



# First quarter 2013 results

Analyst and investor presentation

Zurich, 2 May 2013



# Business performance

George Quinn, Group CFO



## Q1 2013 Financial highlights

Very strong result, all business units delivered despite continued low interest rate environment

### ■ Group net income USD 1.4bn

- Return on equity 16.6%, earnings per share USD 4.02 (CHF 3.72)
- Group combined ratio 72.4%
- Return on investments 3.4%

### ■ Very strong Reinsurance performance, net income USD 1.2bn

- Very strong underlying P&C result, in addition no large losses in the quarter
- L&H result includes USD 75m one-off gain from business recaptures
- USD 1.9bn cash dividend paid to Group in Q1, equally split between P&C and L&H

### ■ Profitable growth in Corporate Solutions, net premiums earned +15.4%

### ■ Admin Re<sup>®</sup> gross cash generation in line with expectations, USD 63m

### ■ Book value per common share USD 97.80 (CHF 92.84)

- SST ratio 245%<sup>1</sup>

<sup>1</sup> SST 1/2013, as filed with FINMA at the end of April, based on a projection for 2013



## Key figures Q1 2013

USD million, unless otherwise stated

	P&C Re	L&H Re	Corporate Solutions	Admin Re®	Group items	Q1 2013 Total	Q1 2012 Total
▪ Premiums earned and fee income	3 534	2 313	613	322	-	6 782	6 208
▪ Net income/loss	1 009	222	101	78	-30	1 380	1 141
▪ Return on investments	2.6%	3.9%	3.2%	4.7%	0.7%	3.4%	4.0%
▪ Return on equity	35.5%	12.6%	13.1%	4.8%	-2.3%	16.6%	15.3%
▪ Combined ratio	69.7%	-	87.6%	-	-	72.4%	84.9%
▪ Benefit ratio	-	78.5%	-	-	-	78.5%	74.4%
▪ Earnings per share	(USD)					4.02	3.33
	(CHF)					3.72	3.08
	P&C Re	L&H Re	Corporate Solutions	Admin Re®	Group items	Q1 2013 Total	FY 2012 Total
▪ Common shareholders' equity <sup>1</sup>	10 754	6 479	3 114	6 463	6 898	33 661	32 900
<i>of which unrealised gains</i>	842	1 413	120	1 506	51	3 933	4 379
▪ Book value per common share	(USD)					97.80	95.87
	(CHF)					92.84	87.76

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

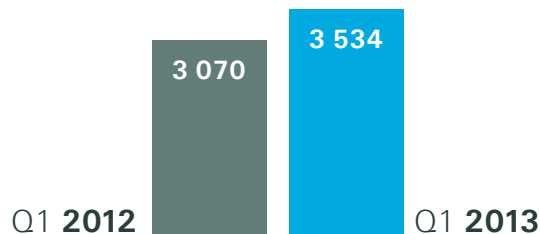
# P&C Reinsurance

Strong premium growth and very good claims experience

## Net premiums earned

USD m

+15.1%



- Premiums earned growth of 15%, mainly due to expiry of P&C quota share and continued earnings from large transactions written in 2012; growth rate expected to increase slightly in the following quarters
- Gross premiums written increased by 3%

## Combined ratio

%

-15.3%pts

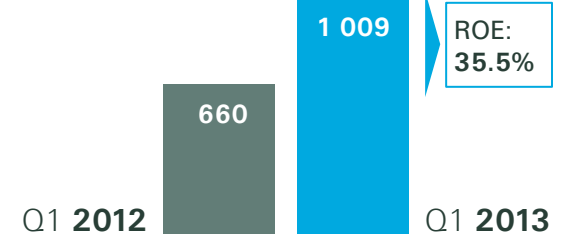


- No large nat cats in Q1 2013, vs expected impact of 8.9%pts
- Favourable prior year reserve development of 8.2%pts
- Adjusting for expected nat cat and prior year development CR is 86.8%, reflecting good current year claims experience

## Net income, ROE

USD m, %

+52.9%



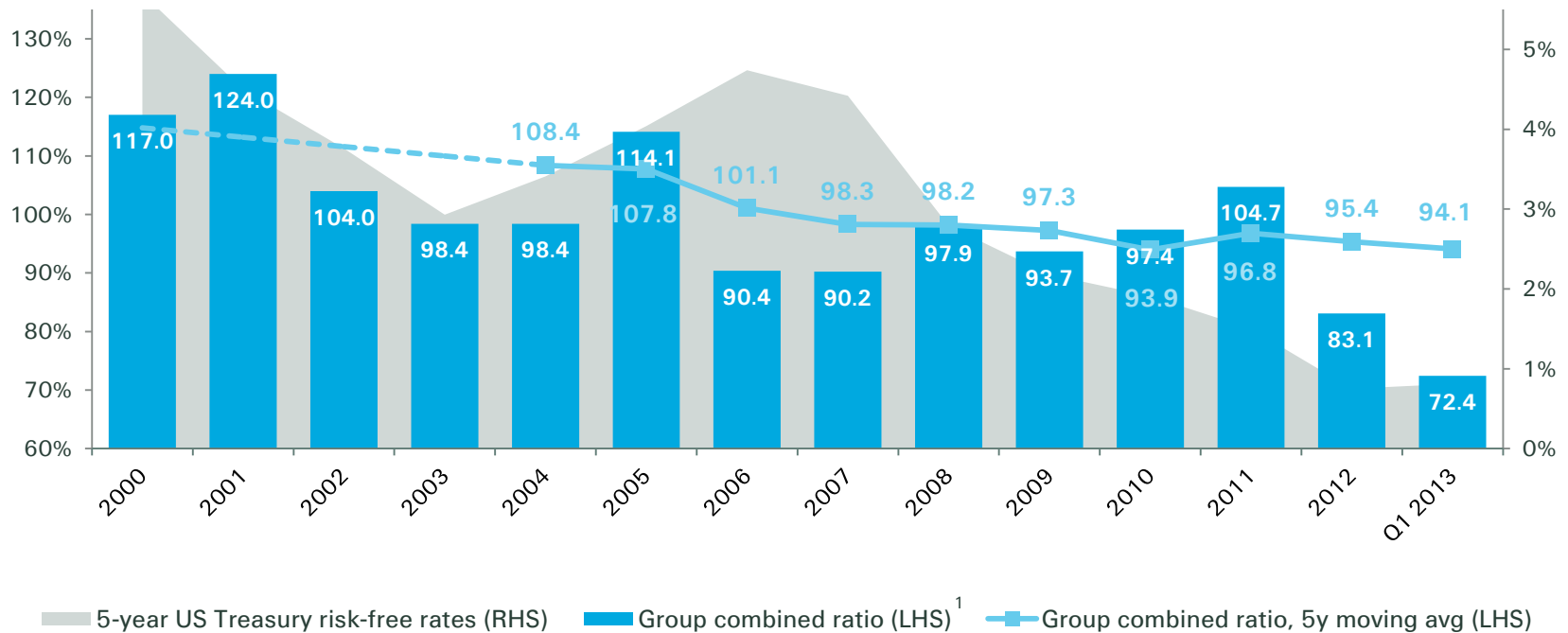
- Growth driven by higher premiums, good claims experience and favourable prior year development
- NII reduced by USD 107m due to lower yields and shift of Principal Investments<sup>1</sup> to Group
- Return on investments 2.6% compared to 3.5% in Q1 2012

<sup>1</sup> USD 1.2bn private equity investments



# P&C Reinsurance

Strong and stable underwriting performance;  
combined ratios and risk-free rates trend downwards



■ Continued focus on disciplined underwriting and cycle management, track record of improving combined ratio levels over time with falling risk-free interest rates

<sup>1</sup> Historic combined ratios as published; 2009 and later based on new org. structure and calculation method, as initially disclosed at Investors' Day 2012

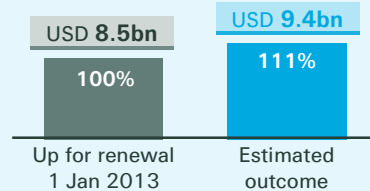


# P&C Reinsurance

April 2013 renewals with moderate growth,  
high price quality maintained

## January 2013 renewals

January treaty portfolio<sup>1</sup>

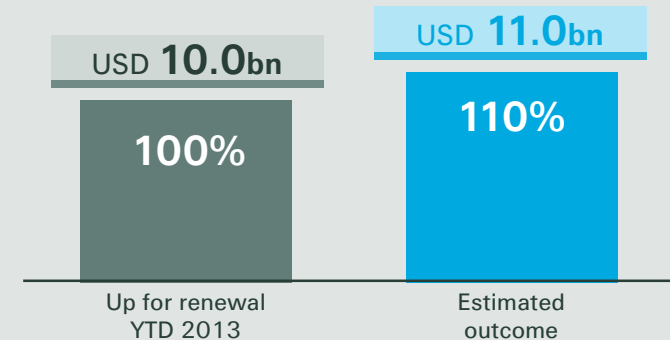


## April 2013 renewals

April treaty portfolio



## YTD 2013 renewals (January – April) Treaty portfolio



- April renewal prices 3% lower on a risk adjusted basis<sup>2</sup> but remained strong
- High growth markets grew by 18%, mainly in Africa, CEE and Emerging Asia
- Measured move into Casualty and other strategic initiatives showing profitable growth

<sup>1</sup> January 2013 numbers have been restated with current fx rates

<sup>2</sup> Swiss Re's risk adjusted price quality provides an economic view on price quality, i.e. includes rate and exposure changes, claims inflation and interest rates



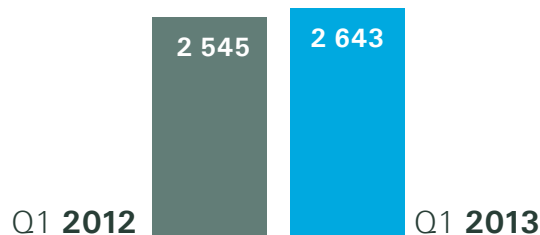
# L&H Reinsurance

Growth in Health, USD 1 bn capital extraction target achieved

## Operating revenues

USD m

+3.9%



- Premiums earned and fee income increased by 6.4%; Life grew by 1.4% and Health 18.6%
- Increase in premium and fee income driven by new health business in Europe and Asia and longevity business in Europe
- Slight decrease in running yield to 3.2%; Q1 2012: 3.3%

## Benefit ratio<sup>1</sup>

%

+4.1%pts



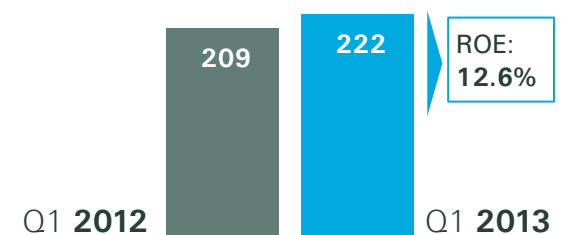
Q1 2012 Q1 2013

- Mortality experience favourable though much lower than exceptional Q1 2012; adverse morbidity experience
- Reduced impact from pre-2004 US business, USD 26m loss; Q1 2012: USD 57m loss
- 1.5% pts of change in benefit ratio is due to increase in Health business

## Net income, ROE

USD m, %

+6.2%



- Gains of USD 75m from business recaptures and USD 91m from VA, pre-2000 GMDB and B36
- Return on Investments 3.9%. Net realised gains (incl. fx)<sup>2</sup> of USD 111m; Q1 2012: USD 118m
- ROE improved through capital management actions; USD 1bn extracted and paid to Group as dividend in Q1 2013

<sup>1</sup> Benefit ratio excludes the impact of VA & pre-2000 GMDB from all periods presented

<sup>2</sup> Net realised gains excludes realised gains/losses related to reinsurance transactions (VA, pre-2000 GMDB, B36, etc) of USD -5m





# L&H Reinsurance

## Operating income: more work to be done

in USD m



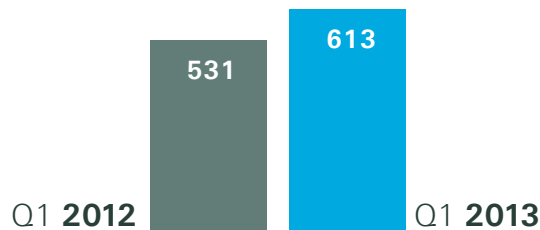
# Corporate Solutions

## Strong result, continued growth as planned

### Net premiums earned

USD m

+15.4%

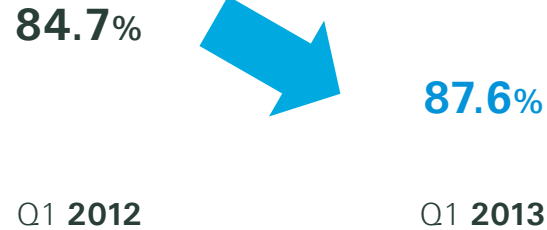


- Significant premium earned still ceded to the now expired 20% quota share as only a modest part of the book renews in Q1
- Gross premium written net of intra-group transactions increased by 8.0%
- Continued profitable growth across most lines of business

### Combined ratio

%

+2.9%pts

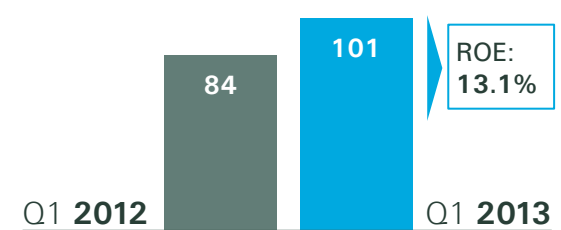


- No impact from nat cat events, 2.1%pts below expected
- Favourable reserve development, impacting CR by 3.1%pts
- Adjusting for expected nat cat and reserve development CR is 92.8%
- CR on basis of estimated TFC<sup>1</sup> to Swiss Re Group 67.8%

### Net income, ROE

USD m, %

+20.2%



- Realised insurance derivative gains on weather and nat cat business USD 20m; Q1 2012: USD -16m
- Return on investments 3.2%
- ROE on basis of estimated TFC<sup>1</sup> to Swiss Re Group 25.6%

<sup>1</sup> Estimated total financial contribution (TFC) of Corporate Solutions business written within Swiss Re Group, as shown at Investors' Day 2012, incl. development of historic loss reserves remaining in Reinsurance for CR and ROE, as well as related investment income and additional USD 0.5bn shareholders' equity for ROE



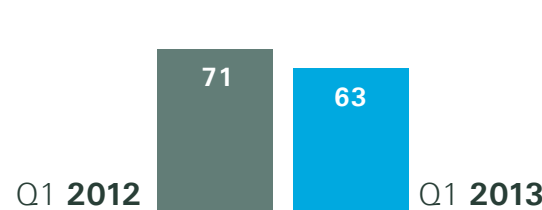
# Admin Re<sup>®</sup>

## Good progress post sale of Admin Re<sup>®</sup> US

### Gross cash generation<sup>1</sup>

USD m

-11.3%

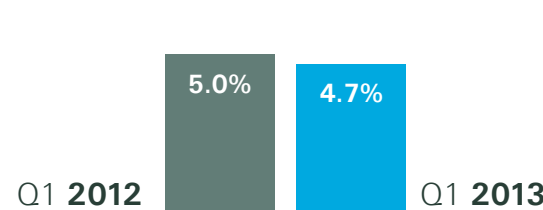


- Solid gross cash generation in Q1 2013; Q1 2012 included cash generation from Admin Re<sup>®</sup> US, subsequently sold in Q3 2012
- Includes positive impact of USD 15m following finalisation of the 2012 UK regulatory position

### Return on investments

%

-0.3%pts

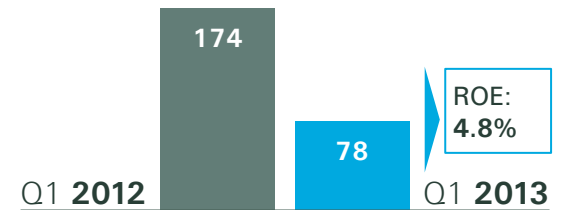


- Return on investments of 4.7% including net realised gains of USD 52m
- Q1 2013 running yield 4.1% (Q1 2012: 4.3%)
- ROI excludes adjustment on the sale of Admin Re<sup>®</sup> US

### Net income, ROE

USD m, %

-55.2%



- Reduction in net income driven by favorable Q1 2012 one-off items not repeated in 2013, mainly a UK tax benefit of USD 77m
- Q1 2012 includes USD 18m net income from Admin Re<sup>®</sup> US, subsequently sold in Q3 2012
- Q1 2013 includes an adjustment charge on sale of Admin Re<sup>®</sup> US of USD 17m

<sup>1</sup> Gross Cash Generation (GCG) is the change in excess capital over and above the target capital position



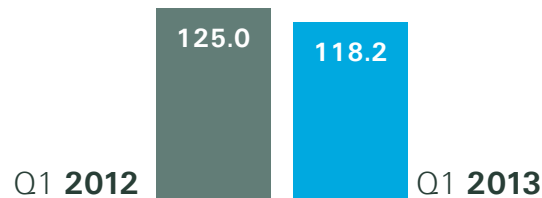
# Group investment result

## Steady performance

### Avg. invested assets

USD bn, basis for ROI calculation

-5.4%

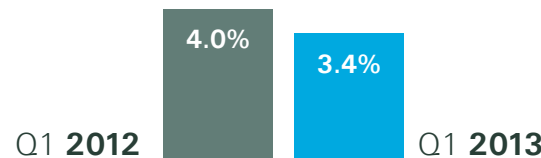


- Decrease in average assets due to exclusion of cash management activity<sup>1</sup> from ROI scope in Q1 2013 and fx
- Continued moderate re-balancing into corporate bonds: USD 1.7bn
- Impairments of USD 12m; minimal exposure to peripheral EU government debt USD 19m
- Duration largely matched, DV01 USD -1.6m

### Return on investments

%

-0.6%pts



- ROI at 3.4%, driven by net investment income from fixed income and realised gains of USD 255m; Q1 2012 USD 338m
- ROI excluding fx of 3.6% in Q1 2013 and 4.4% in Q1 2012
- Fixed income running yield of 3.0% for Q1 2013; 3.5% in Q1 2012; 3.1% in Q4 2012

### Total return

%

flat



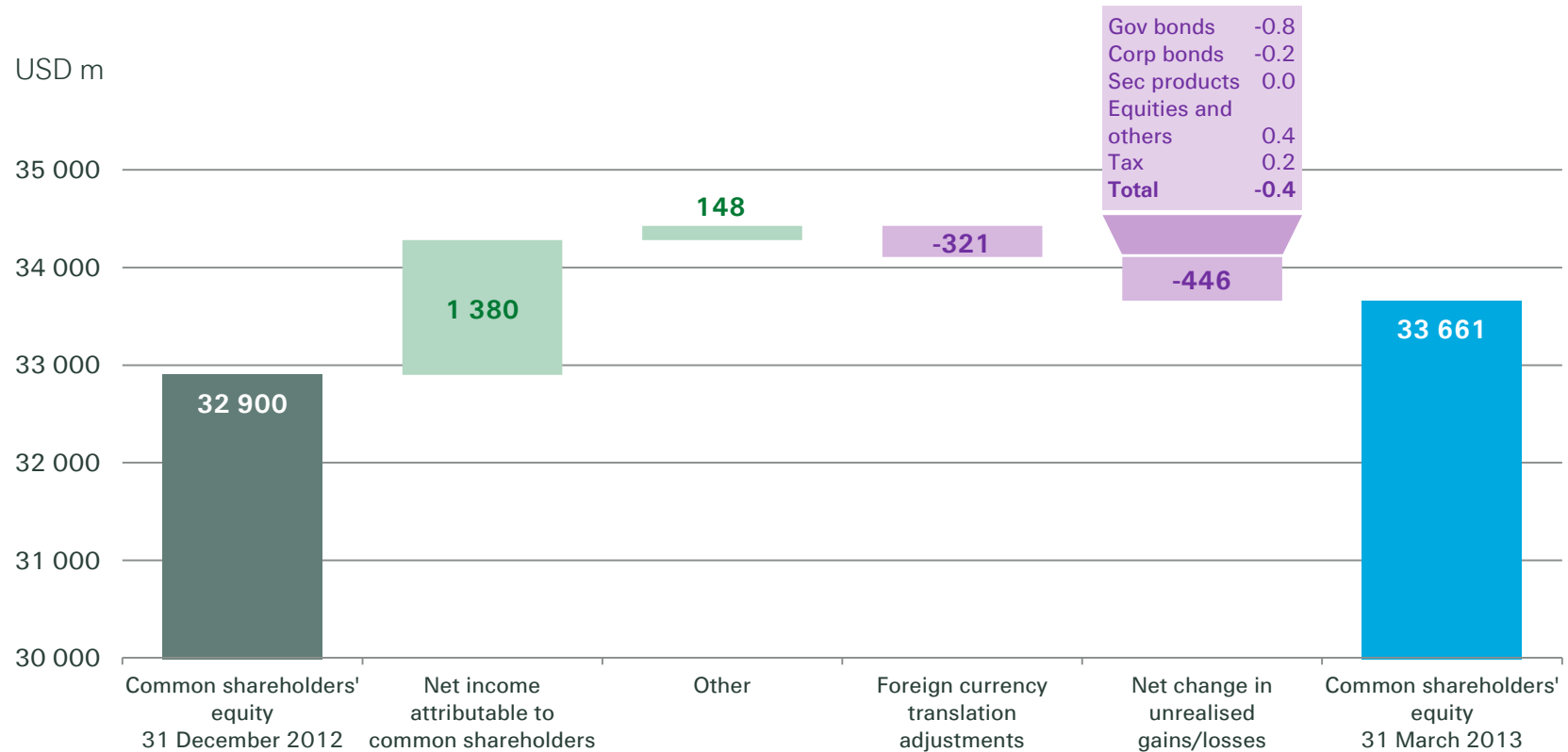
- Total return excluding fx of 2.2% in Q1 2013; 1.1% in Q1 2012
- Total return for Q1 2013 included unrealised losses driven by fx and higher interest rates

<sup>1</sup> Repurchase agreements and securities lending



# Common shareholders' equity Q1 2013

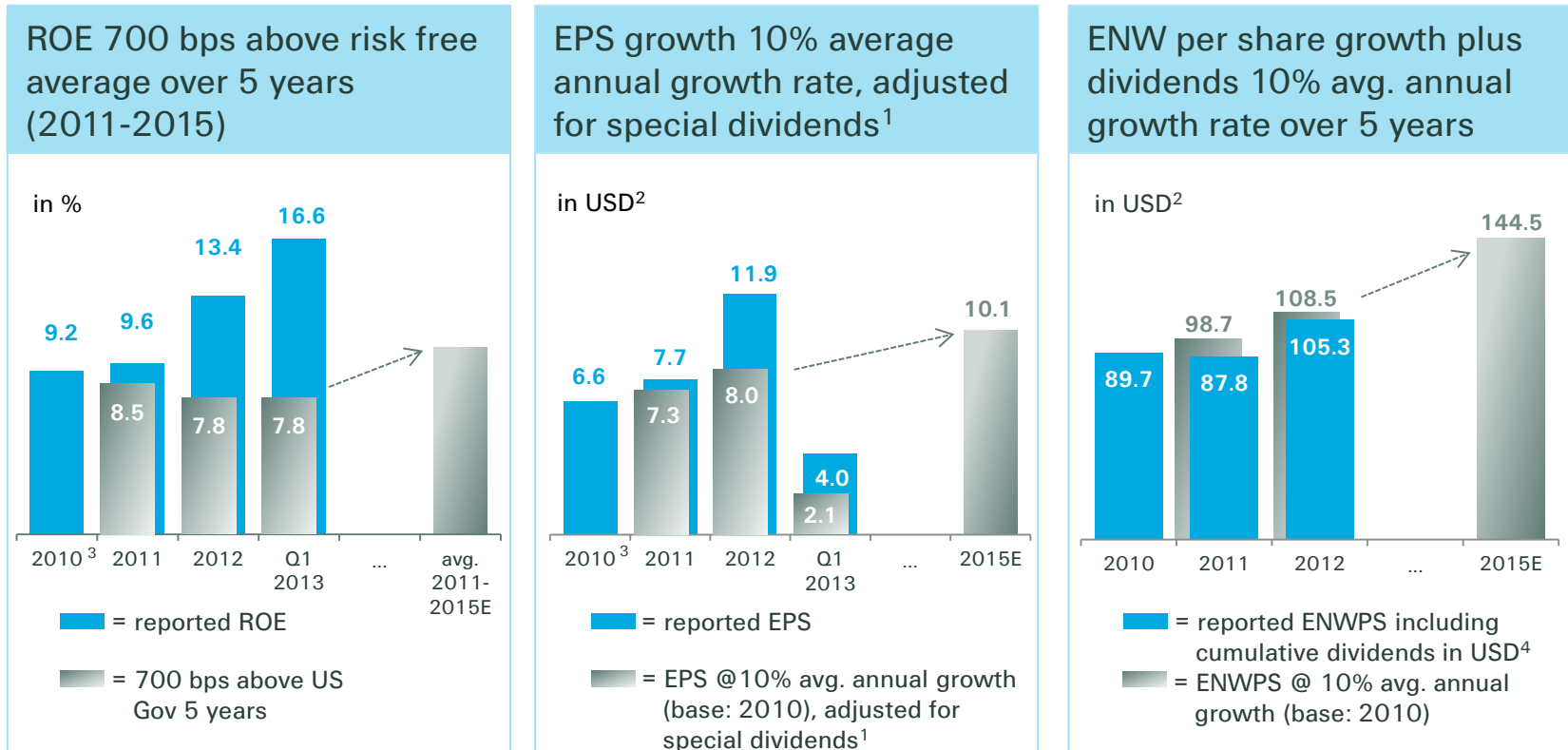
Net income partly offset by reduction in unrealised gains and fx





# Group financial targets

## Well on track



<sup>1</sup> EPS CAGR of 10% has been adjusted to 5% for 2013 to account for the distribution of excess capital through the special dividend of USD 1.5bn in April 2013. Special dividend assumed to be fully reinvested and thus comparable to excess capital re-deployment via share buyback at a share price of approx. CHF 70

<sup>2</sup> Assumes constant foreign exchange rate

<sup>3</sup> Excl. CPCl

<sup>4</sup> Cumulative dividends included in ENW per share were translated from CHF to USD using the fx rate of the dividend payment date; dividends included for 2011: USD 3.1 (CHF 2.75), 2012: USD 6.4 (additional CHF 3.00 or USD 3.3 on top of the 2011 dividend)



## Summary and outlook

- All business units contributed to strong Q1 2013 results
  - Renewals show a continued strong P&C environment
    - Expect this to continue into July and later renewals in P&C Reinsurance
    - Nat cat prices for US and Japan peak risks slightly lower but remain strong
    - Corporate Solutions expected to continue to deliver growth within ROE target range
  - Progress at our Life and Health businesses, work on profitability continues
    - L&H Re capital repatriation target achieved through large dividend to Group in Q1
    - Results of comprehensive review of L&H Re business at June 2013 Investors' Day
    - Admin Re<sup>®</sup> starts year with better than expected underlying business performance and is open to new business and possible third party capital
- Delivering the 2011-2015 financial targets remains Swiss Re's top priority



# Appendix





## Appendix

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- Cautionary note on forward-looking statements



# Business segment results Q1 2013

## Income statement

USD millions	Re- insurance	P&C Re	L&H Re	Corporate Solutions	Admin Re®	Group items	Consoli- dation	Total Q1 2013	Total Q1 2012
<b>Revenues</b>									
Premiums earned	5 833	3 534	2 299	613	171	-	-	6 617	5 979
Fee income from policyholders	14	-	14	-	151	-	-	165	229
Net investment income/loss – non participating	603	273	330	29	287	31	-9	941	1 207
Net realised investment gains/losses – non participating	173	67	106	47	5	-17	-	208	226
Net investment result – unit-linked and with-profit	99	-	99	-	2 034	-	-	2 133	1 317
Other revenues	15	15	-	1	-	62	-73	5	12
<b>Total revenues</b>	<b>6 737</b>	<b>3 889</b>	<b>2 848</b>	<b>690</b>	<b>2 648</b>	<b>76</b>	<b>-82</b>	<b>10 069</b>	<b>8 970</b>
<b>Expenses</b>									
Claims and claim adjustment expenses	-1 481	-1 481	-	-326	-	-1	-	-1 808	-2 001
Life and health benefits	-1 734	-	-1 734	-	-393	-	-	-2 127	-2 123
Return credited to policyholders	-111	-	-111	-	-2 028	-	-	-2 139	-1 396
Acquisition costs	-977	-662	-315	-71	-9	-	-	-1 057	-1 109
Other expenses	-538	-321	-217	-140	-119	-83	63	-817	-717
Interest expenses	-191	-40	-151	-	-11	-5	19	-188	-192
<b>Total expenses</b>	<b>-5 032</b>	<b>-2 504</b>	<b>-2 528</b>	<b>-537</b>	<b>2 560</b>	<b>-89</b>	<b>82</b>	<b>-8 136</b>	<b>-7 538</b>
<b>Income before income tax expenses</b>	<b>1 705</b>	<b>1 385</b>	<b>320</b>	<b>153</b>	<b>88</b>	<b>-13</b>	<b>0</b>	<b>1 933</b>	<b>1 432</b>
Income tax expense/benefit	-456	-371	-85	-52	-10	-17	-	-535	-263
<b>Net income/loss before attribution of non-controlling interests</b>	<b>1 249</b>	<b>1 014</b>	<b>235</b>	<b>101</b>	<b>78</b>	<b>-30</b>	<b>0</b>	<b>1 398</b>	<b>1 169</b>
Income attributable to non-controlling interests	-	-	-	-	-	-	-	-	-25
<b>Net income/loss after attribution of non-controlling interests</b>	<b>1 249</b>	<b>1 014</b>	<b>235</b>	<b>101</b>	<b>78</b>	<b>-30</b>	<b>0</b>	<b>1 398</b>	<b>1 144</b>
Interest on contingent capital instruments	-18	-5	-13	-	-	-	-	-18	-3
<b>Net income/loss attributable to common shareholders</b>	<b>1 231</b>	<b>1 009</b>	<b>222</b>	<b>101</b>	<b>78</b>	<b>-30</b>	<b>0</b>	<b>1 380</b>	<b>1 141</b>



# Business segment results Q1 2013

## Balance sheet

31 March 2013, USD millions	Re- insurance	P&C Re	L&H Re	Corporate Solutions	Admin Re®	Group items	Consoli- dation	Q1 2013	FY 2012
<b>Assets</b>									
Fixed income securities	60 282	29 902	30 380	4 775	20 327	97	-	85 481	88 848
Equity securities	2 753	2 266	487	644	3	730	-	4 130	3 774
Other investments	16 482	15 451	1 031	275	1 707	6 732	-6 905	18 291	16 044
Short-term investments	15 912	11 019	4 893	1 617	1 266	596	-	19 391	18 645
Investments for unit-linked and with-profit business	869	-	869	-	24 211	-	-	25 080	25 501
Cash and cash equivalents	8 987	6 695	2 292	787	2 146	238	-	12 158	10 837
Deferred acquisition costs	4 186	1 446	2 740	231	2	2	-	4 421	4 039
Acquired present value of future profits	1 571	-	1 571	-	1 630	-	-	3 201	3 023
Reinsurance recoverable	7 077	5 281	1 796	9 779	350	-	-8 091	9 115	10 109
Other reinsurance assets	22 923	14 459	8 464	3 153	3 568	3	-2 772	26 875	24 774
Goodwill	4 013	1 996	2 017	17	-	-	-	4 030	4 092
Other	16 187	10 774	5 413	934	1 346	2 105	-6 762	13 810	11 817
<b>Total assets</b>	<b>161 242</b>	<b>99 289</b>	<b>61 953</b>	<b>22 212</b>	<b>56 556</b>	<b>10 503</b>	<b>-24 530</b>	<b>225 983</b>	<b>221 503</b>
<b>Liabilities</b>									
Unpaid claims and claim adjustment expenses	56 297	46 909	9 388	12 681	1 274	22	-8 092	62 182	63 670
Liabilities for life and health policy benefits	16 973	-	16 973	218	17 436	-	-7	34 620	36 117
Policyholder account balances	1 483	-	1 483	-	27 780	-	-	29 263	29 349
Other reinsurance liabilities	16 408	14 476	1 932	5 262	579	7	-3 280	18 976	16 780
Short-term debt	5 171	3 674	1 497	-	592	1 183	-3 505	3 441	3 612
Long-term debt	16 447	4 556	11 891	-	-	30	-	16 477	16 286
Other	30 112	18 552	11 560	928	2 432	2 363	-9 599	26 236	21 663
<b>Total liabilities</b>	<b>142 891</b>	<b>88 167</b>	<b>54 724</b>	<b>19 089</b>	<b>50 093</b>	<b>3 605</b>	<b>-24 483</b>	<b>191 195</b>	<b>187 477</b>
<b>Shareholders' equity</b>	<b>18 335</b>	<b>11 106</b>	<b>7 229</b>	<b>3 114</b>	<b>6 463</b>	<b>6 898</b>	<b>-47</b>	<b>34 763</b>	<b>34 002</b>
<i>thereof contingent capital instruments</i>	<i>1 102</i>	<i>352</i>	<i>750</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>1 102</i>	<i>1 102</i>
Non controlling interests	16	16	-	9	-	-	-	25	24
<b>Total equity</b>	<b>18 351</b>	<b>11 122</b>	<b>7 229</b>	<b>3 123</b>	<b>6 463</b>	<b>6 898</b>	<b>-47</b>	<b>34 788</b>	<b>34 026</b>
<b>Total liabilities and equity</b>	<b>161 242</b>	<b>99 289</b>	<b>61 953</b>	<b>22 212</b>	<b>56 556</b>	<b>10 503</b>	<b>-24 530</b>	<b>225 983</b>	<b>221 503</b>



## Shareholders' equity and ROE Q1 2013

USD millions	Re- insurance	P&C Re	L&H Re	Corporate Solutions	Admin Re®	Group items	Total <sup>1</sup> Q1 2013
Common shareholders' equity at 31 December 2012	19 593	12 004	7 589	3 032	6 662	3 660	32 900
Net income attributable to common shareholders	1 231	1 009	222	101	78	-30	1 380
Dividends	-1 932	-966	-966	-	-	1 932	0
Dividends-in-kind (shift of Principal Investments)	-1 205	-1 205	-	-	-	1 205	0
Other (incl. fx)	-61	3	-64	-25	-244	157	-173
Net change in unrealised gains/losses	-393	-91	-302	6	-33	-26	-446
<b>Common shareholders' equity</b>	<b>17 233</b>	<b>10 754</b>	<b>6 479</b>	<b>3 114</b>	<b>6 463</b>	<b>6 898</b>	<b>33 661</b>
Contingent capital instruments	1 102	352	750	-	-	-	1 102
<b>Shareholders' equity at 31 March 2013</b>	<b>18 335</b>	<b>11 106</b>	<b>7 229</b>	<b>3 114</b>	<b>6 463</b>	<b>6 898</b>	<b>34 763</b>
Non controlling interests	16	16	-	9	-	-	25
<b>Total equity at 31 March 2013</b>	<b>18 351</b>	<b>11 122</b>	<b>7 229</b>	<b>3 123</b>	<b>6 463</b>	<b>6 898</b>	<b>34 788</b>

### ROE calculation

USD millions	Re- insurance	P&C Re	L&H Re	Corporate Solutions	Admin Re®	Group items	Total <sup>1</sup> Q1 2013
<b>Net income/loss attributable to common shareholders</b>	<b>1 231</b>	<b>1 009</b>	<b>222</b>	<b>101</b>	<b>78</b>	<b>-30</b>	<b>1 380</b>
Opening common shareholders' equity	19 593	12 004	7 589	3 032	6 662	3 660	32 900
Average common shareholders' equity	18 413	11 379	7 034	3 073	6 563	5 279	33 281
<b>ROE, annualised<sup>2</sup></b>	<b>26.7%</b>	<b>35.5%</b>	<b>12.6%</b>	<b>13.1%</b>	<b>4.8%</b>	<b>-2.3%</b>	<b>16.6%</b>

<sup>1</sup> Total is after consolidation

<sup>2</sup> Based on published net income attributable to common shareholders



# P&C Reinsurance

## Underwriting performance

Combined ratios in %, premiums and underwriting result in USD m

	Q1 2012	Q1 2013	Main drivers of change	Net premiums earned	Underwriting result
<b>Property</b>	<b>71.0%</b>	<b>56.3%</b>	■ No new events in 2013; Q1 2012 impacted by loss estimate increases for prior year cat losses	<b>1 658</b>	<b>724</b>
<b>Casualty</b>	<b>103.1%</b>	<b>90.0%</b>		<b>1 324</b>	<b>133</b>
Liability	74.2%	65.5%	■ Both periods benefited from net reserve releases in prior years	487	168
Motor	110.9%	101.0%	■ Improvement driven by better prior year development	716	-7
Accident (A&H)	127.7%	123.1%	■ Both periods impacted by adverse prior year development	121	-28
<b>Specialty</b>	<b>80.5%</b>	<b>61.4%</b>		<b>552</b>	<b>213</b>
Marine	139.6%	84.2%	■ Driven by better claims experience; Q1 2012 impacted by grounding of Costa Concordia	177	28
Engineering	59.4%	44.2%	■ Good claims experience	181	101
Credit	66.4%	83.7%	■ Q1 2012 benefited from favourable prior year claims experience	123	20
Other Specialty (Aviation, etc)	39.1%	9.9%	■ Good claims experience	71	64
<b>Total</b>	<b>85.0%</b>	<b>69.7%</b>		<b>3 534</b>	<b>1 070</b>



# P&C Reinsurance and Corporate Solutions

## Nat cat and large man-made claims

### Nat cat premiums and claims<sup>1</sup>

USD m	Est. FY 2013	P&C Re	Corporate Solutions
Expected net premiums	3 400	3 080	320
Expected net claims	1 750	1 580	170

### Nat cat and man-made large claims<sup>1</sup>

USD m	FY 2012	Total est. net claims	Q1 2013 net change	P&C Re	Corporate Solutions
Hurricane Sandy	October	900	-	-	-
	FY 2013	Total est. net claims		P&C Re	Corporate Solutions
Satellite loss	February	32	32	-	32

<sup>1</sup> Only events exceeding USD 20m included, net premiums after acquisition costs



## L&H Reinsurance Income break-down

USD m	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
<b>Net income</b>	<b>14</b>	<b>525</b>	<b>492</b>	<b>633</b>	<b>209</b>	<b>248</b>	<b>187</b>	<b>95</b>	<b>222</b>
of which approximately:									
Net realised gains/losses <sup>1</sup>	-156	333	451	524	118	280	288	23	111
VA, pre-2000 GMDB, impact from B36	-2	22	-25	-40	-19	-15	-8	-41	91
Mortality and morbidity compared to expectations	21	38	4	82	123	7	-2	47	47
Changes in models and assumptions	-17	4	29	-39	-7	-22	-33	-9	6
Pre-2004 US business	-6	-7	-4	-16	-57	-58	-29	-	-26
<b>Benefit ratio<sup>2</sup></b>	<b>76.3%</b>	<b>72.4%</b>	<b>76.7%</b>	<b>72.6%</b>	<b>74.4%</b>	<b>73.8%</b>	<b>79.0%</b>	<b>74.9%</b>	<b>78.5%</b>

- VA, pre-2000 GMDB, B36 impacted by favourable financial market performance and an increase in risk free rates
- Americas mortality experience was favourable compared to expectations, though less favourable than in Q1 2012. Americas and European morbidity experience was slightly unfavourable in Q1 2013
- Over the course of the year, we continue to expect a lower impact from pre-2004 US in 2013 than in 2012

<sup>1</sup> Net realised gains/losses excludes realised gains related to reinsurance transactions (VA, pre-2000 GMDB, B36, etc)

<sup>2</sup> Benefit ratio excludes the impact of VA & pre-2000 GMDB from all periods presented

# L&H Reinsurance

## Impact of business recaptures

### Q1 2013 income statement impact

USD m	Q1 2013
Acquisition costs	75
Pre-tax gain	75
Income tax expense	-20
Income statement gain on recaptures	55

### Q1 2013 balance sheet impact

USD m	
<b>Assets</b>	
Cash and cash equivalents	650
Deferred acquisition costs	59
Acquired present value of future profits	296
Reinsurance recoverable	-621
Other assets	-284
<b>Total assets</b>	<b>100</b>
<b>Liabilities</b>	
Liabilities for life and health benefits	-99
Reinsurance balances payable	124
Tax liability	20
<b>Total liabilities</b>	<b>45</b>
<b>Shareholders' equity</b>	<b>55</b>







# Corporate Solutions

## Underwriting performance

Combined ratios in %, premiums and underwriting result in USD m

	Q1 2012	Q1 2013	Main drivers of change	Net premiums earned	Underwriting result
<b>Property</b>	<b>79.5%</b>	<b>77.7%</b>	■ No nat cat impact in either year	<b>224</b>	<b>50</b>
<b>Casualty</b>	<b>93.7%</b>	<b>110.9%</b>	■ 2013 driven by negative reserve development on A&H	<b>202</b>	<b>-22</b>
<b>Specialty</b>	<b>80.0%</b>	<b>74.3%</b>	■ No notable events 2012 or 2013	<b>187</b>	<b>48</b>
Credit	63.3%	69.6%		56	17
Other Specialty	88.3%	76.3%		■ One large marine loss in 2012	131
<b>Total</b>	<b>84.7%</b>	<b>87.6%</b>		<b>613</b>	<b>76</b>



## Net investment income

USD m	P&C Re	L&H Re	Corporate Solutions	Admin Re®	Group items	Consolidation	Total Q1 2013	Total Q1 2012
<b>Investment related income</b>	<b>234</b>	<b>248</b>	<b>30</b>	<b>223</b>	<b>31</b>	<b>-9</b>	<b>757</b>	<b>950</b>
<i>Government bonds</i>	111	146	10	76	-	-	343	444
<i>Corporate bonds</i>	39	80	12	126	-	-	257	293
<i>Securitised products</i>	16	22	3	10	2	-	53	94
<i>Short-term investments</i>	16	11	1	1	-	-	29	26
<i>Equities</i>	9	-	3	-	2	-	14	16
<i>Real estate, PE, HF</i>	73	3	4	-	31	-	111	153
<i>Investment expenses</i>	-55	-18	-5	-11	-15	11	-93	-115
<i>Other</i>	25	4	2	21	11	-20	43	39
<b>Insurance related income</b>	<b>39</b>	<b>82</b>	<b>-1</b>	<b>64</b>	<b>-</b>	<b>-</b>	<b>184</b>	<b>257</b>
<i>Policy loans</i>	-	-	-	3	-	-	3	75
<i>Deposit interest and fee income</i>	33	80	-2	66	-	-	177	130
<i>Other</i>	6	2	1	-5	-	-	4	52
<b>Non-participating investment income</b>	<b>273</b>	<b>330</b>	<b>29</b>	<b>287</b>	<b>31</b>	<b>-9</b>	<b>941</b>	<b>1 207</b>
Income from with-profit business <sup>1</sup>	-	-	-	34	-	-	34	38
Income from unit-linked business <sup>1</sup>	-	2	-	160	-	-	162	167
<b>Total net investment income</b>	<b>273</b>	<b>332</b>	<b>29</b>	<b>481</b>	<b>31</b>	<b>-9</b>	<b>1 137</b>	<b>1 412</b>

- Q1 2013 fixed income running yield of 3.0% down from 3.5% in Q1 2012, driven by lower yields as well as disposal of higher yielding assets related to the sale of Admin Re® US in Q3 2012
- Decrease in government bond income primarily related to net sales from a moderate re-balancing of the investment portfolio during 2012 as well as the sale of Admin Re® US in Q3 2012
- Securitised products income decreased primarily due to an overall decrease in the portfolio
- Group items now includes Principal Investments (USD 1.2bn) previously in P&C Re

<sup>1</sup> Income from assets backing with-profit and unit-linked business are credited to policyholders' accounts and are excluded from investment income available to shareholders



## Net realised gains/losses

USD m	P&C Re	L&H Re	Corporate Solutions	Admin Re®	Group items	Consolidation	Total Q1 2013	Total Q1 2012
<b>Investment related</b>	<b>85</b>	<b>111</b>	<b>26</b>	<b>52</b>	<b>-19</b>	-	<b>255</b>	<b>338</b>
Government bonds	47	75	5	54	-	-	181	649
Corporate bonds	28	14	18	5	-	-	65	34
Securitised products	1	4	-	-3	-	-	2	-81
Equities	30	3	9	-	35	-	77	46
Real Estate, PE, HF	-13	-	1	-	1	-	-11	-58
Foreign exchange remeasurement and designated trading portfolios <sup>1</sup>	3	29	-7	-4	-82	-	-61	-108
Other asset classes	-11	-14	-	-	27	-	2	-144
<b>Insurance related</b>	<b>-18</b>	<b>-5</b>	<b>21</b>	<b>-47</b>	<b>2</b>	-	<b>-47</b>	<b>-112</b>
<b>Non-participating realised gains and losses</b>	<b>67</b>	<b>106</b>	<b>47</b>	<b>5</b>	<b>-17</b>	-	<b>208</b>	<b>226</b>
Net gains/ losses from with-profit business <sup>2</sup>	-	-	-	66	-	-	66	44
Net gains/ losses from unit-linked business <sup>2</sup>	-	97	-	1 774	-	-	1 871	1 068
<b>Total net realised gains and losses</b>	<b>67</b>	<b>203</b>	<b>47</b>	<b>1 845</b>	<b>-17</b>	-	<b>2 145</b>	<b>1 338</b>

USD m	Q1 2013
FX	-53
M-t-m <sup>1</sup>	-8
<b>Total</b>	<b>-61</b>
USD m	Q1 2013
Rates	-40
Credit	-1
Equities and alternatives	-
Treasury and other	43
<b>Other asset classes</b>	<b>2</b>

- Investment related net realised gains driven by sale of government bonds and equities
- Lower net realised gains from the sale of fixed income positions as compared to Q1 2012
- Prior year other asset classes were impacted by losses on credit hedges
- Unit-linked business related net realised gains primarily from mark-to-market gains on equities as markets rose during the quarter

<sup>1</sup> The designated trading portfolios are foreign currency denominated trading fixed income securities which back certain foreign currency denominated liabilities

<sup>2</sup> Income from assets backing with-profit and unit-linked business are credited to policyholders' accounts and are excluded from inv. income available to shareholders



## Net unrealised gains/losses

USD m	P&C Re	L&H Re	Corporate Solutions	Admin Re®	Group items	End Q1 2013	End FY 2012
Government bonds	550	1 242	36	1 212	-	3 040	3 816
Corporate bonds	195	577	40	1 324	-	2 136	2 305
Securitised products	46	108	19	80	2	255	259
Equities	281	53	94	-	52	480	313
Other	268	16	-5	17	10	306	262
<b>Total on-balance sheet</b>	<b>1 340</b>	<b>1 996</b>	<b>184</b>	<b>2 633</b>	<b>64</b>	<b>6 217</b>	<b>6 955</b>
Real estate	1 683	-	-	-	-	1 683	1 759
<b>Total off-balance sheet</b>	<b>1 683</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 683</b>	<b>1 759</b>
<b>Total net unrealised gains/losses</b>	<b>3 023</b>	<b>1 996</b>	<b>184</b>	<b>2 633</b>	<b>64</b>	<b>7 900</b>	<b>8 714</b>

- Decrease in unrealised gains on government bonds primarily driven by higher interest rates and fx movement
- Decrease in unrealised gains on corporate bonds related to higher interest rates and fx movement, partially offset by tighter credit spreads
- Increase in unrealised gains on equities from stronger equity market performance during Q1 2013



## Return on investments basis

### Investments included in the ROI calculation

USD bn	FY 2012	Q1 2013 <sup>1</sup>
<b>Total investment portfolio</b>	<b>163.7</b>	<b>164.5</b>
Unit-linked investments	-22.7	-22.7
With-profit business	-3.6	-3.4
<b>Total (excl. unit-linked and with-profit)</b>	<b>137.4</b>	<b>138.4</b>
Cash and cash equivalents	-10.0	-11.1
Policy loans	-0.3	-0.3
Other – insurance related	-1.3	-0.8
Financial liabilities and other <sup>2</sup>	-4.6	-10.0
<b>Total</b>	<b>121.2</b>	<b>116.2</b>

<sup>1</sup> Return on investment basis excludes repurchase agreements and securities lending of USD 2.8bn beginning in Q1 2013

<sup>2</sup> Includes securities in transit, repurchase agreements, securities lending and other assets backing insurance



## Return on investments (ROI)

USD m	P&C Re	L&H Re	Corporate Solutions	Admin Re®	Group items	Consolidation	Total Q1 2013	Total Q1 2012
Net investment income	234	248	30	223	31	-9	757	950
Net realised gains/losses (incl. fx)	85	111	26	52	-19	-	255	338
Other revenue	10	-	-	-	-	-10	-	6
<b>Investment operating income</b>	<b>329</b>	<b>359</b>	<b>56</b>	<b>275</b>	<b>12</b>	<b>-19</b>	<b>1 012</b>	<b>1 294</b>
Less minority interest income	-	-	-	-	-	-	-	-24
Less income from cash / interest income	-4	-3	-1	-1	-	-	-9	-6
Less income from securities lending / repurchase agreements	-11	-	-	-	-	-2	-13	
<b>Basis for ROI</b>	<b>314</b>	<b>356</b>	<b>55</b>	<b>274</b>	<b>12</b>	<b>-21</b>	<b>990</b>	<b>1 264</b>
Average investment assets at avg. fx rates <sup>1</sup>	47 994	36 205	6 828	23 540	7 111	-3 486	118 192	124 985
<b>ROI, annualised</b>	<b>2.6%</b>	<b>3.9%</b>	<b>3.2%</b>	<b>4.7%</b>	<b>0.7%</b>	<b>n/a</b>	<b>3.4%</b>	<b>4.0%</b>

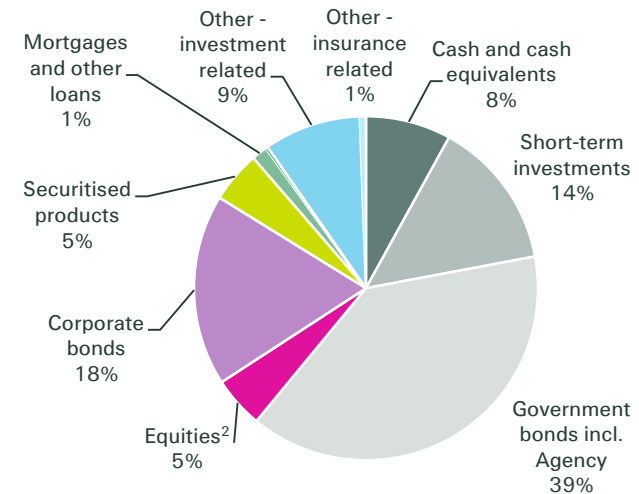
<sup>1</sup> Average assets calculation based on monthly average



# Overall investment portfolio

61% invested in cash, short-term investments or government bonds

USD bn	End Q1 2013
<b>Balance sheet values</b>	<b>164.5</b>
Unit-linked investments	-22.7
With-profit business	-3.4
<b>Assets for own account (on balance sheet only)</b>	<b>138.4</b>



USD bn	P&C Re	L&H Re	Corporate Solutions	Admin Re <sup>®</sup>	Group items	Consolidation	End Q1 2013	End FY 2012
Cash and cash equivalents	6.7	2.3	0.8	1.1	0.2	-	11.1	10.0
Short-term investments	11.0	4.9	1.6	1.3	0.6	-	19.4	18.6
Government bonds	22.4	19.7	2.7	9.1	-	-	53.9	58.0
Corporate bonds	4.9	8.0	1.6	10.4	-	-	24.9	23.8
Securitised products <sup>1</sup>	2.6	2.7	0.5	0.8	0.1	-	6.7	7.0
Equities <sup>2</sup>	4.3	0.6	0.8	-	1.0	-	6.7	6.4
Mortgages and other loans	0.7	0.6	-	1.3	2.9	-3.5	2.0	2.0
Policy loans	-	0.1	-	0.2	-	-	0.3	0.3
Other – investment related	12.7	-0.6	-	-	3.2	-2.7	12.6	10.0
Other – insurance related	-	0.8	0.1	0.2	0.4	-0.7	0.8	1.3
<b>Total</b>	<b>65.3</b>	<b>39.1</b>	<b>8.1</b>	<b>24.4</b>	<b>8.4</b>	<b>-6.9</b>	<b>138.4</b>	<b>137.4</b>

<sup>1</sup> Includes cat bonds and loans

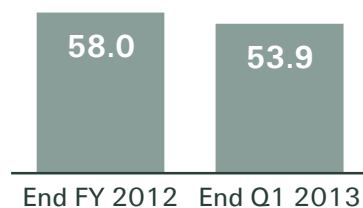
<sup>2</sup> Includes private equity and equity related hedge funds and strategic holdings, which are reported under "Other invested assets"



## Fixed income securities

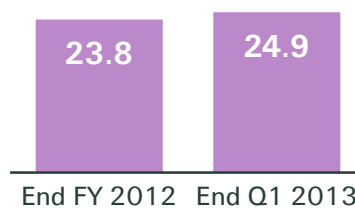
USD bn	End FY 2012	End Q1 2013
Balance sheet values	93.5	89.8
Unit-linked investments	-2.6	-2.4
With-profit business	-2.1	-1.9
<b>Balance sheet values</b> (excl. unit-linked and with-profit business)	<b>88.8</b>	<b>85.5</b>

### Government bonds<sup>1</sup>



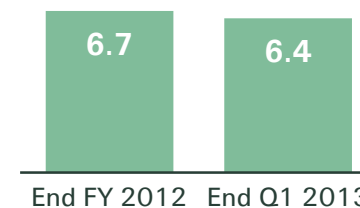
- Decrease mainly due to net sales and maturities of USD 2.1bn in addition to mark-to-market losses of USD 0.7bn and fx

### Corporate bonds<sup>2</sup>



- Increase mainly due to net purchases of USD 1.7bn, partially offset by mark-to-market losses of USD 0.1bn and fx

### Securitised products<sup>3</sup>



- Net sales and maturities of USD 0.2bn and fx

<sup>1</sup> Includes Agency securitised products

<sup>2</sup> Includes Pfandbriefe / covered bonds

<sup>3</sup> Includes invested assets and off balance sheet investment exposures, excludes cat bonds and loans

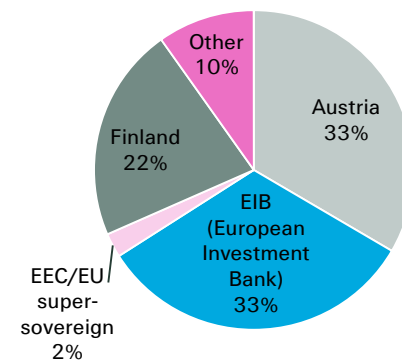




## Government bonds High quality portfolio

USD m	S&P rating 31 March 2013 <sup>1</sup>	End Q1 2013	% of Total
United States	AA+	17 027	31.6%
United Kingdom	AAA	14 215	26.4%
Canada	AAA	4 318	8.0%
Australia	AAA	1 331	2.5%
Switzerland	AAA	634	1.2%
RoW and other	AAA-B-	4 351	8.1%
<b>Non-Eurozone market value</b>		<b>41 876</b>	<b>77.8%</b>
Germany	AAA	5 389	10.0%
France	AA+	3 559	6.6%
Netherlands	AAA	1 538	2.8%
Eurozone other	AAA-BB	1 516	2.8%
<b>Eurozone market value</b>		<b>12 002</b>	<b>22.2%</b>
<b>Total market value</b>		<b>53 878</b>	<b>100%</b>

**Eurozone other: USD 1 516m**



**Other includes European peripheral exposure of USD 19m:**

Portugal	BB	USD 19m
Italy		nil
Spain		nil
Greece		nil
Ireland		nil

- More than 50% of government bonds are rated AAA<sup>1</sup>
- Government bonds trading at 104.1% of par

<sup>1</sup> Represents S&P's local currency long term debt rating for the respective countries

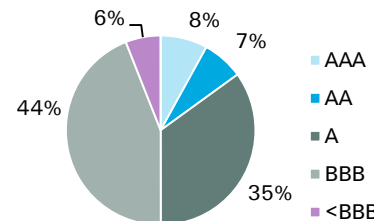
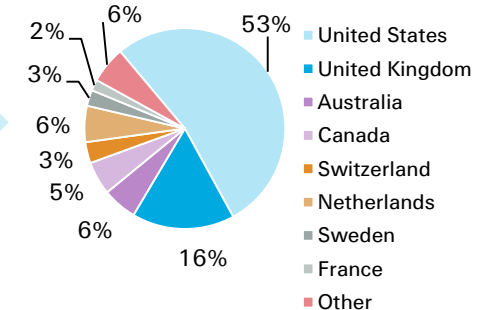


# Corporate bonds

## Continued re-balancing in high quality assets

USD m	End Q1 2013	% of Total
Resources	2 849	11.4%
Basic industries	1 291	5.2%
Cyclical consumer goods	703	2.8%
Cyclical services	2 920	11.7%
Energy, utilities & mining	2 544	10.2%
Financials	9 501	38.1%
General industries	942	3.8%
Information technologies	337	1.4%
Non-cyclical consumer goods	2 075	8.3%
Non-cyclical services	1 781	7.1%
<b>Total</b>	<b>24 943</b>	<b>100%</b>

	End Q1 2013
Pfandbriefe / covered bonds	19%
Banks	47%
Specialty	13%
Insurance	13%
Real Estate, other	8%
<b>Total</b>	<b>100%</b>

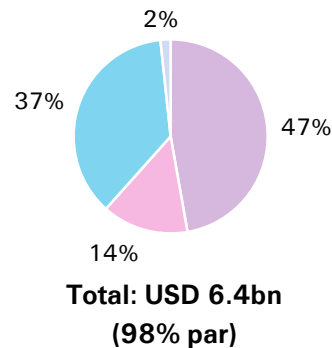


- Moderate re-balancing of USD 1.7bn during Q1 2013
- **Sensitivity** - CR01 is the sensitivity of Swiss Re's investment portfolio per basis point move in credit spreads. As at 31 March 2013 the net impact would be a decrease of USD 17.5m for each basis point credit spreads widen



## Securitised products

53% is AAA



USD m, market values	End FY 2012	End Q1 2013	Aaa	Aa	A	BBB	BB and below	Est. % par
CMBS	3 175	2 999	1 445	330	479	261	484	103%
RMBS	990	914	244	47	321	91	211	85%
Other ABS	2 408	2 331	1 630	307	228	107	59	102%
Other Securitised	100	107	23	32	-	23	29	50%
<b>Total<sup>1</sup></b>	<b>6 673</b>	<b>6 351</b>	<b>3 342</b>	<b>716</b>	<b>1 028</b>	<b>482</b>	<b>783</b>	<b>98%</b>

- Net sales and maturities of USD 0.2bn primarily related to CMBS
- **Sensitivity** - CR01 is the sensitivity of Swiss Re's investment portfolio per basis point move in credit spreads. As at 31 March 2013 the net impact would be a decrease of USD 2.5m for each basis point credit spreads widen

<sup>1</sup> Includes invested assets and off balance sheet investment exposures, excludes cat bonds and loans. Percentage of par is based on a weighted average basis

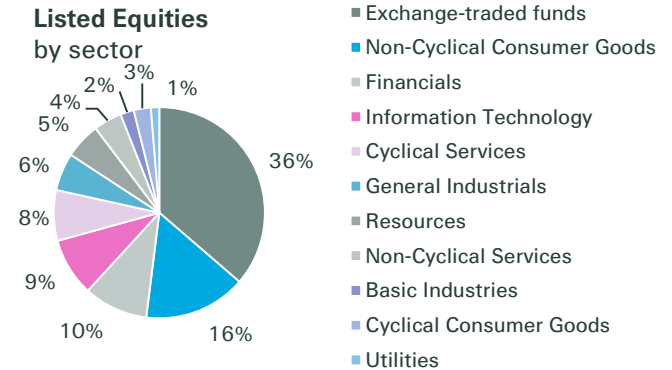


# Equities and Alternative Investments

## Mark-to-market gains

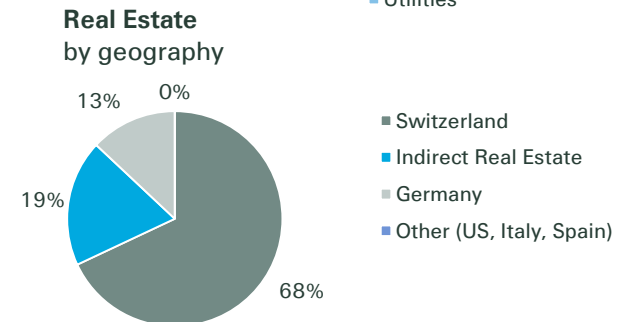
### Equities

USD m, market values	End FY 2012	End Q1 2013
Listed Equities	2 626	3 051
Strategic Holdings	181	205
Private Equity	3 033	2 898
Hedge Funds - equities	546	592
<b>Total market value</b>	<b>6 386</b>	<b>6 746</b>



### Alternative investments

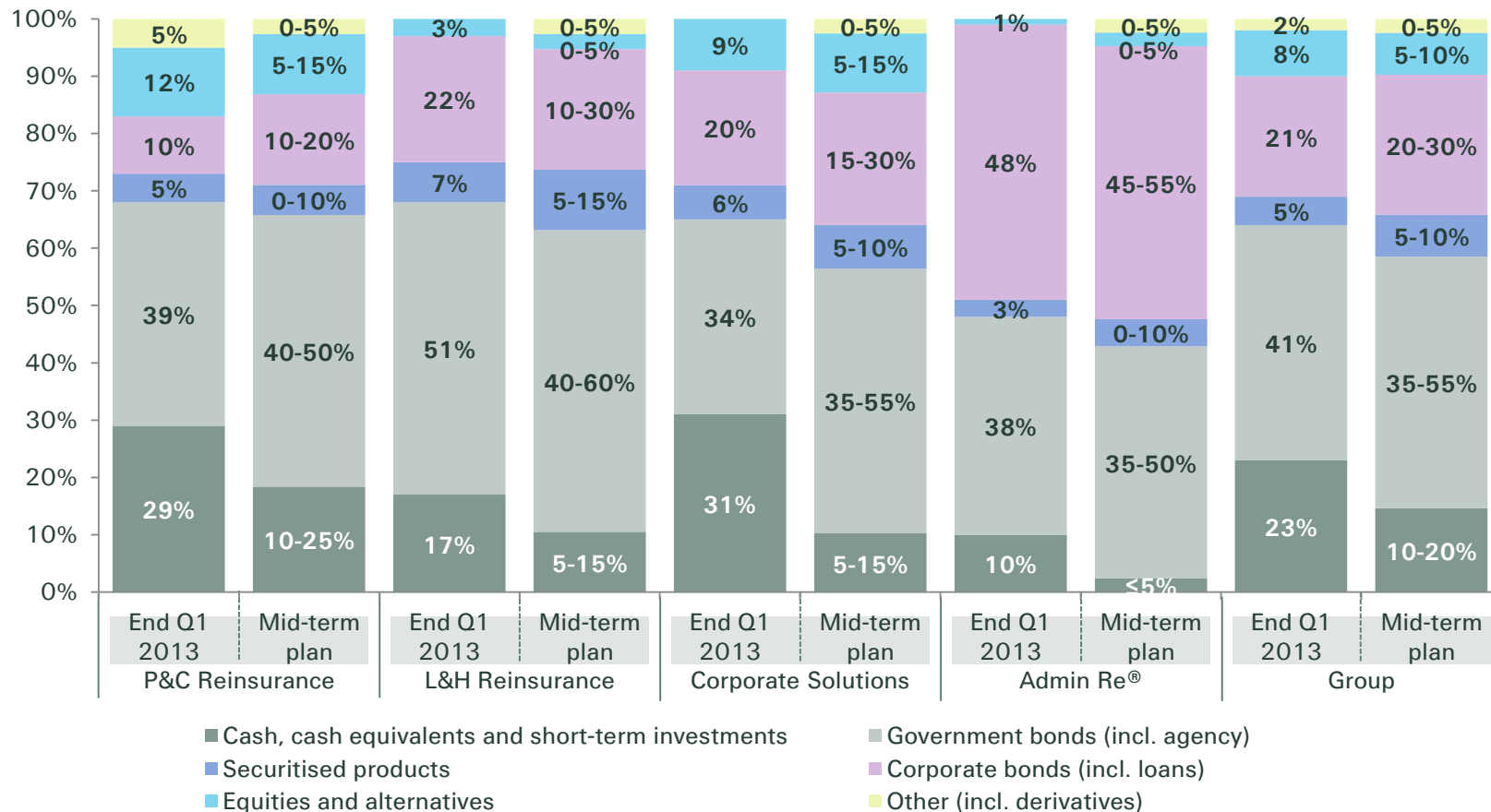
USD m, market values	End FY 2012	End Q1 2013
Hedge Funds – non equities	934	974
Real Estate	3 204	3 092
<b>Total market value</b>	<b>4 138</b>	<b>4 066</b>



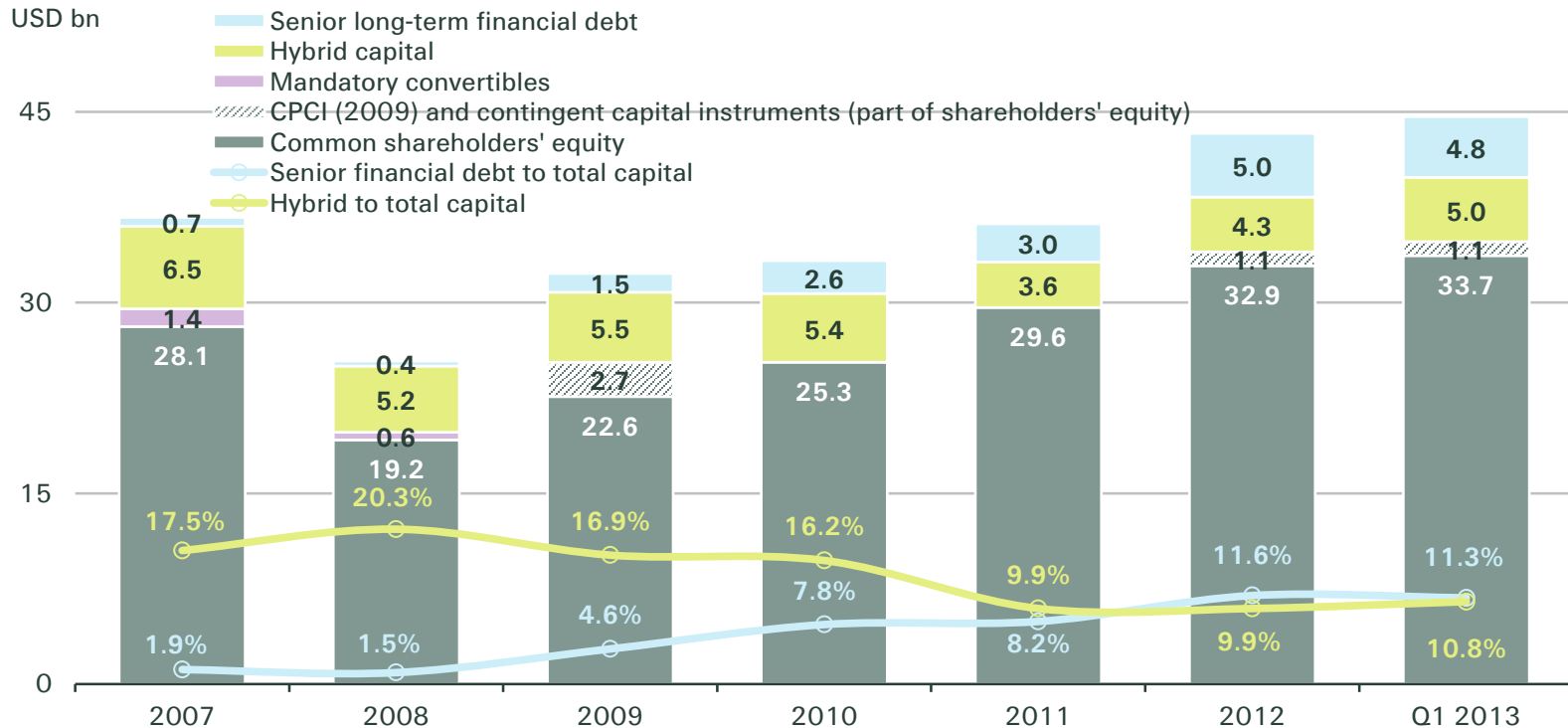
- Net unrealised gains of USD 0.2bn in listed equities partially offset by fx on real estate positions
- 60% of hedge fund portfolio and 71% of private equity portfolio are equity accounted; mark-to-market recorded through net investment income



# Investment mix and mid-term plan



# Swiss Re's capital structure



■ Increase in hybrid capital due to issuance of USD 750m subordinated contingent write-off loan notes in March 2013

2009 and prior have been translated from CHF using respective year end fx rates

## Number of shares

in millions	Q1 2013
Total shares	370.7
of which Treasury shares and shares reserved for corporate purposes	26.5
<b>Shares outstanding<sup>1</sup> (as at 31 March 2013)</b>	<b>344.2</b>
<b>Shares outstanding<sup>1</sup> (weighted average)</b>	<b>343.5</b>

<sup>1</sup> Shares outstanding is the number of shares eligible for dividends and is used for the BVPS and EPS calculation



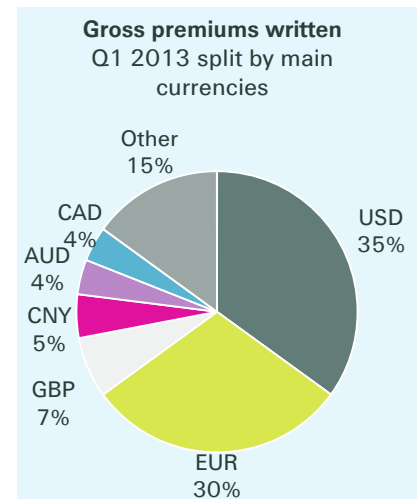
## Exchange rates

### Average rates

	EUR/USD	GBP/USD	CAD/USD	CHF/USD
Q1 2012	1.31	1.57	1.00	1.08
Q4 2012	1.28	1.58	1.00	1.06
Q1 2013	1.33	1.56	0.99	1.08
<b>Change Q1 2012/Q1 2013</b>	<b>1.53%</b>	<b>-0.64%</b>	<b>-1.00%</b>	<b>0.00%</b>
<b>Change Q4 2012/Q1 2013</b>	<b>3.91%</b>	<b>-1.27%</b>	<b>-1.00%</b>	<b>1.89%</b>

### Closing rates

	EUR/USD	GBP/USD	CAD/USD	CHF/USD
Q1 2012	1.33	1.60	1.00	1.11
Q4 2012	1.32	1.63	1.00	1.09
Q1 2013	1.28	1.52	0.98	1.05
<b>Change Q1 2012/Q1 2013</b>	<b>-3.76%</b>	<b>-5.00%</b>	<b>-2.00%</b>	<b>-5.41%</b>
<b>Change Q4 2012/Q1 2013</b>	<b>-3.03%</b>	<b>-6.75%</b>	<b>-2.00%</b>	<b>-3.67%</b>







## Corporate calendar & contacts

### Corporate calendar

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24 June 2013	<b>Investors' Day</b>	Zurich
08 August 2013	<b>Second Quarter 2013 results</b>	Conference call
09 September 2013	<b>Investors and Media meeting</b>	Monte Carlo
07 November 2013	<b>Third Quarter 2013 results</b>	Conference call
20 February 2014	<b>Annual Results</b>	Conference call

### Investor Relations contacts

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## Cautionary note on forward-looking statements

Certain statements and illustrations contained herein are forward-looking. These statements (including as to plans objectives, targets and trends) 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 of operations, financial condition, solvency ratios, liquidity position or prospects to be materially different from any future results of operations, financial condition, solvency ratios, liquidity position or prospects expressed or implied by such statements or cause Swiss Re to not achieve its published targets. Such factors include, among others:

- further instability affecting the global financial system and developments related thereto, including as a result of concerns over, or adverse developments relating to, sovereign debt of euro area countries;
- further deterioration 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 due to actual or perceived deterioration of Swiss Re’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 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 their 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 Swiss Re’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 Swiss Re’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 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 the interpretation of legislation or regulations by regulators;
- 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.

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.

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