



Swiss Re estimates its claims for Hurricane Katrina to be in the range of USD 500 million

Contact:

Media Relations, Zurich
Telephone +41 43 285 7171

Corporate Communications, New York
Telephone +1 212 317 5640

Investor Relations, Zurich
Telephone +41 43 285 4444

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, 31 August 2005 – Swiss Re announced today that based on its preliminary estimate, it expects its claims related to Hurricane Katrina to be in the range USD 500 million (CHF 625 million) before tax.

Swiss Re expects Hurricane Katrina to cost the insurance industry in the region of USD 20 billion, making it the most costly hurricane after Hurricane Andrew in 1992, when insurance claims reached USD 22 billion (indexed to 2005). Based on preliminary estimates Swiss Re expects its claims to be around USD 500 million. The complexity of damage caused by the storm and subsequent flooding means estimates have a more than usual degree of uncertainty.

Swiss Re's natural catastrophe claims year to date are estimated to be CHF 1.0 billion. This estimate includes, in addition to Katrina, the significant events of January's European storm Erwin, July's Hurricanes Dennis and Emily and the flooding in India as well as the floods in Central Europe in August. These estimated claims costs can be measured against Swiss Re's natural catastrophe premiums earned of CHF 1.4 billion for the full year 2005.

Hurricane Katrina first made landfall as a category 1 hurricane in Florida on 25 August. Having gathered strength over the Gulf of Mexico, Katrina again made landfall on 29 August in Louisiana, 110 km south east of New Orleans, as a strong category 4 hurricane and went on to cause vast devastation in Mississippi, Alabama and Tennessee.

Winds of up to 240 km/h followed by heavy rainfall left behind destruction to industry, infrastructure and private property. Latest estimates indicate that several hundred people have lost their lives. Around 80% of New Orleans or some 200 000 buildings have been flooded with some areas seven metres

under water. More than 1.3 million homes were left without power in the affected areas.

Along the coast east of New Orleans, huge areas have been impacted by the storm surge which led to flooding and widespread damage. Harrison County in Mississippi bore the brunt of the storm with the towns of Gulfport and Biloxi suffering particularly badly.

Notes to editors

Swiss Re

Swiss Re is one of the world's leading reinsurers and the world's largest life and health reinsurer. The company operates through more than 70 offices in over 30 countries. Swiss Re has been in the reinsurance business since its foundation in Zurich, Switzerland, in 1863. Swiss Re offers a wide variety of products to manage capital and risk. Traditional reinsurance products, including a broad range of property and casualty as well as life and health covers and related services, are complemented by insurance-based corporate finance solutions and supplementary services for comprehensive risk management. Swiss Re is rated "AA" by Standard & Poor's, "Aa2" by Moody's and "A+" by A.M. Best.

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:

- cyclical nature 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;

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- 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.