Swiss Re

First Quarter 2010 results

Analyst and investor conference call
Zurich, 06 May 2010

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Today's agenda

- Introduction — Susan Holliday, Head IR
- Business performance — George Quinn, CFO
- Questions & answers

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Introduction

Susan Holliday, Head IR

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Business performance

George Quinn, CFO

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Q1 2010 Highlights

High nat cats, strong underlying performance

- **Q1 2010 net income of USD 158m (vs USD 130m in Q1 2009)**
  - EPS CHF 0.5, (USD 0.5)
- **Shareholders' equity increased by USD 0.8bn to USD 26.2bn**
  - Book value per ordinary share CHF 72.2, up 7%, (USD 68.6)
- **P&C result impacted by higher than expected nat cats (USD 540m pre-tax above normal levels) but underlying business strong**
- **Estimated excess capital >USD 12bn above AA capital requirement at end March 2010**

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Key figures

USD, unless otherwise stated

	Q1 2009	Q1 2010
Group net income[1]	0.1bn	0.2bn
P&C combined ratio	90.2%	109.4%
Return on equity	2.9%	2.7%
Earnings per share (USD)	0.4	0.5
(CHF)	*0.4*	*0.5*
	FY 2009	**Q1 2010**
Shareholders' equity[2]	25.3bn	26.2bn
Book value per share (USD)[3]	66.2	68.6
(CHF)	*67.7*	*72.2*

[1] Group net income attributable to shareholders (after interest payment for CPCI and excluding non-controlling interests)
[2] Shareholders' equity excluding non-controlling interests
[3] Basic BVPS, excluding CPCI and non-controlling interests

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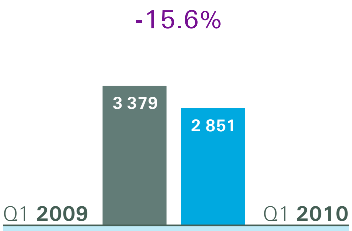
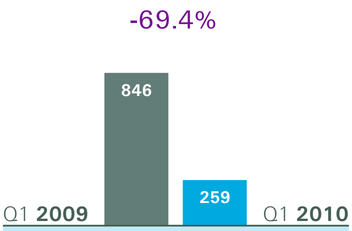
Property & Casualty
Natural catastrophes impact result

Premiums earned
USD m



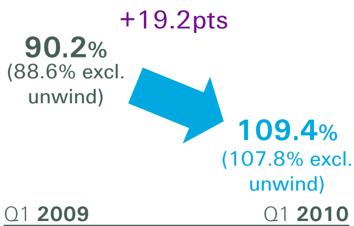
- Premiums earned decreased by 15.6%, mainly driven by active cycle management and portfolio steering, particularly at January 2010 renewals
- At constant fx rates premiums earned decreased by 19.3%

Operating income
USD m



- Decrease driven by natural catastrophe experience
- Net investment income declined by USD 0.1bn

Combined ratio, trad.
%



- Net impact from natural catastrophes was 26% pts, which is 19% pts above expected
- Expense ratio increased by 1.9% pts due to the reduction in premium volume, partly offset by the absolute expense saving

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Nat cat and large claims

Nat cat premiums and claims[1]

USD m	FY **2010 est.**
Expected net **premiums**	1 710
Expected net **claims**	925

Man-made and nat cat large claims[1] 2010

USD m	Date **2010**	Est. **net claims**
Earthquake Haiti	January	20
Earthquake Chile	February	500
Winterstorm Xynthia	February	100
Storms in Melbourne & Perth	March	100
Deepwater Horizon oil rig	*April*	*200*
Earthquake Mexico	*April*	*25*

[1] Only events exceeding USD 20m included, net premiums after acquisition costs

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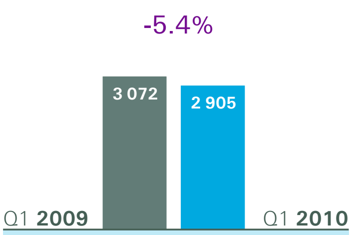
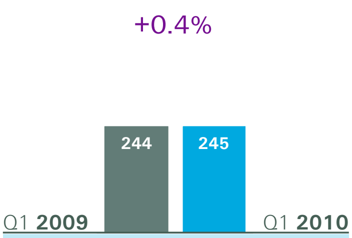
Life & Health
Strong underwriting performance

Operating revenues
USD m



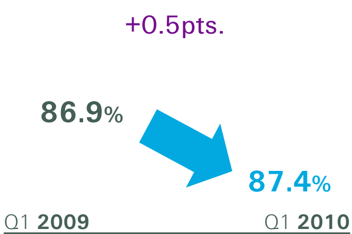
- Lower premium and fee income driven by retrocession transaction which resulted in approximately 14% lower premium volume, partly offset by new business
- Excluding FX and the retrocession agreement noted above, premiums and fees were 3.5% higher than in Q1 2009, driven by new traditional life business across all regions

Operating income
USD m



- Strong mortality experience, mainly in North America and Asia partly offset by unfavourable morbidity experience
- VA and pre-2000 GMDB gain of USD 55m (Q1 2009 USD 92m gain)

Benefit ratio
%



- Strong mortality partly offset by unfavourable morbidity
- Approx. 1.0 % points increase in ratio related to VA and pre-2000 GMDB. Impact for both periods was positive, but Q1 2010 was less positive than Q1 2009

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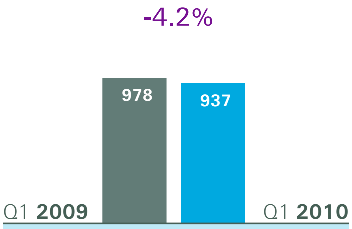
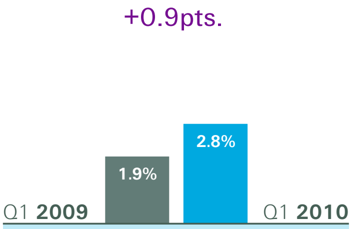
Asset Management
Strong total return

Operating income[1]
USD m



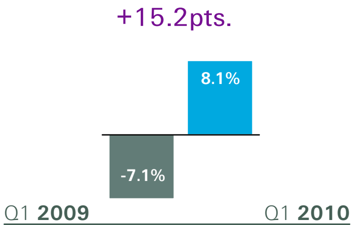
- AM investment portfolio of USD 143bn (excl. unit-linked and with-profit)
- AM fixed income running yield of 4.2% (4.7% in Q1 2009)
- Decrease in impairments to USD 90m, (Q1 09: USD 569m)
- Lower realised gains than Q1 09
- Short duration reduced in Q1, DVO1 USD 6.6m

Return on Investments
%



- RoI of 2.0% for rates, 4.4% for credit and 5.2% for equities and alternative investments
- Positive performance on equity and alternative investments more than offsets lower investment income

Total return[2]
%



- Total return17.9% for credit, from continued spread tightening and improved market performance in certain securitised asset classes and 3.2% for rates as rates continue to decline
- 12.5% for equities and alternative investments
- Increase in shareholders' equity of USD1.5bn in credit and rates

[1] Minority interests included in operating income but excluded from the RoI and Total Return
[2] Total return includes change in unrealised gains/losses

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Legacy
Continued risk reduction with positive results

Operating income split

USD m	Q1 2009	Q1 2010
Financial Guarantee Re	-13	4
Former Trading Activities[1]	23	29
Total	**10**	**33**

- Mark to market gains on Legacy securitised products as credit spreads tightened
- Continued sales in Legacy securitised products of USD 0.5bn

[1] Includes former structured CDS and remaining PCDS

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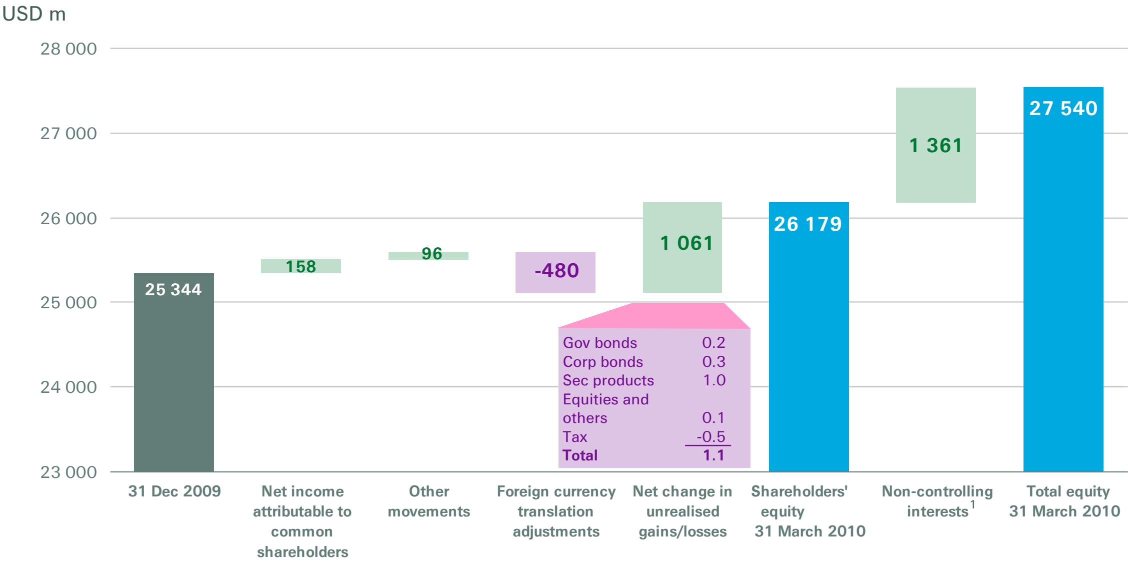
Shareholders' equity Q1 2010

Continued book value growth



[1] Non-controlling interests reflect interests attributable to non-controlling owners of Swiss Re's subsidiaries. They relate to a modified co-insurance treaty and the acquisition of the management company of private equity funds, resulting in the consolidation of all the investees' assets and liabilities even though the Group does not own the majority of their voting interests.

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Swiss Re's capital strength

Further strengthening in Q1 2010

- Q1 2010 estimated S&P excess capital over AA >USD 12bn
- Q1 increase driven by increased available capital, lower asset liability duration mismatch, less capital required for P&C due to cycle management and reduction of credit reinsurance and for L&H due to retro transaction
- Q1 2010 estimated Solvency I ratio > 200%
- Q1 2010 estimated SST > 200%

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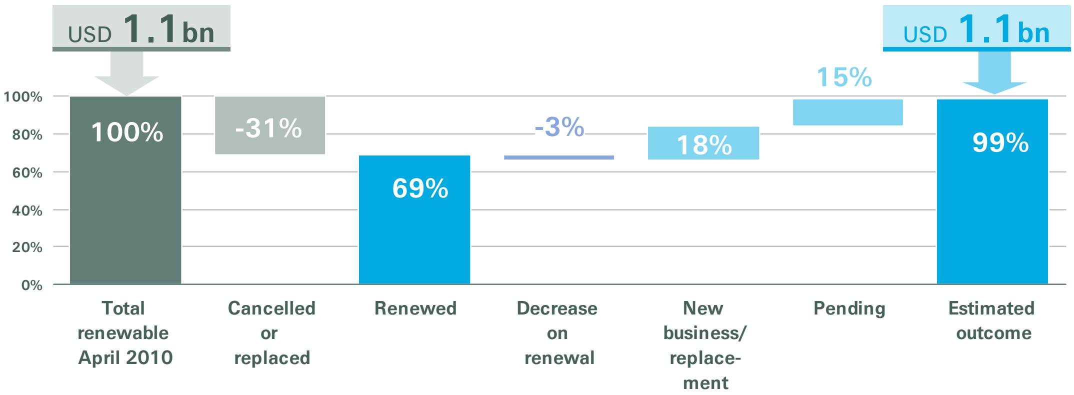
April 2010 renewals

Premiums stable, price adequacy maintained

Total treaty portfolio



- Overall market continues to soften with rate decrease of around 2%
- Cycle management and portfolio shifts keep price adequacy stable on our book

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April 2010 renewals

Premium volume and price adequacy maintained

- Continued focus on active cycle management and portfolio steering
- Increased client retentions and available capacity lead to continued modest price erosion for most markets and lines
- Selective capacity deployment, and portfolio shifts allow Swiss Re to maintain price adequacy
- Japan: sluggish primary market premium development, reinsurance market slightly softer
- SEA, India: widespread discounting in the market, with many programmes below Swiss Re's hurdle rates. Swiss Re deploys capacity selectively

Summary
Building on our strengths

- Strong underlying results and client franchise
- Capital strength and expertise position us well to support clients
- Recent large losses expected to increase risk awareness and create a stabilising influence on pricing
- Fit to Compete programme largely completed (including ~10% headcount reduction), on target for CHF 400m reduction in running costs by end 2010
- Active cycle management to continue, focus on sustainable profitability in line with 12% through the cycle ROE target

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Questions & answers

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Corporate calendar & contacts

Corporate calendar

11 June 2010	**Investors' Day**	London
05 August 2010	**Second Quarter 2010 results**	Conference call
13 September 2010	**Investors and Media meeting**	Monte Carlo
04 November 2010	**Third Quarter 2010 results**	Conference call
17 February 2011	**Annual Results 2010**	Zurich

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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 one of the financial strength or other ratings of one or more companies in the Group;
- the cyclicality of the reinsurance industry;
- uncertainties in estimating reserves;
- 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; and
- operational factors, including the efficacy of risk management and other internal procedures in managing the foregoing risks.

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.