



Swiss Re to establish full-service third party administrator in China - move underlines commitment to Chinese medical insurance industry

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Beijing, 2 April, 2008: **Swiss Re today announced it has received approval to establish a consulting company in China to provide comprehensive third party administrator (TPA) and related consulting services to hospitals, insurers, policyholders and employers.**

Beijing Prestige Health Consulting Services Company Limited (Prestige Health) is wholly owned by Swiss Re, a leading and highly diversified global reinsurer, but will operate independently. Prestige Health plans to open for business later this year, under the leadership of Mr CheeKok Poh, who is transferring from Swiss Re's Beijing Branch where he led the medical insurance team, to become CEO of the new company.

Mr Martyn Parker, a member of Swiss Re's Executive Board and CEO of its Asia Division, said, "Swiss Re is proud and excited to be able to contribute towards the growth and development of China's healthcare insurance segment." Prestige Health aims to help China's medical insurance industry achieve its huge growth potential, and aid local insurers in meeting the challenge of writing the business profitably – a challenge faced by so many of their counterparts around the world.

A recent Swiss Re *sigma* study estimates that China spent more than RMB 1,000 billion (USD 137 billion) on healthcare in 2007, 52% of which was directly paid by households. Commercial medical insurance covered less than 6% of these costs, implying a market potential of RMB 489 billion (USD 67 billion).

To help insurers capitalise on this potential, Prestige Health will offer a highly-efficient form of business process outsourcing, which provides enhanced services to policyholders and an effective risk management platform for insurers. Prestige Health aims to deliver both cost savings and access to broad expertise, allowing insurers to focus resources on competing more effectively through product development, marketing and distribution.

Prestige Health CEO Mr Poh explained, "As a full-service TPA for the Chinese market Prestige Health will apply the latest technology and use Swiss Re's global experience to create greater efficiency in the administration of medical insurance claims. This will benefit all stakeholders in the highly-topical medical care and medical insurance industries in China."

Products and services

The services offered by Prestige Health will benefit policyholders by facilitating access to medical care and the settlement of hospital bills. These services will also encourage more efficient use of medical care, through hospital partnership and collaboration, thus helping to make insurance premiums more affordable. For hospitals, the company's services would also broaden the customer base of hospitals by increasing the ability of different patient segments to use their facilities.

Mr Jean-Michel Chatagny, Swiss Re's Managing Director for medical insurance in Asia, noted that Prestige Health's fast start-up was made possible partly by the investment and global medical insurance experience provided by its parent company Swiss Re. He added, "Our China TPA operations also benefited tremendously from the specific expertise provided by the leading Indian TPA, TTK Healthcare Services (TTKHCS), which is a joint venture between Swiss Re and India's TTK Group."

TTKHCS has been in operation since 2002 and provides Indian insurance companies with a range of medical claims handling services including the administration of cashless schemes across a network of 6,500 hospitals and diagnostic centres throughout India. The company is headquartered in the southern Indian city of Bangalore, and employs more than 500 people across 28 locations.

Ms Chitra Nair, who until recently headed operations for TTKHCS in Western India, has joined Prestige Health in Beijing as Chief Operating Officer. Based in Beijing, Ms Nair brings with her five years of TPA experience and 20 years of industry know-how. She is joined by Prestige Health CFO Mr Max Cao, who has 20 years of accounting and finance experience in China, including in the broader healthcare industry. Ms Nair and Mr Cao report to Mr Poh.

Prestige Health expects to employ more than 50 people in China in the first year following its launch -- mostly specialists with medical, IT and risk management backgrounds. Over time, additional branches and service centres will be established across the country to better service its customers.

Notes to editors

Swiss Re

Swiss Re is a leading and highly diversified global reinsurer. The company operates through offices in more than 25 countries. Founded in Zurich, Switzerland, in 1863, Swiss Re offers financial services products that enable risk-taking essential to enterprise and progress. The company's traditional reinsurance products and related services for property and casualty, as well as the life and health business 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.

Swiss Re has been associated with Asia since 1913 and has been present in China since 1995, opening its branch in Beijing in 2003 to offer a full range of reinsurance products and services. Swiss Re's Asian headquarters are in Hong Kong, and the company today employs more than 900 staff throughout the Asia-Pacific region.

Prestige Health

Beijing Prestige Health Consulting Services Company Limited is a full-service Third Party Administrator (TPA) based in Beijing, China. It provides TPA and related consulting services to hospitals, insurers, policyholders and employers all over China. The company counts among its staff qualified medical and medical insurance practitioners, and makes extensive use of sophisticated technology and effective business processes to deliver cost effective value added services. Prestige Health, which is fully licensed to undertake business process outsourcing work in China, is a wholly-owned subsidiary of Swiss Re. In India, Prestige Health also operates under the trade name TTK Healthcare Services Pvt Ltd (a joint venture between India's TTK Group and Swiss Re), which is one of the leading TPAs in that country employing more than 500 people in 28 locations in India.