Swiss Re

Delivering on our targets

Goldman Sachs 16th Annual European Financials Conference

George Quinn, CFO
Brussels, 13 June 2012

Swiss Re

Introduction to Swiss Re

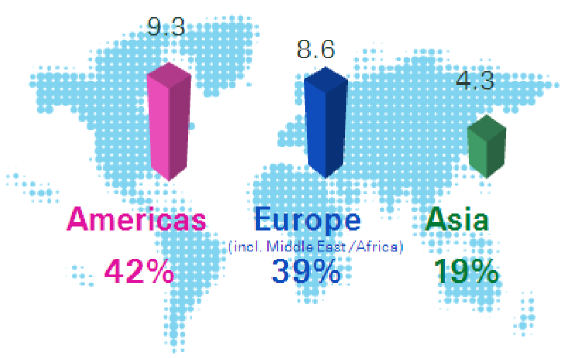
Swiss Re is a leading and highly diversified global re/insurance company

- **148 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: AA-/stable; Moody's A1/positive; A.M. Best: A+/stable

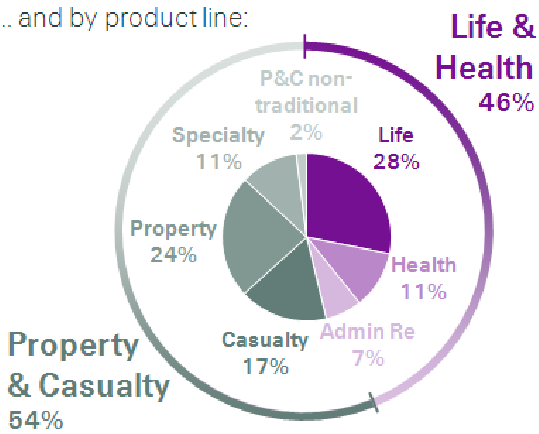
Swiss Re

Swiss Re is broadly diversified by geography and product line

Premiums earned[1] 2011 (USD 22.2 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 148 years and continuing research with a widely recognised strong track record of innovation

[1] Includes fee income from policyholders

Swiss Re

Swiss Re's existing Group strategy
Continued focus

Current position

Outperform our peers
- Reinsurance
- Admin Re®
- Asset Management

Smart expansion
- Corporate Solutions
- Longevity
- Emerging Markets

Strategic goal:

The leading player in the wholesale re/insurance industry

Swiss Re

Business Units
Clear strategic goals

Swiss Re Group

Reinsurance (P&C, L&H)

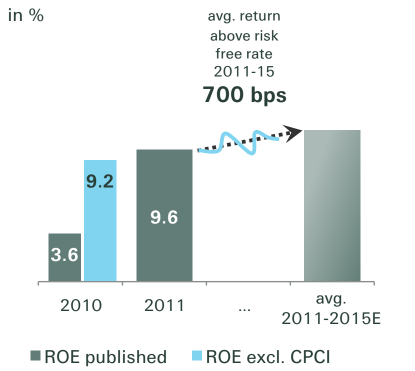
Corporate Solutions

Admin Re®

	Reinsurance	Corporate Solutions	Admin Re®
Strategic goal	To be the world's leading reinsurer	To be a focused, lean, global player in large commercial business	To be a recognised force in the closed life book market
Current position	The foundation of our strengths	A key opportunity for growth	Providing cash dividends

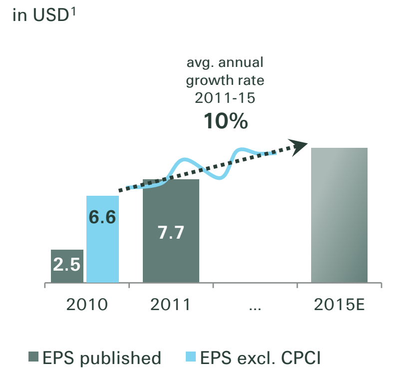
Group financial targets
Our top priority

ROE 700 bps above risk free average over 5 years

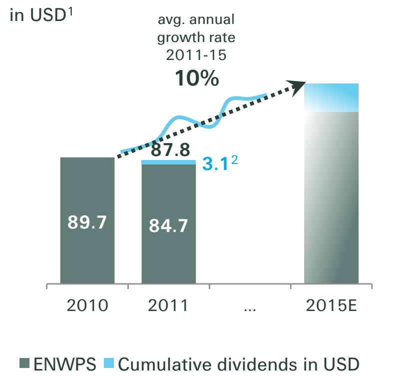


Risk free: US Gov 5 years

EPS growth 10% average annual growth rate over 5 years



ENW per share growth plus dividend 10% average annual growth rate over 5 years



1 Assumes constant foreign exchange rate
2 Dividend has been translated from CHF using the fx rate of the dividend payment date

Swiss Re

Group and Business Unit capitalisation

31 December 2011, USD millions unless otherwise stated	P&C Reinsurance	L&H Reinsurance	Reinsurance	Corporate Solutions	Admin Re®	Group items	**Total Swiss Re Group**
US GAAP shareholders' equity	10 389	8 972	19 361	2 277	7 378	625	29 590
Economic Net Worth	13 207	11 179	24 386	2 590	4 536	-2 430	29 031
SST Ratio[1] SST green zone threshold: 100%			226%	n/a	n/a		213%
S&P excess capital over AA level Internal goal: meet AA requirements							> 7 000

- Distribution of S&P excess capital over AA level across Business Units[2] approximately: 50% Reinsurance, 15% Corporate Solutions and 35% Admin Re®
- All Business Units continue to benefit from diversification within their Business Units (in particular, Reinsurance continues to benefit from diversification between P&C Re and L&H Re)
- All Business Units meet their respective standalone capital and liquidity requirements
- Excess capital to be moved from Business Units to Group by intra-group dividend payments

1 SST 1/2012, as filed with FINMA at the end of April 2012, based on a projection for 2012
2 High level estimate of S&P AA excess capital based on plan 2012 information

Swiss Re

Deployment of Group excess capital
Evaluation criteria

Group excess capital

Market-driven considerations

- Swiss Re Group financial targets
- Minimum hurdle rate set by estimated share repurchase returns (currently ~11% ROE)
- Market/peer comparatives

Funding of incremental growth/transactions

Metrics
- EVM profit
- ROE / EPS
- Cash IRR / payback period (where applicable)

Reinsurance | Corporate Solutions | Admin Re®

Business unit risk - return profiles

- Profitability
- Volatility of results
- Time horizon on invested capital
- Market positioning
- Cash generation potential
- Strategic/growth considerations

- Business Units are funded based on their respective business plans; Group excess capital can be used to fund additional growth in excess of Business Units' plans
- Financial attractiveness assessed based on EVM and US GAAP metrics
- Market-driven benchmarks for capital usage include Group external targets and minimum hurdle rates implied by share repurchase

Swiss Re

Improving performance
Decisive moves towards higher returns

1. Sustain good margins in P&C Re, deploy additional capital to fund growth
   - Target returns[1]: 10-15% ROE
2. Address issues on pre-2004 L&H Re book, continue improvement in new business pricing and directionally extract capital
   - Target returns[1]: 7-9% ROE
3. Deliver on growth ambitions in CorSo, no additional capital needs planned
   - Target returns[1]: 10-15% ROE
4. Deliver tangible benefits from Admin Re® restructuring, through putting into practice portfolio steering and management actions
   - New investments only if those can be done above Swiss Re's stated hurdle rate of 11% ROE for new business
5. Moderate re-risking of asset portfolio, mainly into corporate bonds

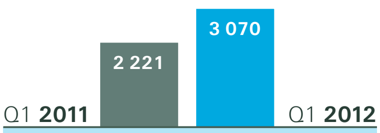
[1] Assuming current interest rate environment, no unusual market volatility and normal nat cats

Swiss Re

1 P&C Reinsurance
Strong premium growth, benign nat cat experience

Net premiums earned
USD m

+38.2%



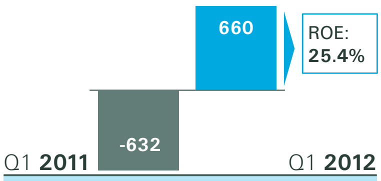
- Increase in net premiums earned reflects successful January 2012 renewals and continued premium earnings from business written during 2011
- Net premiums written increased by 11.5%

Combined ratio
%

-86.0% pts

- No large nat cats in Q1 2012, vs expected level of 8.4% pts
- Net prior year reserve strengthening of 1.3% pts, with releases more than offset by increases in loss estimates for 2011 floods in Thailand and EQ in New Zealand (approx USD 150m, 4.9% pts impact)
- Adjusting for expected nat cat and reserve development CR is 92.1%

Net income, ROE
USD m, %



- Strong underwriting result supported by the absence of large natural catastrophes
- Net realised gains (incl. fx) in Q1 2012 of USD 88m, mainly from sales of government bonds
- Return on investments 3.5%

Swiss Re

1 P&C Reinsurance: April 2012 renewals
Strong growth, substantial price increases

- Strong growth from increasing prices, larger shares of wallet and additional demand for peak nat cat exposures in Asia
- Substantial price increases in Asia region, our portfolio price quality increased on a risk adjusted basis by 17% pts for April renewals
- Trend of increasing prices is expected to continue in 2012; we are prepared to deploy more capital to the most attractive opportunities

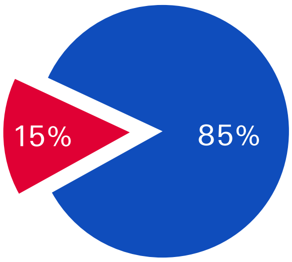
[1] January 2012 numbers have been restated with current fx rates

Swiss Re

2 L&H Reinsurance: our ROE is impacted by old US L&H business

Current estimated ROE
7-9%

% US GAAP Shareholders' equity



Pre 2004 US book -10% ROE

- USD 0.6 trillion sums assured
- Poor performance already reflected in EVM value, but GAAP does not allow for unlocking of original assumptions

Rest of world & US post 2004 10-12% ROE

- USD 2.8 trillion sums assured
- Performance to date overall is better than original pricing assumptions

Swiss Re

2 We intend to use several levers to improve the L&H performance from current levels

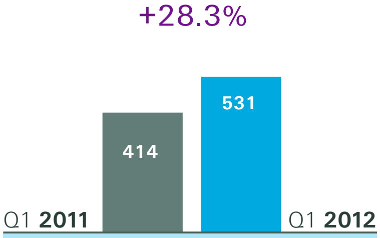
- Proactive management of in-force US book to improve the shock lapse and mortality experience of our older US level term business, with a modest increase in GAAP earnings starting in 2013
- Explore capital management actions (e.g. retrocession, securitization and other capital management tools) by end 2013
- Shift capital from L&H Re to P&C Re, or other parts of the Group via dividends to holding company
- Cautiously increase credit risk on the asset side (but stay lower risk than competitors)
- Continue to write new business with returns in line with hurdle rates

3

Corporate Solutions
Strong performance, solid growth, benign large loss experience

Net premiums earned

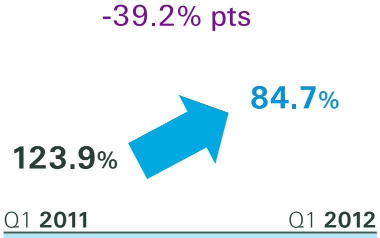
USD m



- Net premiums earned increased 28.3%, reflecting successful business growth across all major lines of business

Combined ratio

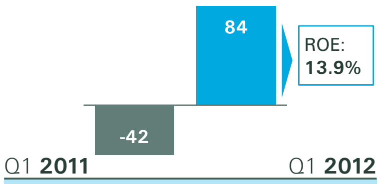
%



- No impact from nat cat events, 3.8% pts below expected
- Positive reserve development, impacting CR by 7.3% pts
- Adjusting for normal nat cat and reserve development CR is 95.8%
- Combined ratio on basis of estimated total financial contribution[1] to Swiss Re Group 74.0%

Net income, ROE

USD m, %



- Strong underwriting results
- Return on investments 3.2%
- Net realised gains of USD 3m, including USD 16m of losses on derivative accounted weather business due to an unusually warm winter
- ROE on basis of estimated total financial contribution[1] to Swiss Re Group 23.9%

[1] Estimated total financial contribution of Corporate Solutions business written within Swiss Re Group, as shown at Investors' Day 2012, incl. development of historic loss reserves remaining in Reinsurance for CR and ROE, as well as related investment income and additional USD 0.5bn shareholders' equity for ROE

4

Value extraction in Admin Re®
Sale of US Admin Re® company (REALIC)

- Monetising the value of a capital-intensive business, Swiss Re Group receives USD 0.9 bn in cash
- Unlocks excess capital in a place where it was seen difficult to monetise (e.g. unlike Reinsurance) for re-deployment across the Swiss Re Group
- The divestiture demonstrates our commitment to a key element of Admin Re's® strategy, which is consistent and systematic management of the portfolio of blocks of business and value extraction
- Admin Re® will focus on attractive growth potential in the UK and Continental Europe with insurance deal-flow as well as higher profitability

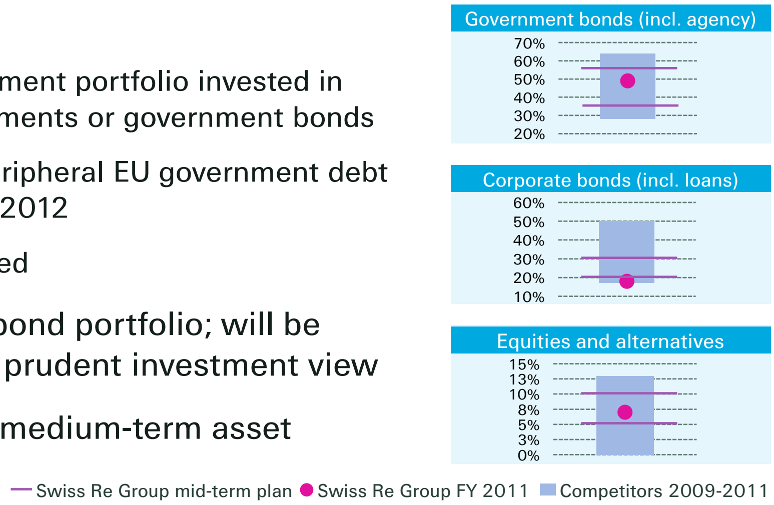
- Transaction follows the strategic priority of unlocking capital and monetising value in Admin Re®, supporting Swiss Re's financial targets

Swiss Re

5

Peer review: lower allocation to risky assets
Moderate re-risking of asset portfolio

- Prudent asset portfolio
  - 57% of Q1 2012 investment portfolio invested in cash, short-term investments or government bonds
  - Minimal exposure to peripheral EU government debt of USD 56m as per Q1 2012
  - Largely duration matched
- High quality corporate bond portfolio; will be increased in line with a prudent investment view
- Comparatively low-risk medium-term asset allocation plan



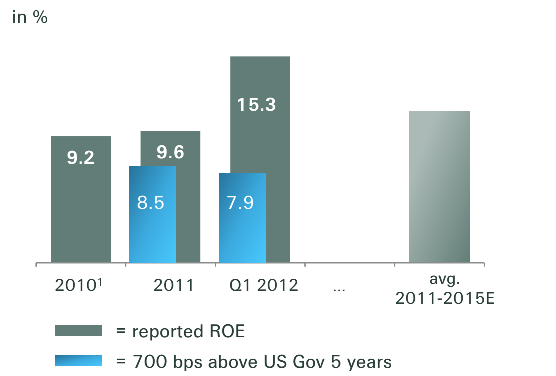
- Room for moderate re-risking into corporate credit; mid-term plan more conservative than peers

Source: Swiss Re Economic Research & Consulting, data as of end 2011

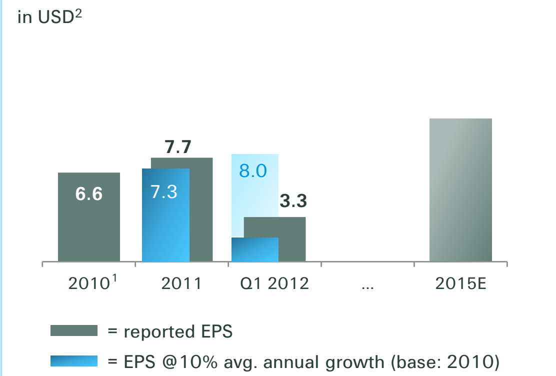
Swiss Re

Good progress against Group financial targets

ROE 700 bps above risk free average over 5 years (2011-2015)



EPS growth 10% average annual growth rate over 5 years (2011-2015)



- ENW per share will be available on bi-annual basis

[1] Excl. CPCI
[2] Assumes constant foreign exchange rate

Swiss Re is well positioned
Targets are key priority

- We are positioned to outperform through unique business opportunities; our client-centric Business Units complement the Group's capital strength
  - Very strong Group performance in Q1 2012; all segments contributed positively
  - SST ratio at 213%[1]
- We continue to manage the Swiss Re Group along our existing strategy, with focus on best-in-class underwriting and prudent asset management
  - Successful January and April renewals in P&C
  - Minimal exposure to peripheral EU government debt (USD 56m in Q1 2012)
- We will decisively move the Group's capital towards higher returns in our new business decisions and will extract dividends from in-force portfolios
  - Sale of US Admin Re® company (REALIC) to unlock capital and monetise value in Admin Re®
- Delivering on our 2011-15 financial targets is Swiss Re's top priority

[1] SST 1/2012, as filed with FINMA at the end of April, based on a projection for 2012

Corporate calendar & contacts

Corporate calendar

09 August 2012	**Second Quarter 2012 results**	Conference call
10 September 2012	**Investors and Media meeting**	Monte Carlo
08 November 2012	**Third Quarter 2012 results**	Conference call
21 February 2013	**Annual Results**	Zurich

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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 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 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 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 cyclicality 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 economic theory or principles;
- 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 from counterparties, regulators or rating agencies, or other issues arising from, or otherwise relating to, the changes in Swiss Re's corporate structure.

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