

Half-Year 2017 Results

Media Conference Presentation
Zurich, 4 August 2017



**We make
the world
more
resilient.**

Today's agenda

- Key highlights [Christian Mumenthaler, Group CEO](#)
- HY 2017 business performance [David Cole, Group CFO](#)
- Achievements and outlook [Christian Mumenthaler, Group CEO](#)

Key highlights

Christian Mumenthaler, Group CEO

Swiss Re delivers solid results in the first half of 2017

- Swiss Re reports Group net income of USD1.2bn, supported by disciplined underwriting and strong investment results; ROE 7.0%
- P&C Reinsurance delivers solid results and maintains risk adjusted price quality; ROE 9.1%
- L&H Reinsurance continues to report strong results; ROE 12.7%
- Corporate Solutions results impacted by large losses and continued pricing pressure; ROE 3.6%
- Life Capital generates strong gross cash and distributes dividend of USD 1.1bn to the Group; ROE 4.0%
- Group investment portfolio provides strong and sustainable returns; ROI 3.5%
- Book value per share of USD 107.10 (CHF 102.57), after distributing USD 2.0bn to shareholders
- Based on very strong capital position, Swiss Re is well positioned to face industry challenges and respond to opportunities as they arise

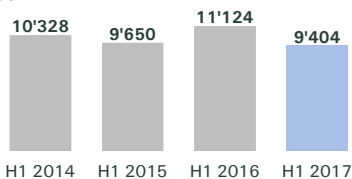
HY 2017 business performance

David Cole, Group CFO

Solid P&C Reinsurance results in a challenging business environment

Gross premiums written

USD m



Combined ratio

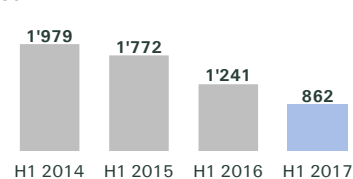
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- Gross premiums written decreased by 15.5% as a result of disciplined underwriting
- Combined ratio benefited from overall lower than expected large natural catastrophe events (0.2%pts) and favourable prior-year development (2.0%pts)

EBIT

USD m



Net operating margin

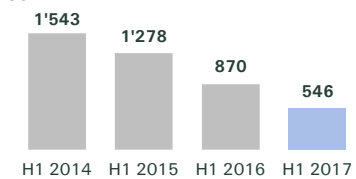
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- EBIT and net operating margin impacted by natural catastrophe losses, lower net realised gains and foreign exchange movements
- Underwriting result impacted by loss from Cyclone Debbie in Australia but overall stable

Net income

USD m



Return on equity

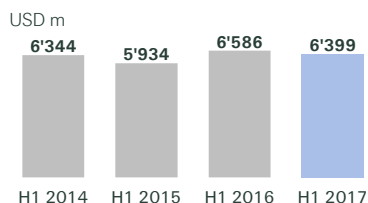
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- Net income supported by solid underwriting performance, but impacted by a lower investment result

L&H Reinsurance maintains a stable underwriting performance and achieves a strong ROE

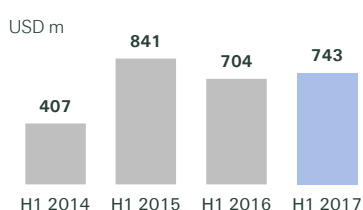
Gross premiums written



Running yield



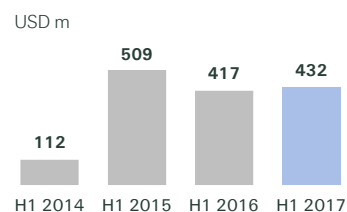
EBIT



Net operating margin



Net income



Return on equity



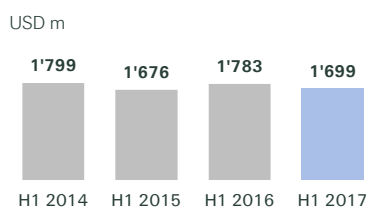
- Gross premiums written decreased by 2.8% mainly due to changes in intra-group retrocession agreements and foreign exchange rate movements
- Attractive new business growth continued with successful renewals and wins in Americas and Asia
- Solid running yield in line with FY 2016

- Underwriting performance remains stable, despite the impact of few large claims in US Individual Life and developments in UK Critical Illness, reflecting the diversified product portfolio across markets
- EBIT benefited from realised gains on sales of equity securities

- Continuing strong ROE reflects quality of the overall L&H Reinsurance portfolio

Corporate Solutions' results impacted by higher natural catastrophe losses and continued pricing pressure

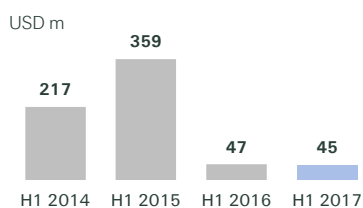
Gross premiums written¹



Combined ratio



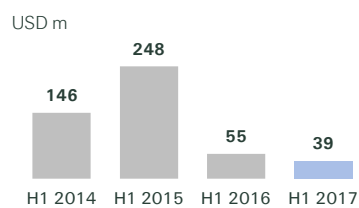
EBIT



Net operating margin



Net income



Return on equity



- Gross premiums written decreased by 4.7%, mainly impacted by cycle-related pricing pressure in most business segments
- Combined ratio impacted by unfavourable prior-year development (6.9%pts), driven by large casualty losses with accident dates in 2015 / 2016, and higher natural catastrophe losses (4.1%pts)²

- EBIT and net operating margin impacted by an underwriting loss, offset by income from investment activities
- Continued progress on long-term strategy, with investment in Primary Lead capabilities and successful commencement of the Bradesco joint venture in Brazil, creating one of the country's leading large-risk insurers

- Net income performance in line with EBIT development
- Despite active pruning of most underpriced underwriting portfolio segments, overall portfolio price level further reduced due to soft market environment particularly in the large corporate segment

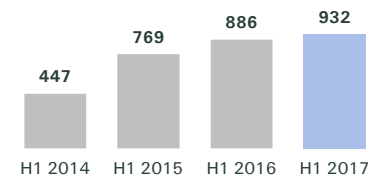
¹ Gross premiums written including premiums for insurance in derivative form, net of internal fronting for the Reinsurance Business Unit

² Refer to slide 18 for combined ratio breakdown

Life Capital generates strong gross cash and makes significant dividend distribution to the Group

Gross premiums written

USD m



Gross cash generation (GCG)

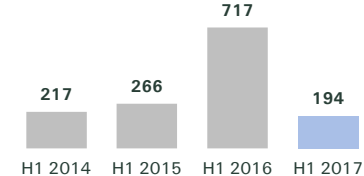
USD m



- Increase in gross premiums written driven by growth in both the group and individual open life and health insurance business
- Strong underlying GCG including a benefit from the year-end true up for the final 2016 Solvency II position and favourable economic movements compared to the prior year

EBIT

USD m



Net operating margin

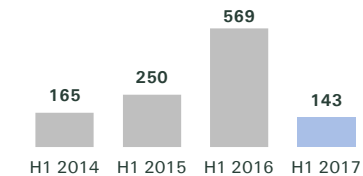
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- EBIT reflects underlying performance in line with expectations and includes benefit from realised gains on sales
- Prior year included a favourable impact from movements in the investment portfolio arising from falling interest rates

Net income

USD m



Return on equity

%

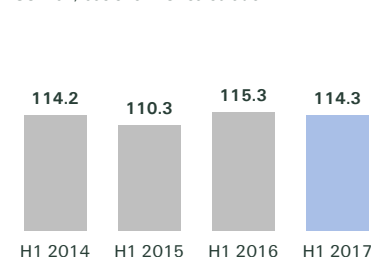


- Net income performance in line with EBIT development
- ROE of 4.0%; unrealised gains accounted for almost one third of closing equity
- Dividend of USD 1.1 bn paid to Group in Q2 2017

Group investment portfolio continues to provide strong and sustainable returns

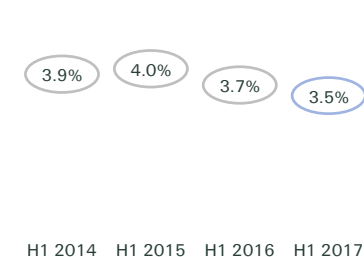
Average invested assets

USD bn, basis for ROI calculation



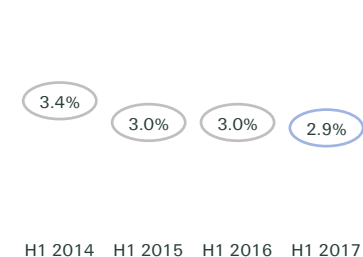
- Average invested assets broadly stable
- Asset allocation changes include a decrease of cash and short-term investments and an increase of government bonds and credit investments

Return on investments



- ROI driven by net investment income as well as net realised gains, largely from sales of equity securities
- Net realised gains of USD 542m for H1 2017; H1 2016: USD 610m
- Low net realised losses from impairments of USD 30m for H1 2017; H1 2016: USD 60m

Running yield



- Running yield stable compared to FY 2016

Achievements and outlook

Christian Mumenthaler, Group CEO

Corporate Solutions continues to pursue key initiatives for growth – for example via its joint venture in Brazil

Key facts

- Corporate Solutions and Bradesco Seguros S.A. started a joint venture – Swiss Re Corporate Solutions Brazil (SRCSB) – to create a **leading commercial large-risk insurer** in Brazil in July
- The risk portfolio of Bradesco Seguros was **integrated** into SRCSB
- Swiss Re Corporate Solutions holds a 60% equity stake in SRCSB; Bradesco Seguros has a 40% equity stake
- Innovative products will be delivered through an **established distribution network** of 4 600 branches and 40 000 insurance brokers and agents
- Combined entity to have around **USD 250 million** in gross written premiums



- Founded in 1943 as a commercial bank; headquarters in Rio de Janeiro
- One of the largest financial groups in Latin America
- Third largest bank in Brazil
- 69.8 million clients, out of which 50.4 million are insurance clients



Largest insurer in Brazil by revenue

~26% market share¹

¹Source: Bradesco Institutional Presentation p. 98

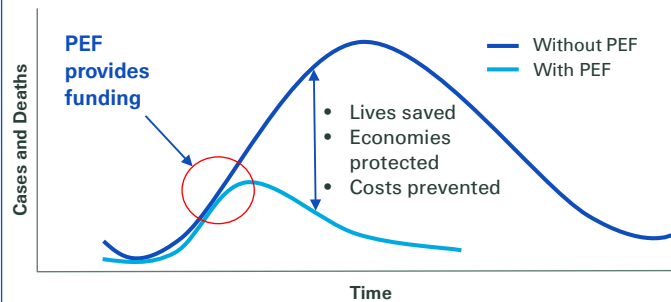
Collaboration with World Bank to combat pandemic outbreaks

- Like any natural disaster, the **outbreak** of a **pandemic** is a **catastrophe** requiring a **quick, effective** response
- Fast **access** to **funds** to respond to outbreaks is **key** to **mitigating** an **outbreak's impact**
- World Bank **mandated Swiss Re** as one of its partners to form the **Pandemic Emergency Financing Facility (PEF)** in 2016
- The PEF was launched in June 2017 with **Swiss Re** acting as **joint structuring agent** and **sole bookrunner** for the bond transaction

Ebola Outbreak

- WHO first reports: March 23, 2014
 - Total Cases: 28 616 - Deaths: 11 310
 - **July 2014**
Request for funds*: USD 100 million
Total Cases: 1 323 - Deaths: 729
 - **October 2014**
Request for funds*: USD 1.5 billion
Total Cases: 3 052 - Deaths: 1 546
- * Funds requested ≠ cash received

If the PEF had activated, it would have provided USD 150 million between July and October 2014



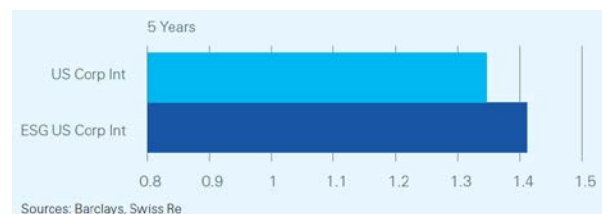
- PEF **surge funding** aims to **prevent disease outbreaks** from turning **into more deadly and costly pandemics**

Sources: Swiss Re, World Bank, UN, CDC, New York Times, The Telegraph

Swiss Re among first in the industry to integrate ESG benchmarks into its investment decisions

- Consideration of ESG criteria along the entire investment process **makes economic sense**:
 - over a multi-year period, **corporate bond** portfolios constructed from companies with higher ESG ratings show a **better risk-adjusted return**
 - the same applies to **equities**, though not in all local markets to the same extent
- ESG integration is expected to show its **benefits** particularly over the **longer term**, aligning well with the goals of a long-term investor
- If more **institutional investors** follow the ESG route, the **impact** could be **powerful**, given the USD 75 trillion of institutional assets worldwide

ESG corporate credit benchmarks show a better risk-return relationship



Information ratio¹ of corporate credit benchmarks

Performance statistics from June 2012 to May 2017

¹The information ratio is a measure of risk adjusted returns and it is computed as excess return relative to duration matched treasuries divided by the volatility of the excess return

External recognition



Swiss Re is well placed to face industry challenges and respond to opportunities

Capital position



- Very strong capital position enables execution of systematic capital allocation (Group SST ratio 2017: 262%)
- Capital management priorities remain unchanged

Business solutions



- Supported World Bank in launching the first-ever bonds to combat pandemic outbreaks
- Large and tailored transactions are strong differentiator in Reinsurance
- Commenced joint venture between Corporate Solutions and Bradesco Seguros
- Executing Life Capital open book growth strategy

Sustainability



- DJSI Insurance Industry Leader, for the tenth time since 2004
- MSCI AAA rating since May 2017
- Among first in re/insurance industry to switch to ESG investment benchmarks

Swiss Re is a risk knowledge company that systematically allocates capital into attractive risk pools



Appendix

- Key figures
- Business segment results H1 2017 – Income statement
- Business segment results H1 2017 – Balance sheet
- Total equity and ROE H1 2017
- Common shareholders' equity movement
- P&C Reinsurance – 2017 renewals
- P&C Reinsurance – 2017 renewals portfolio weighting
- P&C underwriting performance
- Corporate Solutions – Combined ratio breakdown
- Investment market outlook and portfolio position
- Return on investments (ROI)
- Overall investment portfolio
- Fixed income securities
- Equities and alternative investments
- Group capital position
- Sustainability
- Corporate calendar & contacts
- Cautionary note on forward-looking statements

Key figures

USD m, unless otherwise stated

	P&C Re	L&H Re	Corporate Solutions	Life Capital	Group Items	Total H1 2017	Total H1 2016
Gross premiums written	9 404	6 399	1 745	932	-	18 145	19 798
Premiums earned and fee income	7 978	5 769	1 748	709	-	16 204	16 118
EBIT	862	743	45	194	82	1 842	2 612
Net income/loss	546	432	39	143	51	1 211	1 866
Net operating margin	10.0%	11.2%	2.4%	13.9%	27.3%	9.9%	13.6%
Return on investments	3.0%	4.2%	3.4%	3.4%	1.6%	3.5%	3.7%
Return on equity	9.1%	12.7%	3.6%	4.0%	1.6%	7.0%	10.9%
Combined ratio	97.4%	-	104.5%	-	-		
Earnings per share	(USD)					3.76	5.61
	(CHF)					3.75	5.51
Common shareholders' equity ¹	11 300	6 765	2 149	7 013	7 146	34 373	34 532
<i>of which unrealised gains</i>	540	1 808	53	2 158	371	4 930	4 454
Book value per common share	(USD)					107.10	105.93
	(CHF)					102.57	107.64

¹ Excluding contingent capital instruments (USD 1 102m, of which USD 352m in P&C Re, USD 750m in L&H Re); basis for ROE and BVPS calculations

Business segment results H1 2017

Income statement

USD m	Re- insurance	P&C Re	L&H Re	Corporate Solutions	Life Capital	Group Items	Consoli- dation	Total H1 2017	Total H1 2016
Revenues									
Gross premiums written	15 803	9 404	6 399	1 745	932	-	-335	18 145	19 798
Net premiums written	14 808	9 076	5 732	1 382	627	-	-	16 817	18 681
Change in unearned premiums	-1 094	-1 098	4	366	-139	-	-	-867	-2 832
Premiums earned	13 714	7 978	5 736	1 748	488	-	-	15 950	15 849
Fee income from policyholders	33	-	33	-	221	-	-	254	269
Net investment income/loss – non participating business	1 088	463	625	75	605	92	-74	1 786	1 864
Net realised investment gains/losses – non participating business	422	170	252	44	77	31	-	574	1 153
Net investment result – unit-linked and with-profit business	37	-	37	-	1 585	-	-	1 622	2 124
Other revenues	19	18	1	5	3	177	-185	19	17
Total revenues	15 313	8 629	6 684	1 872	2 979	300	-259	20 205	21 276
Expenses									
Claims and claim adjustment expenses	-5 102	-5 102	-	-1 220	-	-	-	-6 322	-6 208
Life and health benefits	-4 540	-	-4 540	-	-935	-	-	-5 475	-5 395
Return credited to policyholders	-54	-	-54	-	-1 575	-	-	-1 629	-1 922
Acquisition costs	-3 086	-2 113	-973	-250	-51	-	-	-3 387	-3 618
Operating expenses	-926	-552	-374	-357	-224	-218	175	-1 550	-1 521
Total expenses	-13 708	-7 767	-5 941	-1 827	-2 785	-218	175	-18 363	-18 664
Income/loss before interest and tax	1 605	862	743	45	194	82	-84	1 842	2 612
Interest expenses	-293	-142	-151	-12	-17	-46	84	-284	-314
Income/loss before income tax expense	1 312	720	592	33	177	36	-	1 558	2 298
Income tax expense/benefit	-300	-165	-135	5	-34	15	-	-314	-396
Net income/loss before attribution of non- controlling interests	1 012	555	457	38	143	51	-	1 244	1 902
Income/loss attributable to non-controlling interests	-	-	-	1	-	-	-	1	-2
Net income/loss after attribution of non-controlling interests	1 012	555	457	39	143	51	-	1 245	1 900
Interest on contingent capital instruments, net of tax	-34	-9	-25	-	-	-	-	-34	-34
Net income attributable to common shareholders	978	546	432	39	143	51	-	1 211	1 866

Business segment results H1 2017

Balance sheet

30 June 2017, USD m	Re- insurance	P&C Re	L&H Re	Corporate Solutions	Life Capital	Group Items	Consoli- dation	End H1 2017	End FY 2016
Assets									
Fixed income securities	65 239	33 760	31 479	7 080	25 359	86	-	97 764	93 276
Equity securities	2 482	1 614	868	515	20	816	-	3 833	3 435
Other investments	18 519	15 427	3 092	99	2 436	6 330	-9 982	17 402	15 218
Short-term investments	4 816	3 153	1 663	660	2 012	848	-	8 336	10 909
Investments for unit-linked and with-profit business	585	-	585	-	33 021	-	-	33 606	32 178
Cash and cash equivalents	3 252	2 484	768	555	2 789	785	-	7 381	9 011
Deferred acquisition costs	5 666	2 251	3 415	396	38	-	-	6 100	6 200
Acquired present value of future profits	944	-	944	-	1 061	-	-	2 005	2 003
Reinsurance recoverable	3 927	2 362	1 565	5 733	2 093	-	-4 209	7 544	7 461
Other reinsurance assets	18 456	11 713	6 743	2 336	4 224	2	-952	24 066	21 454
Goodwill	3 755	1 907	1 848	172	136	-	-	4 063	3 965
Other	14 202	9 631	4 571	1 396	1 909	951	-6 926	11 532	9 955
Total assets	141 843	84 302	57 541	18 942	75 098	9 818	-22 069	223 632	215 065
Liabilities									
Unpaid claims and claim adjustments expenses	52 276	41 362	10 914	10 512	1 812	-	-4 193	60 407	57 355
Liabilities for life and health policy benefits	15 047	-	15 047	270	26 225	-	-22	41 520	41 176
Policyholder account balances	1 615	-	1 615	-	34 462	-	-	36 077	34 354
Other reinsurance liabilities	14 844	12 817	2 027	4 136	1 009	3	-1 243	18 749	16 086
Short-term debt	6 192	1 900	4 292	-	260	518	-5 886	1 084	1 564
Long-term debt	10 271	3 449	6 822	497	1 466	21	-2 255	10 000	9 787
Other	22 430	13 121	9 309	1 321	2 851	2 130	-8 470	20 262	19 027
Total liabilities	122 675	72 649	50 026	16 736	68 085	2 672	-22 069	188 099	179 349
Equity									
Shareholders' equity	19 167	11 652	7 515	2 149	7 013	7 146	-	35 475	35 634
Non-controlling interests	1	1	-	57	-	-	-	58	82
Total equity	19 168	11 653	7 515	2 206	7 013	7 146	-	35 533	35 716
Total liabilities and equity	141 843	84 302	57 541	18 942	75 098	9 818	-22 069	223 632	215 065

Total equity and ROE H1 2017

USD m	Re-insurance	P&C Re	L&H Re	Corporate Solutions	Life Capital	Group Items	Total ¹ H1 2017
Common shareholders' equity² at 31 December 2016	19 500	12 688	6 812	2 218	7 272	5 544	34 532
Net income/loss attributable to common shareholders	978	546	432	39	143	51	1 211
Dividends and share buy-back	-2 600	-1 950	-650	-150	-1 058	1 773	-2 035
Capital contributions		-	-	-	252	-252	-
Net change in unrealised investment gains/losses	255	-35	290	42	120	59	476
Other (incl. fx)	-68	51	-119	-	284	-29	189
Common shareholders' equity² at 30 June 2017	18 065	11 300	6 765	2 149	7 013	7 146	34 373
Contingent capital instruments	1 102	352	750	-	-	-	1 102
Shareholders' equity at 30 June 2017	19 167	11 652	7 515	2 149	7 013	7 146	35 475
Non-controlling interests	1	1	-	57	-	-	58
Total equity at 30 June 2017	19 168	11 653	7 515	2 206	7 013	7 146	35 533

USD m	Re-insurance	P&C Re	L&H Re	Corporate Solutions	Life Capital	Group items	Total ¹ H1 2017
Net income/loss attributable to common shareholders	978	546	432	39	143	51	1 211
Opening common shareholders' equity ²	19 500	12 688	6 812	2 218	7 272	5 544	34 532
Average common shareholders' equity ²	18 783	11 994	6 789	2 184	7 143	6 345	34 453
ROE H1 2017, annualised³	10.4%	9.1%	12.7%	3.6%	4.0%	1.6%	7.0%

Shares outstanding⁴

in millions

As at 30 June 2017	321.0	Weighted average	321.7
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¹ Total is after consolidation

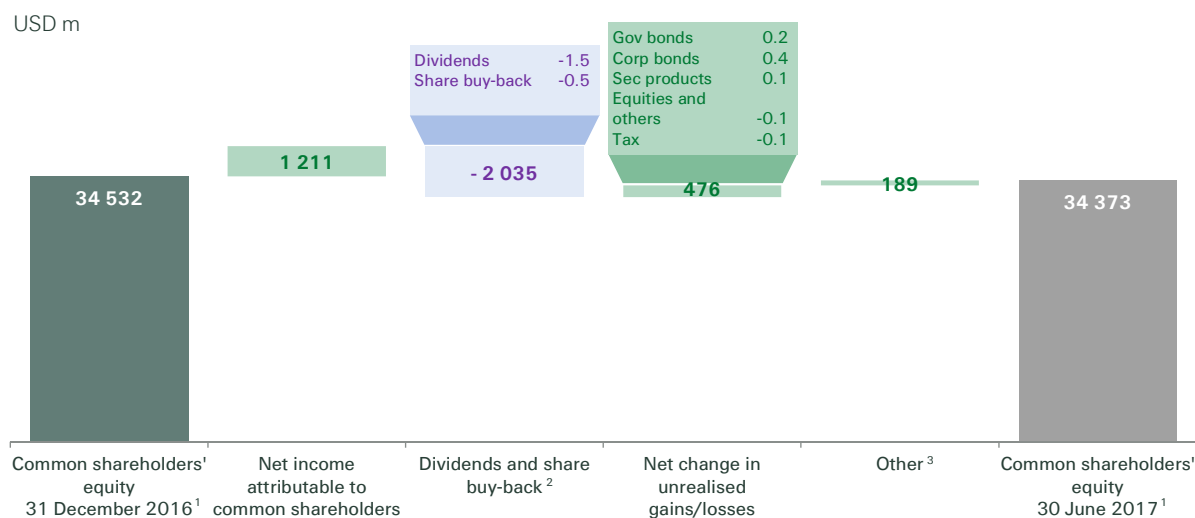
² Excluding contingent capital instruments (USD 1 102m, of which USD 352m in P&C Re, USD 750m in L&H Re); basis for ROE and BVPS calculations

³ Based on published net income attributable to common shareholders

⁴ Shares outstanding is the number of shares eligible for dividends and is used for the BVPS and EPS calculation; reflects 10.6m shares repurchased under the share buy-back programme

Common shareholders' equity movement

Decrease driven by dividend payments and share buy-back



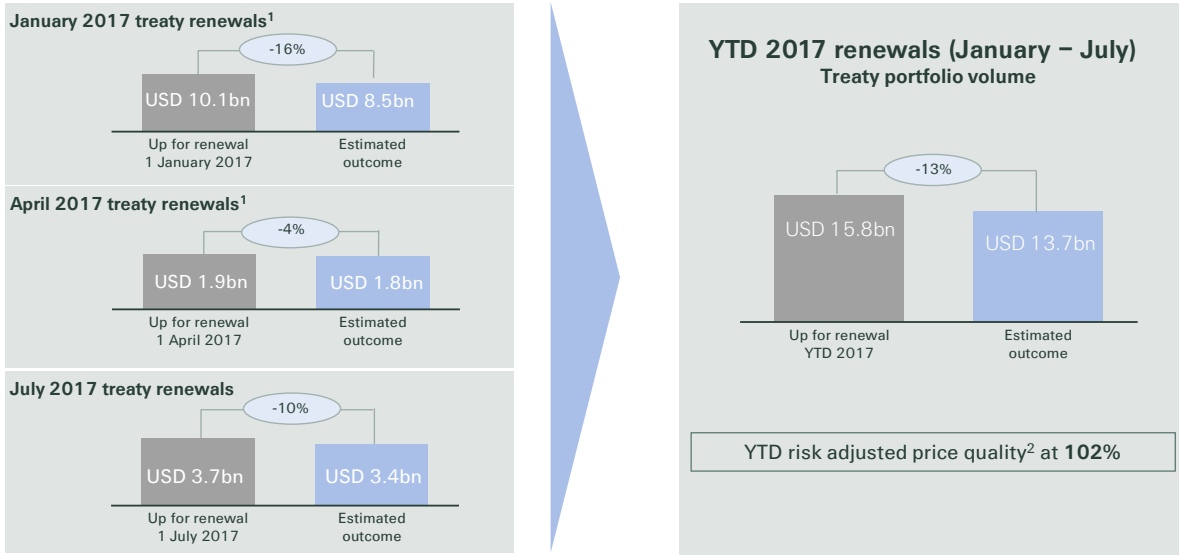
¹ Excluding contingent capital instruments (USD 1 102m, of which USD 352m in P&C Re, USD 750m in L&H Re); basis for ROE and BVPS calculations

² Includes USD 476m of the share buy-back programme which was launched on 4 November 2016 and completed as of 9 February 2017

³ Including foreign exchange translation adjustments of USD 225m

P&C Reinsurance 2017 renewals

Disciplined underwriting in challenging market environment



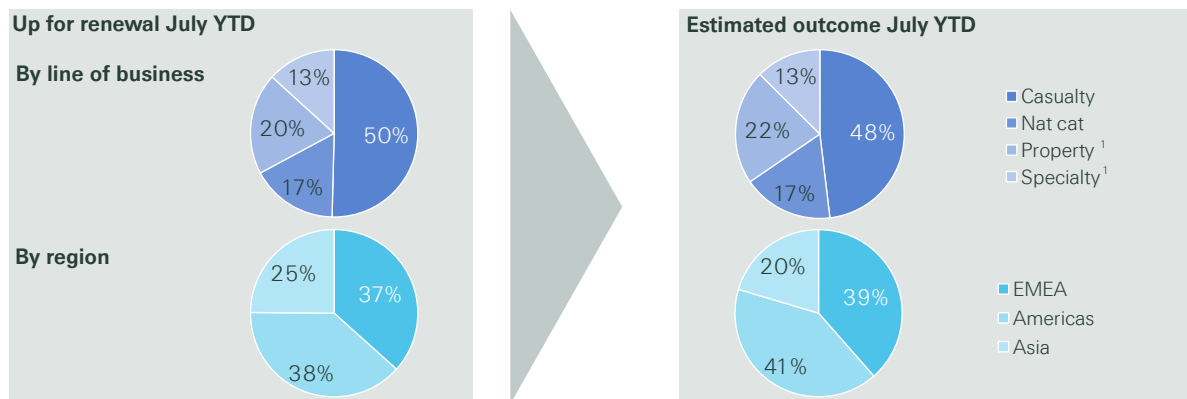
- Treaty premium volume decreased by 13% YTD driven by reducing deployed capacity in almost all segments
- Rate decreases in property (incl. Nat Cat) and specialty continue to slow down, while casualty rates remain generally more stable with significant differences by market and product

¹ January and April 2017 numbers have been restated with current fx rates
² Swiss Re's risk adjusted price quality provides an economic view on price quality, ie includes rate and exposure changes, claims inflation and interest rates

P&C Reinsurance 2017 renewals

Portfolio weighting by line of business and region

Gross premium volume, treaty portfolio



Reduced capacity in almost all segments, including Chinese quota share business, to preserve quality of our book

¹ Excluding nat cat

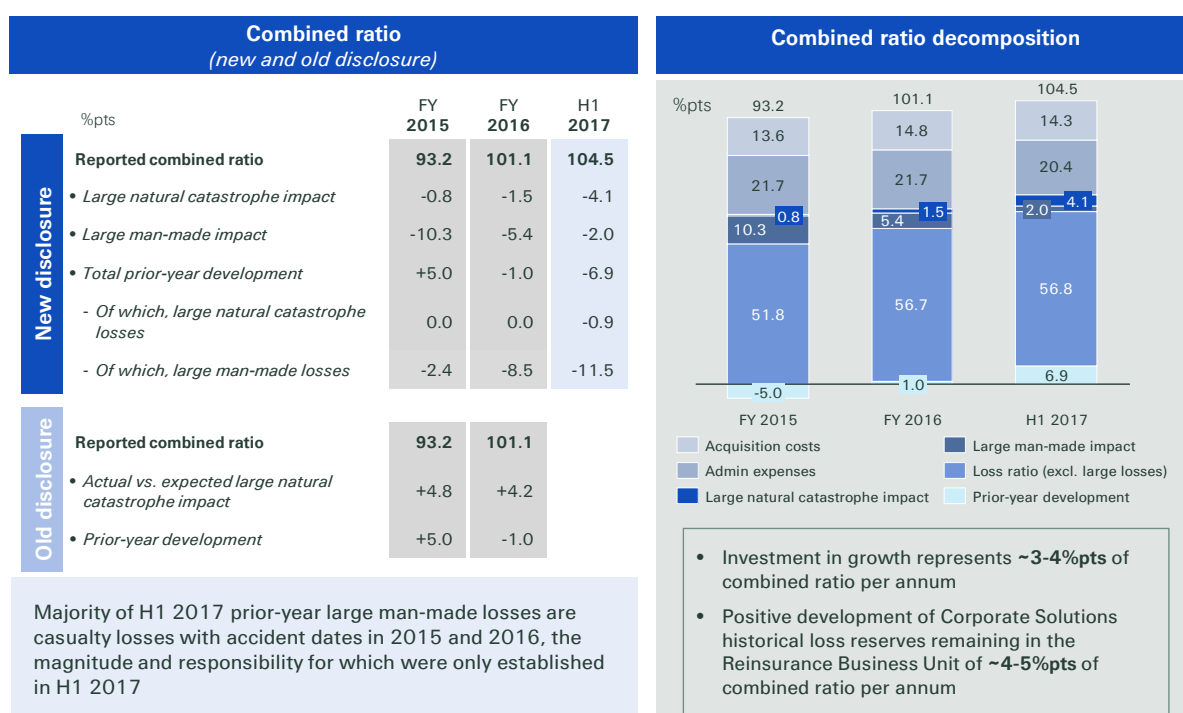
P&C underwriting performance

P&C Reinsurance and Corporate Solutions

	Combined ratio		Main drivers of change	Net premiums earned	Underwriting result
	H1 2016	H1 2017		H1 2017 USD m	H1 2017 USD m
P&C Reinsurance					
Property	94.1%	88.7%	<ul style="list-style-type: none"> H1 2017 reflects lower large man-made losses and favourable prior year development Both periods impacted by challenging market environment and adverse claims experience in motor Overall good experience continued; benign losses in credit in H1 2017 offset by increases in marine and aviation losses 	2 704	306
Casualty	105.6%	106.2%		4 129	-256
Specialty	78.0%	85.9%		1 145	161
Total	97.2%	97.4%		7 978	211
Corporate Solutions					
Property	84.2%	105.2%	<ul style="list-style-type: none"> Increase due to higher large natural catastrophe events, mainly driven by Cyclone Debbie Both periods impacted by large man-made casualty losses, though to a lesser extent in H1 2017 H1 2017 benefited from lower loss activity in credit, partially offset by a large aviation loss 	595	-31
Casualty	127.3%	118.4%		624	-115
Specialty	92.0%	87.3%		529	67
Total	101.6%	104.5%		1 748	-79

Corporate Solutions

Combined ratio breakdown



Note: Large natural catastrophe and large man-made includes current accident year large losses exceeding USD 10m threshold

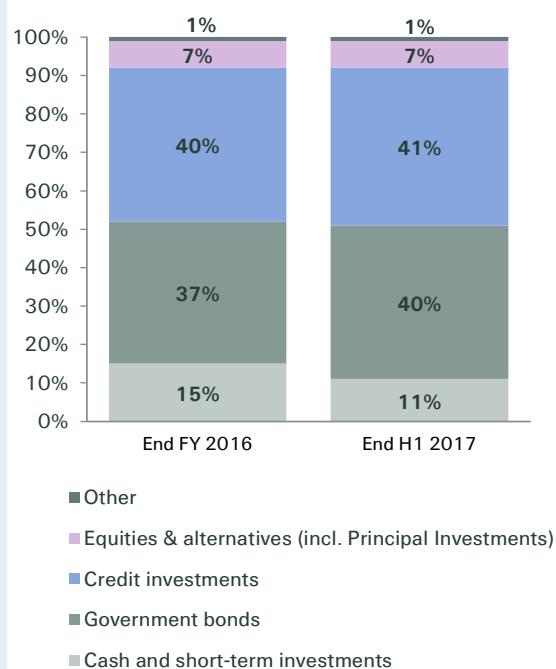
Investment market outlook and portfolio position

Market outlook

- Baseline of a moderate global growth outlook remains; US growth should allow the Fed to continue with policy normalisation
- Improved outlook for Europe on the macro and political fronts
- Central bank policies remain a key driver

Current portfolio position

- Decrease in cash and short-term investments allocation reflecting additional fixed income strategies and dividend payment
- Net increase in government bond allocation driven by reinvestment of cash into shorter duration positions
- Increase of credit investments due to purchases of short duration corporate bonds and credit ETFs, partially offset by sales of securitised products
- No significant change to equities and alternative investments allocation



Return on investments (ROI)

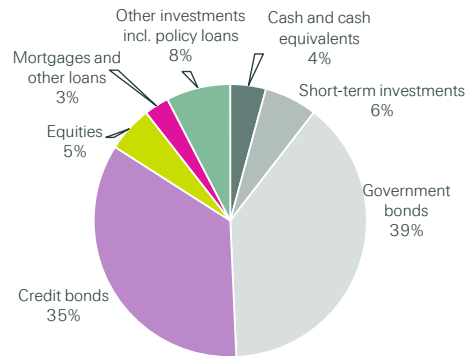
USD m	P&C Re	L&H Re	Corporate Solutions	Life Capital	Group items	Consolidation	Total H1 2017	Total H1 2016
Investment related net investment income	424	545	86	449	92	-75	1 521	1 560
Fixed income	338	516	78	425	-	-	1 357	1 415
Equities and alternative investments -incl RE, PE, HF	157	31	7	-	36	-	231	196
Other	17	40	9	43	79	-90	98	126
Investment expenses	-88	-42	-8	-19	-23	15	-165	-177
Investment related net realised gains/losses	217	212	60	52	1	-	542	610
Fixed income	16	61	6	92	-	-	175	546
Equities and alternative investments -incl RE, PE, HF	123	152	53	-	-2	-	326	100
Other	78	-1	1	-40	3	-	41	-36
Other revenues	10	-	-	-	-	-10	-	-
Investment related operating income	651	757	146	501	93	-85	2 063	2 170
Less income not related to investment return ¹	-21	-5	-7	-1	-38	36	-36	-36
Basis for ROI	630	752	139	500	55	-49	2 027	2 134
Average invested assets at avg. fx rates	41 470	35 688	8 179	29 527	6 873	-7 459	114 278	115 285
ROI, annualised	3.0%	4.2%	3.4%	3.4%	1.6%	n/a	3.5%	3.7%
Insurance related net investment income	39	80	-11	156	-	1	265	304
Insurance related net realised gains/losses	8	14	-5	6	8	-	31	404
Foreign exchange gains/losses	-55	26	-11	19	22	-	1	139
Net investment income/loss – non participating	463	625	75	605	92	-74	1 786	1 864
Net realised investment gains/losses – non participating	170	252	44	77	31	-	574	1 153

- Decrease in investment related net investment income due to reduced fixed income driven by a weaker GBP, partially offset by additional income from equities and alternative investments
- Decrease in investment related net realised gains driven by reduced realised gains from fixed income, partially offset by additional realised gains from equities and alternative investments
- Decrease in insurance related net realised gains as the prior period reflected significant gains on interest rate derivatives in Life Capital

¹ Excluded from basis for ROI: income from minority interests, cash and cash equivalents, securities lending, repurchase agreements and collateral balances

Overall investment portfolio

USD bn	End H1 2017
Balance sheet values	168.3
Unit-linked investments	-29.8
With-profit business	-5.6
Assets for own account (on balance sheet only)	132.9

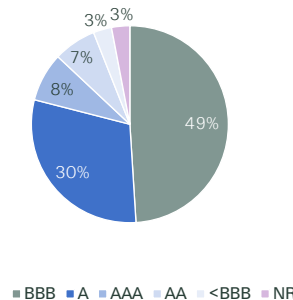
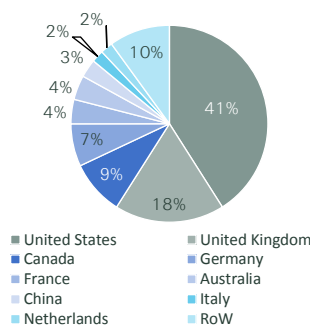


USD bn	P&C Re	L&H Re	Corporate Solutions	Life Capital	Group items	Consolidation	End H1 2017	End FY 2016
Cash and cash equivalents	2.5	0.8	0.6	0.9	0.8	-	5.6	7.7
Short-term investments	3.1	1.7	0.7	2.0	0.8	-	8.3	10.9
Government bonds	25.5	14.9	4.4	6.7	0.1	-	51.6	48.4
Credit bonds	8.2	16.6	2.7	18.7	-	-	46.2	44.9
Equities ¹	3.0	1.0	0.5	-	2.7	-	7.2	6.7
Mortgages and other loans	5.2	1.4	-	1.8	3.6	(8.1)	3.9	3.6
Other investments incl. policy loans	8.9	1.5	-	0.7	0.8	(1.8)	10.1	8.3
Total	56.4	37.9	8.9	30.8	8.8	(9.9)	132.9	130.5

¹ Includes equity securities, private equity and Principal Investments

Fixed income securities

USD m	Government bonds	Credit bonds
End FY 2016	48 374	44 902
End H1 2017	51 591	46 173

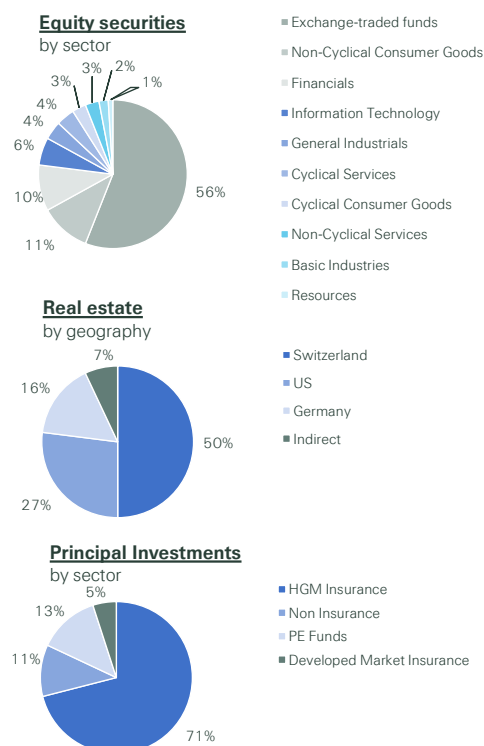


- Increase in government bonds mainly due to net purchases and foreign exchange impacts
- Credit bonds include corporate bonds (USD 41.7bn) and securitised products (USD 4.5bn)
- Increase in credit bonds due to fx impacts and mark-to-market gains stemming from tighter credit spreads
- Overall credit bond portfolio is high quality; non-rated bonds include private debt of investment grade quality

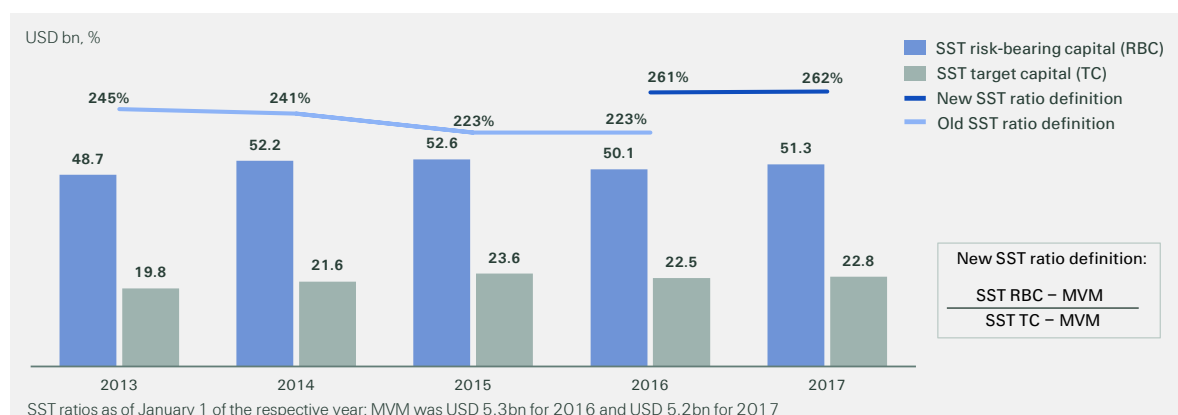
Equities and alternative investments

USD m	End FY 2016	End H1 2017
Equity securities	2 698	3 017
Private equity	1 430	1 407
Hedge funds	317	327
Real estate	3 678	3 826
Principal Investments	2 577	2 745
<i>Equity securities</i>	<i>737</i>	<i>816</i>
<i>Private equity</i>	<i>1 840</i>	<i>1 929</i>
Total market value	10 700	11 322

- Increase in equity securities mainly due to market value gains
- Increase in real estate driven by foreign exchange impacts on direct investments
- Increase in Principal Investments reflects market value gains during the period as well as net purchases



Group capital position



- Very strong Group capital position maintained
- Group SST 2017 ratio of 262% under new SST ratio definition, comfortably above the Group's 220% respectability level, valid from January 2017
- Swiss Re remains well positioned to respond to market opportunities

Sustainability

Swiss Re takes the long-term view and enables sustainable progress

Sustainability performance highlights

Business solutions, examples 2017

- Supported the World Bank in launching the first-ever bonds to combat pandemic outbreaks
- Climate risk transfer innovations continue: launch of Insur8, the first-ever typhoon warning insurance product for businesses operating in Hong Kong

Risk intelligence, investments and operations

- Systematic integration of ESG criteria into investment process and portfolio. Among first in re/insurance industry to switch to ESG benchmarks. Investments in companies with > 30% of revenues from, or usage of, thermal coal avoided
- Sensitive business transactions systematically assessed by underwriters and Risk Management
- Operations greenhouse neutral since 2003

External recognition

DJSI Insurance Industry Leader
for the tenth time since 2004



AAA-rating (May 2017)



Europe 120 Constituent



FTSE4Good Constituent



Prime Status



Constituent of ECPI Indices



We are committed to being a responsible company. Contributing to sustainable, long-term value creation serves as a guiding principle for Swiss Re's actions

Corporate calendar & contacts

Corporate calendar

2017

11 September	Rendez-vous de Monte Carlo – media conference	Conference call
02 November	Nine Months 2017 Key Financial Data	Conference call

2018

23 February	Annual Results 2017	Conference call
15 March	Publication of Annual Report 2017	
20 April	154th Annual General Meeting	Zurich

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Forward-looking statements typically are identified by words or phrases such as "anticipate", "assume", "believe", "continue", "estimate", "expect", "foresee", "intend", "may increase", "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 the Group's actual results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects to be materially different from any future results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects expressed or implied by such statements or cause Swiss Re to not achieve its published targets. Such factors include, among others:

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- further deterioration in global economic conditions;
- the Group'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 the Group'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 the Group's investment assets;
- changes in the Group'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 the Group'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 the Group's hedging arrangements may not be effective;
- the lowering or loss of one of the financial strength or other ratings of one or more Swiss Re companies, and developments adversely affecting the Group'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 the Group's clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- current, pending and future legislation and regulation affecting the Group or its ceding companies and the interpretation of legislation or regulations;
- 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; and
- operational factors, including the efficacy of risk management and other internal procedures in managing the foregoing risks.

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