



UBS - Best of Switzerland Conference

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Introduction to Swiss Re



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

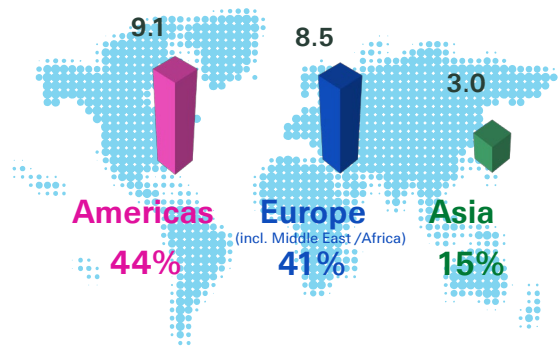
- **147 years of experience** in providing wholesale re/insurance and risk management solutions.
- **We deliver both traditional and innovative offerings** in Property & Casualty and Life & Health that meet our clients' needs.
- **A pioneer in insurance-based capital market solutions**, we combine financial strength and unparalleled expertise for the benefit of our clients.
- **Our financial strength** is currently rated:
Standard & Poor's: A+/positive; Moody's A1/stable; A.M. Best: A/positive



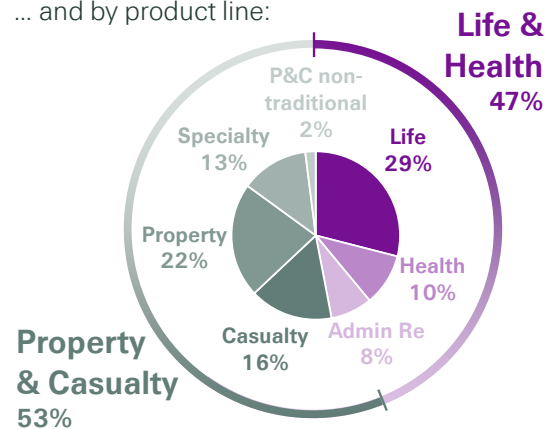
Swiss Re is broadly diversified by geography and product line

Premiums earned¹ 2010 (USD 20.6 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 147 years and continuing research with a widely recognised strong track record of innovation

¹ Includes fee income from policyholders



Q2 2011 results

A step in the right direction, more to follow

- Net income USD 1.0bn
 - Strong financial results across all segments
 - Excellent P&C combined ratio 78.4%
 - Solid, improved L&H result USD 161m
 - Very good Asset Management performance, ROI 4.3%
- Strong July renewals, leading to earnings growth
- Very good investment performance, conservative asset portfolio
 - Minimal exposure to peripheral EU sovereigns (USD 78m, Greece nil)
- Delivered first deals from our pipeline, both Admin Re[®] and P&C run-off

- Ideally positioned for business due to excellent capitalisation



Creating value in wholesale re/insurance



Creating value in wholesale re/insurance

Re/insurance value drivers

Market inefficiencies at a point in time

Market inefficiencies over time

Portfolio construction & efficiency

Swiss Re capabilities

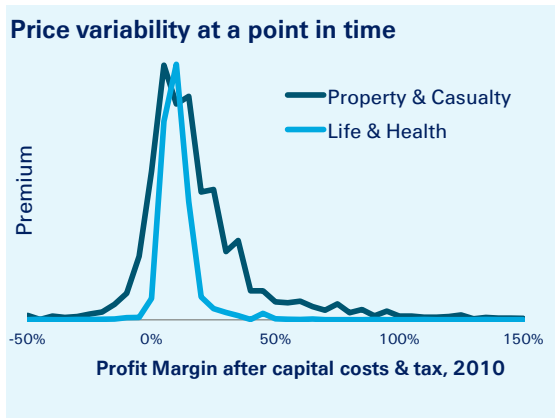
Client access & knowledge

UW insight & structuring

Global steering & delivery

- We aspire to capture value from market inefficiencies and portfolio efficiency, via fundamental analysis and execution

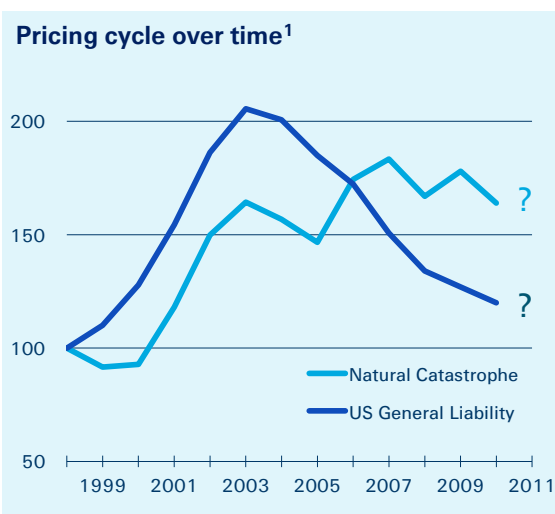
Market inefficiencies at a point in time



- The market is inefficient at pricing
- Success drivers: critical mass and investment in
 - R&D into risk factors
 - Proprietary costing tools
 - UW training
 - Metrics and measurement
 - Leveraging skills across portfolios

■ Inefficiencies create the opportunity for investment in outperformance

Market inefficiencies over time (1/2)



- The market is inefficient at pricing at a consistent profit margin over time
- The magnitude of the price cycle is extreme
- Success drivers
 - Accurate costing at time of sale
 - EVM: consistent and comparable metrics for a value creation UW-year basis, across all units
 - Structure allowing shifts between units and over time

■ Market inefficiencies create opportunity for outperformance

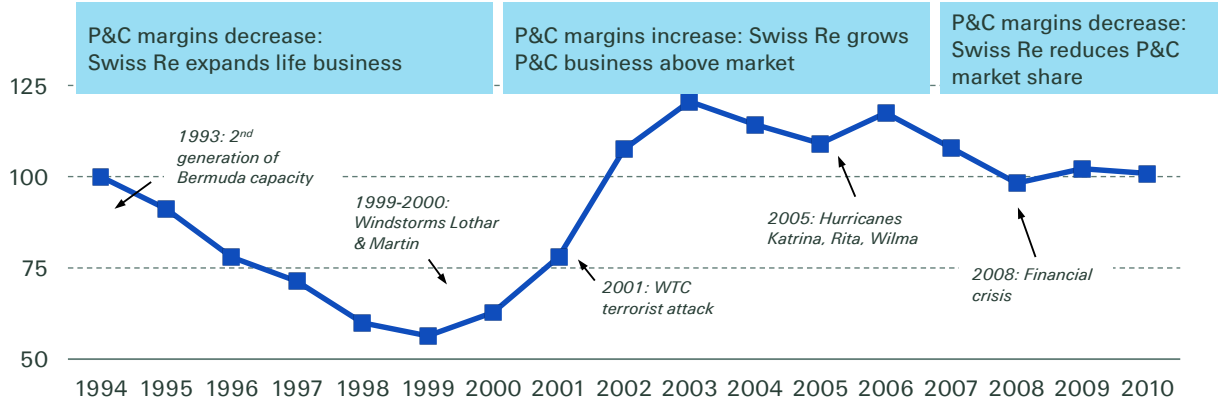
¹ Source: Camares, Council of Insurance Agents & Brokers



Market inefficiencies over time (2/2)

Capturing value from the cycle: A track record of steering over time

P&C pricing index¹ (1994=100)



Swiss Re share of global P&C reins. market

Period	Share (%)
1994-1999	9.7%
2000-2006	10.9%
2007-2010	~ 7%

Net Premium CAGR	1994-1999	2000-2006	2007-2010
Non-life reinsurance market	5%	6.5%	3.5%
Swiss Re P&C	-0.2%	13%	-7% ²
Swiss Re L&H	41%	10%	0%

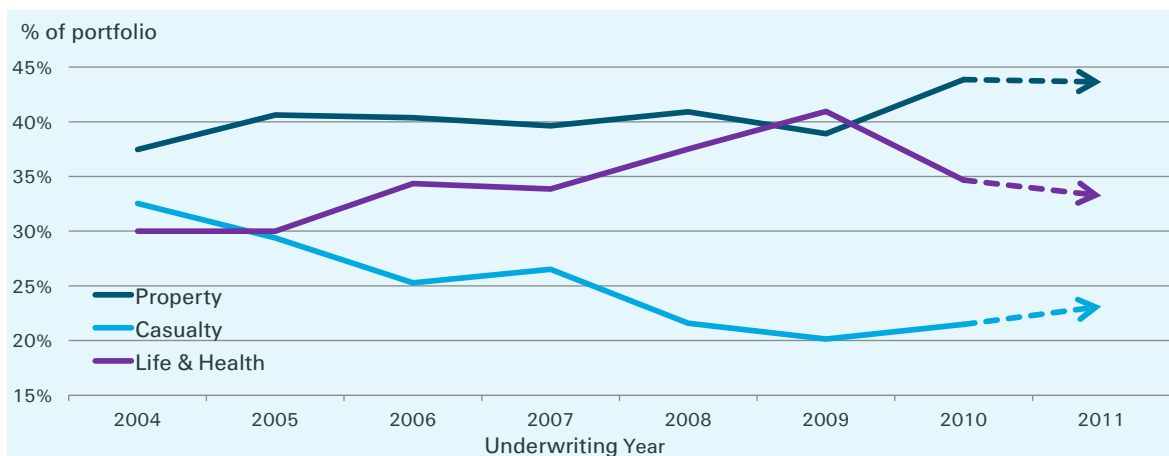
¹ Source: Swiss Re Economic Research & Consulting
² Includes effect of 20% P&C quota share beginning in 2008



Portfolio construction

Steering towards segments offering most value

Net present value of premiums written



- Steering is enabled by consistent, Group wide, value-driven metrics
- Swiss Re has steered away from Casualty in recent years



Well positioned to capture market opportunities



Today

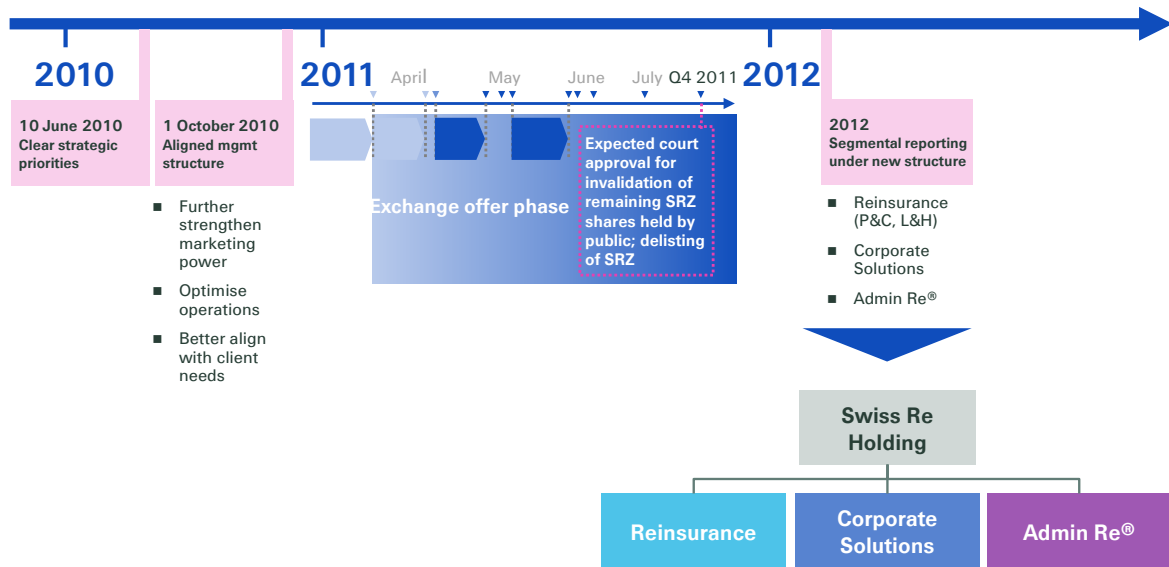
Plenty of challenges and opportunities for the industry

- Big challenges for re/insurers under current economic environment
 - Extremely low interest rates
 - Volatility in stock markets
 - Impact of inflation or lack thereof
 - Re/insurance markets improving, with broad market turn still to come
 - P&C improving, but pockets with soft conditions prevail
 - L&H driven by economic growth, ageing, and financial markets
- Current environment requires diversification, size, and agility – founded on firm underwriting and low-risk asset management



Tomorrow

Swiss Re well positioned to capture growth opportunities thanks to new group structure



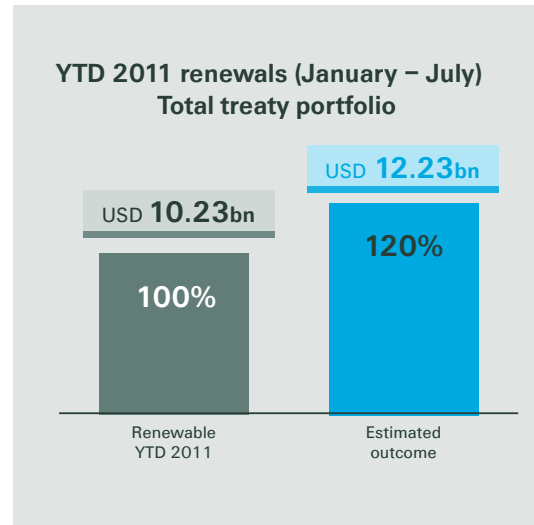
Continued track record of innovation

Some recent examples

- P&C run-off transactions**
 - Two important P&C run-off transactions with our clients
 - Transactions are a testimony to our client franchise
 - Longevity securitisation**
 - Swiss Re issued first longevity/mortality basis risk bond
 - The bond protects the difference between the mortality development of the younger US and the older UK population
 - Agro solution Vietnam**
 - Innovative insurance solution on Vietnam rice protection
 - Area-yield index cover to protect farmers against major natural catastrophes such as impact of typhoons, floods and droughts
 - Parametric transaction**
 - First parametric insurance solution on behalf of US state government (Alabama)
 - ILS**
 - Swiss Re has been a leader and innovator in the sector since its inception
- Demonstrates Swiss Re's innovation power, client orientation and strong reputation in the market

2011 renewals Rising prices, higher volumes

Total treaty portfolio, premiums as costed



- Strong growth in January/April driven by solvency relief transactions, mainly in Asia
- Year-to-date, Swiss Re's treaty portfolio grew by 20% and rate adequacy was maintained

¹ New solvency driven transactions in Asia were concluded after the first quarter, and have been formally accounted for in April 2011 renewals. Figures have been restated with current fx rates.

Summary Well positioned

- Swiss Re is a leading and highly diversified global re/insurance company
- Organised to deliver consistent underwriting across the Group
- Proprietary knowledge, deep understanding of risk and underwriting
- Conservative asset portfolio to navigate through difficult markets
- Continued, unsurpassed track record of innovation
- Low interest rates, cat model changes, regulatory change etc. continue to create opportunities

- Ideally positioned for business due to excellent capitalisation



Questions & answers



Corporate calendar & contacts

Corporate calendar

03 November 2011	Third Quarter 2011 results	Conference call
23 February 2012	Annual Results	Zurich
13 April 2012	148th Annual General Meeting	Zurich
17 April 2012	Investors' Day	London

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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, 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:

- further instability affecting the global financial system and developments related thereto;
- changes 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 under derivative contracts due to actual or perceived deterioration of Swiss Re's financial strength;
- 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 its 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 hedging arrangements may not be effective;
- the lowering or loss of financial strength or other ratings of one or more of the companies in the Swiss Re group or developments adversely affecting the 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 and morbidity 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, and regulatory or legal actions;
- changes in accounting standards;
- significant investments, acquisitions or dispositions, and any delays, unexpected costs or other issues experienced in connection with any such transactions, including, in the case of acquisitions, issues arising in connection with integrating acquired operations;
- 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 of counterparties, regulators or rating agencies, or other issues arising from, or otherwise relating to, the changes in Swiss Re's corporate structure.

These factors are not exhaustive. Swiss Re operates in a continually changing environment and new risks emerge continually. Readers are cautioned not to place undue reliance on forward-looking statements. Swiss Re undertakes no obligation to publicly revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.