!

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 Monte Carlo
 11 September 2006
 Slide 11

Insurance Solutions provides diversification and growth ...

2005 portfolio (net premiums earned)



Slide 12

* Includes cat retro of USD 137m and other Commercial Insurance lines exited in 2005 of USD 189m

... and helps Swiss Re to achieve strategic goals

United States

Diversification of client base and portfolio

- Near doubling of attractive Regional & Specialty clients, particularly with smaller companies in the Mid West
- Overlap with Swiss Re client base limited
- Addition of a multi-niche Commercial Insurance book will balance Swiss Re's large corporate risk business
- US casualty facultative portfolio balanced in respect to types of risks and covered regions
- Knowledgeable underwriting team (17 years of underwriting experience in average) to support profitable growth in new sectors in North America

Specialties

Portfolio expansion and new products

- Higher market share and portfolio diversification, e.g. aviation, marine and agro
- Strengthening of Swiss Re underwriting know-how

Credit

Portfolio diversification and innovation

- Access to niches and new markets, e.g. Bank Trade Finance in emerging markets

Life & Health

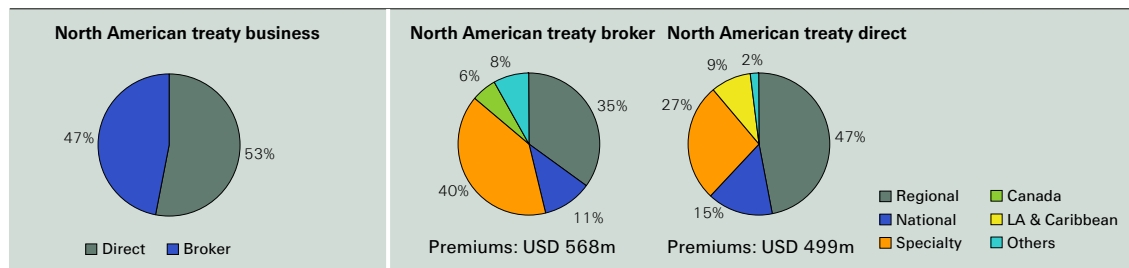
Enlarging array of solutions & securing leadership

- Recognised expertise in critical illness, disability and medical expenses
- Higher market share in Europe, particularly in UK and Germany

Slide 13

Expansion in North American Regional & Specialty creates opportunities ...

Insurance Solutions 2005 portfolio (gross premiums written: USD 1.1 bn)



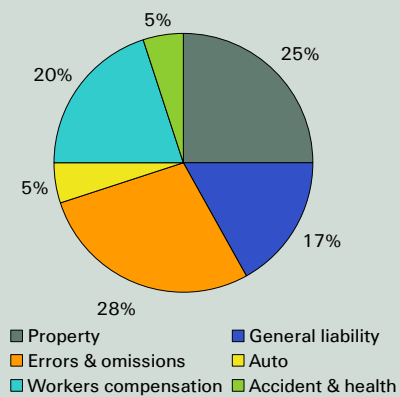
- Less than 10% Regional & Specialty client overlap
- Building on Insurance Solutions' *Expert Services* model: working closely with key Regional & Specialty clients to provide customised packages of services underpinning long term relationships
- 2007-09 growth area due to expanded footprint with smaller regional company market
- 80% of renewable business retained with 7% increase on renewed block (rates up 2%, exposure change 5%), 19% new business added and 6% still pending → total business volume up 12%

Slide 14

... as does expansion in North American Commercial Insurance

Insurance Solutions 2005 portfolio (gross premiums written: USD 1.1bn*)

Commercial Insurance portfolio by product



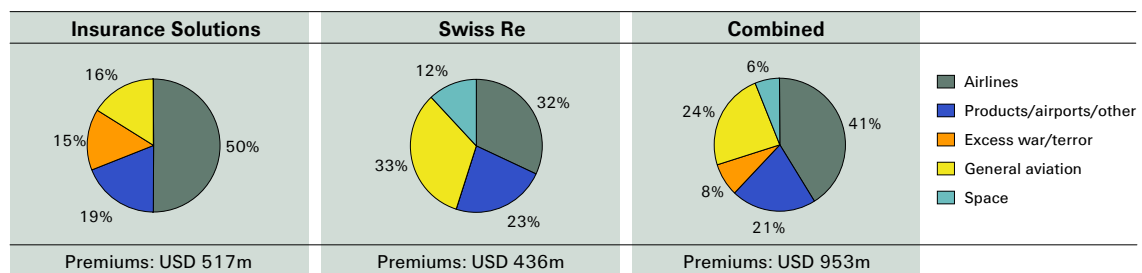
* excl. exited and run-off business

- Growth potential in all Commercial Insurance (CI) niche segments
- Swiss Re to build on:
 - Strong partnerships with producers acting in profitable niche markets
 - Scalable technology and distribution platform to expand CI portfolio
 - Direct insurance expertise and a successful business model being replicable
- 74% of renewable business retained with 2% increase on renewed block and 29% new business added → total business volume up 5%

Slide 15

Growth in specialties like aviation ...

2005 aviation portfolio (gross premiums written)

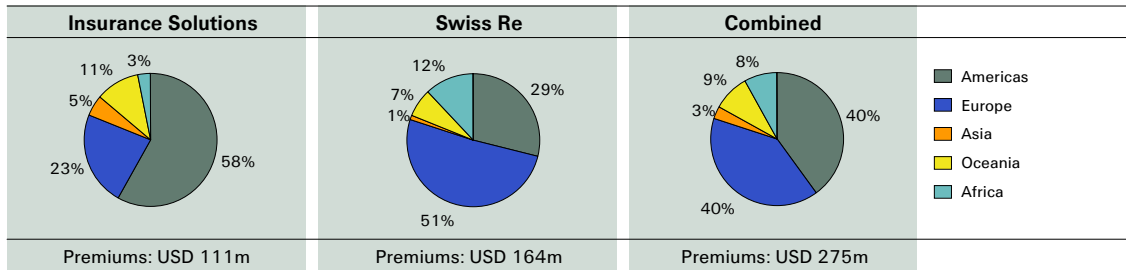


- Combined capacities for airlines (hull and liability), product manufacturers (product liability) and in non-proportional reinsurance will lead to higher market share
- For best risks (assuming adequate pricing and terms & conditions), the Group will deploy the combined capacity of Swiss Re and former Insurance Solutions
- Swiss Re is continuing to actively manage the cycle

Slide 16

... and agriculture

2005 agro business (gross premiums written)

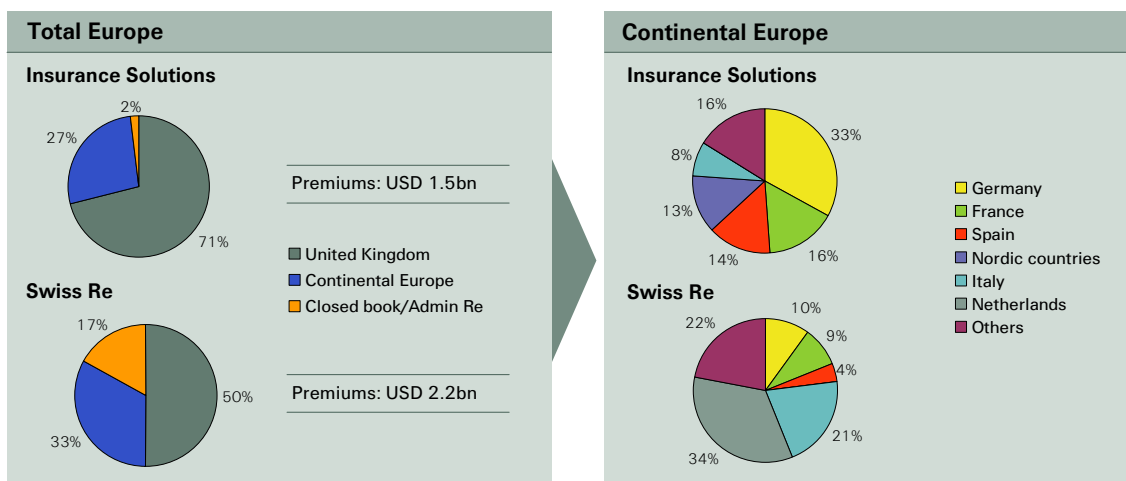


- Operations consolidated in one global unit
- Geographically complementary books, especially in the US – overall expect to retain at least 90% of business
- Combined know-how in derivative trading and agro/weather reinsurance will foster innovation and allow Swiss Re to tap into new distribution models such as banks and commodity trading which in turn will lead to growth

Slide 17

Swiss Re broadens its scope in Life & Health

2005 Life & Health portfolio (net premiums earned)



Slide 18



New Life & Health products under development

- Insurance Solutions further consolidates Swiss Re's leading position
 - Swiss Re is developing new offerings to substantially increase its value proposition to clients:
 - Critical Illness adopted from Insurance Solutions
 - New longevity and disability products in pipeline
 - Variable annuity solutions being market tested
- ▶ Swiss Re emphasising leadership position by offering innovative solutions to the market

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Monte Carlo
11 September 2006

Slide 19



Appendix

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11 September 2006

Slide 20



Swiss Re has embarked on a 'rooftop optimisation' programme ...

Improved office space utilisation

- Increased office space utilisation by consolidation of offices with regional overlap and excess capacity
- Offices in NYC, Phoenix, Tel Aviv, Winterthur, Auckland and Melbourne already consolidated by September 2006

Reduction of workspace

- Increased office efficiency by reduction of m² per workspace (improvement of office layouts)
- Excess capacity is being returned to landlord or sublet to 3rd parties (i.e. Kansas City, Munich, Toronto)

Move of back-office functions

- Relocation and concentration of back-office functions outside of high cost locations (i.e. London, Zurich)
- Selected functions to remain in prime locations: Client Markets, Products and Financial Services

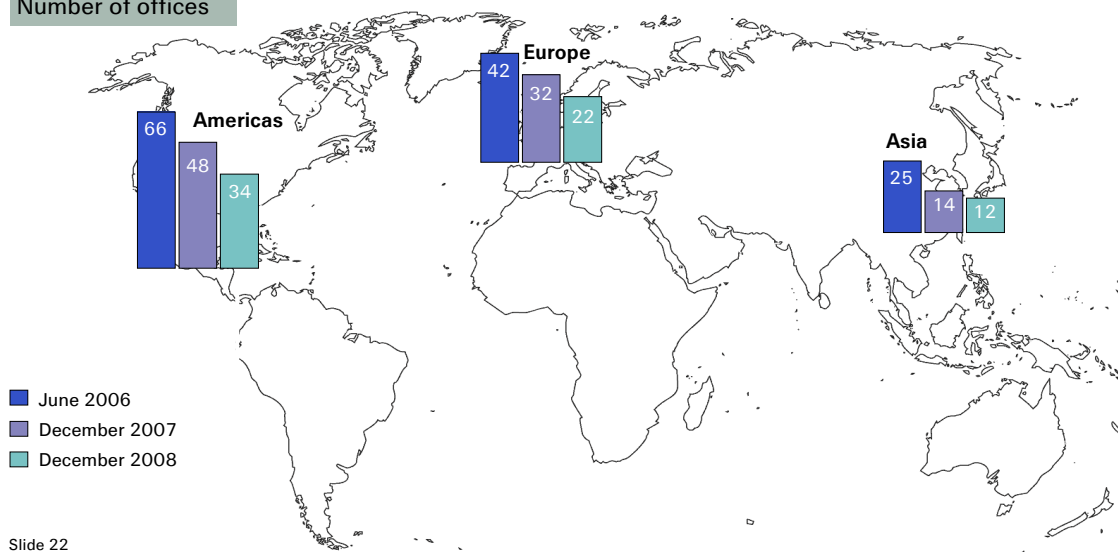
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11 September 2006

Slide 21



... while maintaining a strong regional presence

Number of offices



Slide 22

Staff numbers

Headcount

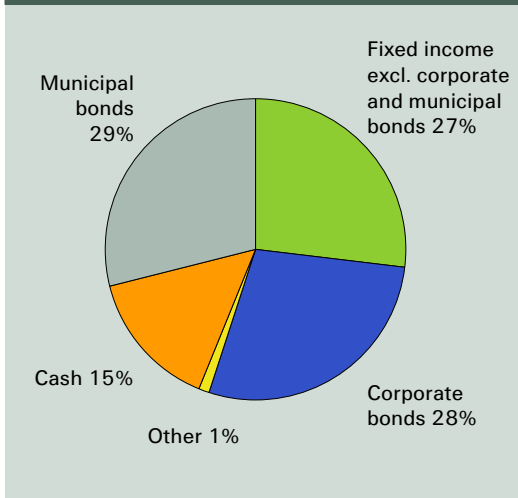
	31.12.2005			31.07.2006
	SR	IS	Total	Total
■ Permanent staff	8 882	2 550	11 432	11 030
■ Europe	5 647	1 084	6 731	6 535
■ Americas	2 450	1 359	3 809	3 551
■ Asia	785	107	892	944

- Integration well underway; headcount will reduce through 2007 as transition and notice periods end
- Increase in Asia reflects strong business growth

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 Monte Carlo
 11 September 2006
 Slide 23

High quality investment portfolio

Insurance Solutions as of 30.06.06: CHF 32bn



- Integration completed
 - All assets are on Swiss Re's IT platform
 - Fully integrated into Swiss Re's risk management framework
- Portfolio restructuring
 - US municipal bond liquidation underway (USD 8.5bn)
 - Enhanced returns during liquidation by implementing the largest ever municipal repo via a lending/pool financed tender option bond transaction (more than USD 4bn)
 - Active management of credit exposure

Slide 24



Insurance Solutions Global retro recoverable

in USD million	Paid ⁽¹⁾	Reserves ⁽²⁾	Total reinsurance recoverable ⁽³⁾
30.6.2006	1 491	8 006	9 497 of which ERAC 1 000
Collateralised			56%
AAA			12%
AA			24%
A			7%
BBB or lower			1%

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Monte Carlo
11 September 2006

Slide 25

⁽¹⁾ Retrocessionaires have been billed; balances being collected from retrocessionaires

⁽²⁾ Includes case reserves & IBNR reserves

⁽³⁾ Gross of purchase GAAP adjustments



Swiss Re's strategy

Aspiration

To be the leading force in the risk transfer industry, combining professional resources and skills with customer focus to deliver economic profit growth

Strategy

Building blocks

Generate economic profit growth

Reduce earnings volatility

Enlarge market scope

Foundation of success

Advance organisational excellence

Deliverables

Best in class
customer service

Attractive
shareholder
returns

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Monte Carlo
11 September 2006

Slide 26

Swiss Re's strategy

Generate economic profit growth

via

intelligent cycle management and efficient capital allocation

Reduce earnings volatility

via

our capital markets expertise, scale and diversification at a Group level

Enlarge market scope

via

organic and transaction-related activities to transform the business model to address the needs of our clients

Advance organisational excellence

via

efficient processes, innovative skills and professional expertise

Slide 27

Flaspöhler 2006 – Europe Swiss Re is top ...



Property & Casualty

- ▶ Swiss Re is 1st by mean rating of selection factors
- ▶ Swiss Re is 1st in overall excellence
- ▶ Swiss Re is 1st in the combined ranking

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Monte Carlo
11 September 2006

Slide 28

... which industry awards confirm

Reactions Awards 2006



- Property catastrophe reinsurer of the year
- Casualty reinsurer of the year
- Global life reinsurer of the year
- Capital raising of the year
- Captive reinsurer of the year

The Review Awards 2006



- The Life Reinsurance Company of the Year

Asia Insurance Industry Awards 2006



- Life Reinsurer of the Year
- Non-Life Reinsurer of the Year

Australia / New Zealand Insurance Industry Awards 2006



- Reinsurer of the Year

Investors' meeting
Monte Carlo
11 September 2006

Slide 29

Corporate calendar

20 November 2006 Investors' day, Rüschtikon

1 March 2007 Annual results 2006, Analysts' meeting

Investors' meeting
Monte Carlo
11 September 2006

Slide 30

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Investors' meeting
 Monte Carlo
 11 September 2006

Slide 31

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:

- the impact of completed and 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 former 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.

Slide 32