



Swiss Re's embedded value increases to CHF 17.1 billion in 2004 Embedded value earnings up CHF 923 million to CHF 2 billion

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Zurich, 27 April 2005 – Swiss Re reports embedded value of its life and health business of CHF 17.1 billion in 2004, up from CHF 16.0 billion in 2003. The increased embedded value earnings of CHF 2.0 billion represent a return on embedded value of 13%. The value added by new business more than doubled to CHF 666 million, driven by increased investment in Admin ReSM and the excellent new business margins achieved in 2004.

Swiss Re's embedded value of its life and health business increased by CHF 1.1 billion to CHF 17.1 billion in 2004. Excluding the effect of foreign exchange movements, in particular the 8% decline in the US dollar, the 2004 embedded value increased 13% compared to 2003. Embedded value earnings increased substantially to CHF 2.0 billion, from CHF 1.1 billion in the previous year. The value added by new business more than doubled to CHF 666 million from CHF 314 million in 2003, reflecting Swiss Re's continuing investment in Admin ReSM in 2004 and focus on securing improved margins in all its businesses.

John Fitzpatrick, Head of Swiss Re's Life & Health Business Group comments, "Swiss Re's significantly increased 2004 embedded value, demonstrates our ability to deliver good returns on both our in-force business and through the acquisition of quality new business. Swiss Re will continue to seek business that offers attractive rates of return and sees ongoing opportunities, particularly for Admin ReSM."

Analysts' conference call

Swiss Re is holding an Analysts' conference call today at 14.00 CET. The Analysts' conference call can be followed by dialing: in Europe +41 91 610 5605; in the UK +44 207 107 0613; and in the United States +1 866 865 5144.

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. Through its three business groups Property & Casualty, Life & Health and Financial Services, 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.

Embedded value – is an actuarially determined estimate of an insurer's life insurance operations, excluding future new business. It is the estimated present value of future regulatory profits from the inforce business plus the value of shareholder's net worth, less the cost of holding solvency capital.

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 our 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:

- cyclicity 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;
- changes in rating agency policies or practices;
- mortality and morbidity experience;
- policy renewal and lapse rates;
- 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.