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FOR IMMEDIATE RELEASE

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AM Best Affirms Credit Ratings of Swiss Reinsurance Company Ltd and Affiliates

LONDON, 13 December 2018—AM Best has affirmed the Financial Strength Rating (FSR) of A+ (Superior) and the Long-Term Issuer Credit Rating (Long-Term ICR) of “aa” of Swiss Reinsurance Company Ltd (Switzerland) and affiliates. At the same time, AM Best has affirmed the Short-Term Issue Credit Rating (Short-Term IR) and the related Long-Term Issue Credit Ratings (Long-Term IR) of Swiss Reinsurance Company Ltd and its subsidiaries. The outlook of these Credit Ratings (ratings) is stable. (See below for a detailed listing of the companies and ratings).

The ratings reflect AM Best’s assessment of the rating fundamentals of the consolidated Swiss Re group (Swiss Re), in particular its strongest level of balance sheet strength, strong operating performance, very favourable business profile and very strong enterprise risk management (ERM).

Swiss Re’s balance sheet strength is underpinned by consolidated risk-adjusted capitalisation that is comfortably in excess of minimum requirements for the strongest assessment, as measured by Best’s Capital Adequacy Ratio (BCAR), as well as its conservative asset allocation, low dependency on retrocession and best estimate reserving. Despite a series of natural catastrophe and man-made losses in 2017 and the first nine months of 2018, Swiss Re’s risk-adjusted capitalisation has remained stable, reflecting its large capital base and diverse earnings stream. Financial flexibility is excellent, supported by effective capital management.

The group’s operating performance is strong, underpinned by income arising from its operations in various lines of business and geographies, as well as its investment activities. Whilst underwriting results are



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subject to volatility, due to relatively high exposure to natural catastrophes, the group reports strong performance metrics over the long term. Its five-year weighted-average return on equity of 9.7% and non-life combined ratio of 94.1% (2013-2017), include a return on equity of 1.0% and a combined ratio of 115.4% reported in 2017, when the group was affected by a high incidence of natural catastrophes. Despite incurring USD 1.6 billion of large losses in the first nine months of 2018, the group maintained profitability, with a reported return on equity of 4.7% for this period.

Swiss Re is taking corrective actions to improve the performance of certain sub-segments of its portfolio, such as parts of its casualty business and Corporate Solutions business unit. AM Best will continue to monitor the impact of these actions on the technical performance of these sub-segments.

Swiss Re maintains a leading position in the global reinsurance market. In AM Best's view, the group's strong brand, highly diversified portfolio and highly sophisticated ERM partly insulate it from the impact of intense competition and soft pricing environment in the international reinsurance market.

The FSR of A+ (Superior) and the Long-Term ICR of "aa" have been affirmed with stable outlooks for Swiss Reinsurance Company Ltd and its following affiliates:

- Swiss Re Asia Pte. Ltd
- Swiss Re Europe S.A.
- Swiss Re International SE
- Swiss Re Corporate Solutions Ltd
- Swiss Re Life & Health America Inc.
- Swiss Reinsurance America Corporation
- Westport Insurance Corporation
- North American Specialty Insurance Company
- North American Capacity Insurance Company
- North American Elite Insurance Company
- Washington International Insurance Company
- First Specialty Insurance Corporation
- Swiss Re Portfolio Partners S.A.

The Long-Term ICR of "a" has been affirmed with a stable outlook for Swiss Re America Holding Corporation.

The following Short-Term IR has been affirmed:

Swiss Reinsurance Company Ltd—



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— AMB-1+ on Euro medium-term notes (EMTN) programme

The following Long-Term IRs have been affirmed:

Swiss Reinsurance Company Ltd—

— “aa-” on EUR 500 million 6.625% subordinated notes, due 2042

ELM B.V.—

— “a+” on GBP 500 million 6.302% perpetual junior subordinated step-up notes

Swiss Re Treasury (US) Corporation—

— “aa” on USD 250 million 2.875% senior unsecured notes, due 2022

— “aa” on USD 500 million 4.25% senior unsecured notes, due 2042

Swiss Re America Holding Corporation—

— “a” on USD 400 million 6.45% senior unsecured notes, due 2019 (of which USD 234 million remains outstanding)

— “a” on USD 600 million 7.00% senior unsecured notes, due 2026 (of which USD 397 million remains outstanding)

— “a” on USD 350 million 7.75% senior unsecured notes, due 2030 (of which USD 193 million remains outstanding)

This press release relates to Credit Ratings that have been published on AM Best’s website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best’s [Recent Rating Activity](#) web page. For additional information regarding the use and limitations of Credit Rating opinions, please view [Understanding Best’s Credit Ratings](#). For information on the proper media use of Best’s Credit Ratings and AM Best press releases, please view [Guide for Media - Proper Use of Best’s Credit Ratings and AM Best Rating Action Press Releases](#).

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