



Swiss Re equity funding for GE Insurance Solutions acquisition reduced by approx. CHF 1.0 billion; reduction to be funded instead by internal cash

Contact:

Media Relations, Zurich
Telephone +41 43 285 7171

Corporate Communications, New York
Telephone +1 212 317 5640

Investor Relations, Zurich
Telephone +41 43 285 4444

Swiss Reinsurance Company
Mythenquai 50/60
P.O. Box
CH-8022 Zurich

Telephone +41 43 285 2121
Fax +41 43 285 2999
www.swissre.com

This is not a prospectus but an advertisement. Investors should not purchase any of the shares referred to in this document except on the basis of information in the prospectus to be issued in due course. Any prospectus published in connection with the offer of shares will be available at the registered office of Swiss Re at Mythenquai 50/60, CH-8022, Zurich, Switzerland.

Zurich, 21 April 2006 – Swiss Re expects to raise USD 3.9 billion instead of USD 4.7 billion in equity securities to fund the GE Insurance Solutions acquisition. In place of the USD 0.8 billion (CHF 1.0 billion) in planned equity, Swiss Re will use internal-generated cash. In addition, the regulatory approval process is well on track for the expected mid-2006 closing of the transaction.

John Fitzpatrick, Head of Financial Services, will leave Swiss Re in order to set up a new investment fund with Swiss Re's support.

Swiss Re's Centre for Global Dialogue creates an advisory panel to explore emerging trends and to provide Swiss Re with strategic insights into its evolving risk landscape.

The expected total consideration for the acquisition of GE Insurance Solutions after closing adjustments remains unchanged at USD 7.6 billion. Due to Swiss Re's very strong capital position and operating cash flows, the company expects to increase its internal funding of the transaction by approximately USD 800 million to USD 900 million, with a corresponding reduction in planned equity raising. As previously announced, the total external capital funding will have both equity and hybrid debt components. Swiss Re had already raised CHF 1.0 billion in mandatory convertible securities in December 2005.

Swiss Re and General Electric (GE) have agreed that the portion of the purchase price payable in Swiss Re shares is to be reduced to USD 2.4 billion. In addition, USD 500 million of mandatory convertible instruments are expected to be issued to GE, resulting in total ownership in Swiss Re by GE of less than 10%.

Further, Swiss Re expects to undertake a rights offering of USD 1.0 billion equivalent to existing shareholders at market, new shares will be offered to existing shareholders without a discount. Swiss Re expects to offer new shares on a 1-for-1.7 basis (i.e., one

new share for each 17 existing shares). Shares not taken up will subsequently be available in a global offering.

Hybrid debt securities which are still planned at USD 2.0 billion equivalent will also be launched in the second quarter of 2006.

The offering documents for Swiss Re's equity and hybrid debt securities will contain historical financial information for GE Insurance Solutions as well as pro forma financial information giving effect to the proposed acquisition. To ensure equal access by all investors, Swiss Re will be posting the same information on its website.

The actual integration of the operations of GE Insurance Solutions can only begin after the closing of the transaction, which is subject to pending regulatory approvals and other customary contractual closing conditions. However, planning for the integration continues and Swiss Re confirms its annual cost savings target of no less than USD 300 million by 2008, principally through organisational streamlining in large locations such as Munich, London, New York, Kansas City and Zurich.

John Fitzpatrick, Head of Financial Services to leave Swiss Re

Following eight very successful years at Swiss Re, John Fitzpatrick has informed Swiss Re's Board of Directors and Chief Executive Officer Jacques Aigrain of his wish to leave the company in order to set up an investment fund. He steps down from his present positions as Head of Financial Services and Member of the Executive Committee.

Until his departure from Swiss Re, John Fitzpatrick will dedicate his time to establishing an investment fund in the insurance, securitisation and financial services sector. Swiss Re plans to become a significant investor in this fund.

John Fitzpatrick joined Swiss Re in mid-1998 as Chief Financial Officer. In 2003, he took over as Head of Life & Health. In this role he oversaw Swiss Re's developments in the field of securitising life insurance risks. In 2005, John Fitzpatrick became Head of Financial Services, with the strategy to further develop insurance-risk securitisation. Since January 2005 Swiss Re has issued CHF 1.9 billion of insurance-linked securities from its own balance sheet.

Until a successor as Head of Financial Services is named, Jacques Aigrain will assume interim responsibility for Financial Services.

Swiss Re Centre for Global Dialogue Advisory Panel founded

The Centre has established itself as an important platform for stakeholder dialogue on emerging risks and major challenges facing the insurance industry. To further strengthen the Centre's visionary role, Swiss Re has created an Advisory Panel that will assume a key function in exploring emerging trends and in providing Swiss Re with strategic insight into its economic, political, regulatory and societal environment. The distinguished members of the panel include:

- **Geoffrey L Bell**, President, Geoffrey Bell & Company Inc, New York, and Executive Secretary, Group of Thirty
- **Bill Emmott**, former Editor in Chief, The Economist, London
- **Haim Harari**, Professor and former President of the Weizmann Institute of Science, Rehovot
- **Wolfgang Schürer**, Chairman and CEO of MS Management Services, St Gallen, and Professor, Georgetown University, Washington DC and University of St Gallen
- **Ulrich Suter**, Professor and former Vice President for Research, ETH Zurich
- **Tony Tan Keng Yam**, former Deputy Prime Minister of Singapore and Deputy Chairman and Executive Director of the Government of Singapore Investment Corporation Private Limited
- **Paul A Volcker**, former Chairman, Federal Reserve Board, and Chairman of the Board of Trustees, Group of Thirty

These external members will also be joined by Jacques Aigrain and Walter Kielholz, and the Panel will be chaired by Peter Forstmoser.

Appendix:

External capital funding structure (USD/CHF of 18.4.2006: 1.2689)

Instruments	USD m	CHF m
I Mandatory convertibles (placed on 8.12.2005)	788	1 000
II Rights offering	1 000	1 269
III Shares to GE	2 400	3 045
IV Mandatory convertibles to GE	500	634
V Hybrid capital offering	2 000	2 538
Total	6 688	8 487

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. 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 currently has the following ratings: (i) from Standard & Poor's: long-term counterparty credit, financial strength and senior unsecured debt ratings of "AA (CreditWatch negative)", and a short-term counterparty credit rating of "A-1+", (ii) from Moody's: insurance financial strength and senior debt ratings of "Aa2" (on review for possible downgrade), and a short-term rating of "P-1" and (iii) from A.M. Best: a financial strength rating of A+ (superior) (under review with negative implications).

This announcement does not constitute an offer to sell or the solicitation of an offer to subscribe or purchase any of the securities described herein in Switzerland, in the European Economic Area ("EEA") in the United States or in any other jurisdiction. Any such offer will be made solely by means of a prospectus (in the case of any offer to the public in Switzerland or the EEA) or offering memorandum in compliance with applicable securities laws, to be published in due course and any purchase of securities described herein should be made solely on the basis of the information in such document and any supplement thereto. The prospectus or offering memorandum (as applicable) will contain detailed information about Swiss Re, its business and operations and its management, and the proposed acquisition, as well as financial statements. There will be no public offering of securities of Swiss Re in the United States. Any securities of Swiss Re to be offered and sold in the United States will not be registered under the US Securities Act of 1933 and will not be offered and sold in the United States, except on the basis of applicable exemptions from registration. Any such securities will, subject to exceptions, not be offered in Australia, Canada or Japan or to or for the benefit of any national, resident or citizen of Australia, Canada or Japan.

Cautionary note on forward-looking statements

No statements made herein regarding earnings enhancements or otherwise are profit forecasts, and no statements made herein should be interpreted to mean that Swiss Re's earnings or earnings per share for 2006, 2007 or any subsequent period will necessarily match or exceed the historical published earnings per share of Swiss Re.

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 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:

- the impact of future investments, acquisitions or dispositions, and any delays, unexpected costs or other issues experienced in connection with any such transaction, including the ability to efficiently and effectively integrate the GE Insurance Solutions operations into our own;
- cyclicalities 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;
- mortality and morbidity experience;

-
- policy renewal and lapse rates;
 - changes in rating agency policies or practices;
 - 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.