



Swiss Re sells US Admin Re[®] company (REALIC) to Jackson National Life Insurance

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- **Swiss Re sells its US Admin Re[®] holding company (REALIC) to Jackson National Life Insurance for USD 0.6 billion in cash**
- **Swiss Re's total cash proceeds from the sale including a pre-closing dividend will be USD 0.9 billion which is expected to be paid to Swiss Re Ltd**
- **Transaction follows the strategic priority of unlocking capital and monetising value in Admin Re[®], supporting Swiss Re's financial targets**
- **Swiss Re remains committed to being a recognised force in the closed life book business with focus on UK and Continental Europe**

Zurich, 31 May 2012 – Swiss Re announces the sale of its US Admin Re[®] business (REALIC) to Jackson National Life Insurance, subject to regulatory approval. Admin Re[®] expects an estimated US GAAP loss of USD 0.9 billion related to the transaction, which will be booked in the second quarter 2012. The US GAAP loss will be finalised at closing.

Swiss Re announces the sale of its US Admin Re[®] holding company (Reassure America Life Insurance Company, REALIC) to Jackson National Life Insurance for a cash payment of USD 0.6 billion. The transaction, which is expected to close in the second half of the year, remains subject to regulatory approvals. Swiss Re will retain certain blocks of business.

Swiss Re Executive Committee Member and Chairman of Admin Re[®] David Blumer says: "After conducting a thorough review of the Admin Re[®] portfolio and evaluating the level of capital allocated to the Admin Re[®] US business, we concluded that we should redeploy the capital in other parts of our business."

The transaction is expected to result in a dividend of USD 0.9 billion in cash to Swiss Re Ltd, thus unlocking capital for re-deployment across the Swiss Re Group. The divestiture further demonstrates management's commitment to a key element of Admin Re's[®] strategy, which is to focus on consistent and systematic management of the portfolio of blocks of business and value extraction. This is aligned with Swiss Re's Group strategy.

Swiss Re Group Chief Executive Michel M. Liès says: "We consistently said the Group's 2011-2015 financial targets are our top priority.



Redeploying the funds freed up through this transaction within the Swiss Re Group will have a beneficial impact on all three of our financial targets in the future, that is to say return on equity, earnings per share and economic net worth growth."

Swiss Re sees attractive growth potential in the UK and Continental Europe. Consequently, Admin Re[®] will focus on these active areas with insurance deal-flow as well as higher profitability.

"Swiss Re is committed to being a recognised force in the closed life book business through the Admin Re[®] Business Unit. By executing transactions in select markets that meet our strict hurdle rates, Admin Re[®] can continue to extend its global market presence, while further strengthening its class-leading asset and capital management disciplines," says Michel M. Liès.



Notes to editors

Further information on the transaction will be made available at Swiss Re's Q2 2012 presentation on August 9, 2012.

Swiss Re

The Swiss Re Group is a leading wholesale provider of reinsurance, insurance and other insurance-based forms of risk transfer. Dealing direct and working through brokers, its global client base consists of insurance companies, mid-to-large-sized corporations and public sector clients. From standard products to tailor-made coverage across all lines of business, Swiss Re deploys its capital strength, expertise and innovation power to enable the risk taking upon which enterprise and progress in society depend. Founded in Zurich, Switzerland, in 1863, Swiss Re serves clients through a network of over 60 offices globally and is rated "AA-" by Standard & Poor's, "A1" by Moody's and "A+" by A.M. Best. Registered shares in the Swiss Re Group holding company, Swiss Re Ltd, are listed on the SIX Swiss Exchange and trade under the symbol SREN. For more information about Swiss Re Group, please visit: www.swissre.com or follow us on Twitter @swissre.

Admin Re®

Admin Re® provides risk and capital management solutions by which Swiss Re assumes closed books of in-force life and health insurance business, entire lines of business, or the entire capital stock of life insurance companies. Swiss Re assumes responsibility for all risks of the acquired block of business and generally assumes responsibility for administering the underlying policies. Supported by the capital strength and risk diversification of the Swiss Re Group and its companies, Admin Re® solutions help clients to divest non-core blocks of business, thus reducing administrative costs and freeing up capital. Swiss Re is a leader in this field having proven its execution capability with more than 50 transactions. For more information about Admin Re®, please visit: www.swissre.com/adminre.

Jackson National Life Insurance

Jackson National is a leading writer of fixed, variable and equity index annuities and life insurance in the US and belongs to the UK financial services group Prudential plc.

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 of operations, financial condition, solvency ratios, liquidity position or prospects to be materially different from any future results of operations, financial condition, solvency ratios, liquidity position or prospects expressed or implied by such statements. Such factors include, among others:

- further instability affecting the global financial system and developments related thereto, including as a result of concerns over, or adverse developments relating to, sovereign debt of euro area countries;
- further deterioration 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 due to actual or perceived deterioration of Swiss Re's financial strength or otherwise;
- 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 their mark-to-market values recorded for accounting purposes;
- the outcome of tax audits, the ability to realise tax loss carry forwards 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 Swiss Re's hedging arrangements may not be effective;
- the lowering or loss of financial strength or other ratings of Swiss Re companies, and developments adversely affecting Swiss Re's 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, morbidity and longevity 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;
- legal actions or regulatory investigations or actions, including those in respect of industry requirements or business conduct rules of general applicability;
- changes in accounting standards;
- significant investments, acquisitions or dispositions, and any delays, unexpected costs or other issues experienced in connection with any such transactions;
- 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.

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