



Swiss Re reports net income of CHF 1.7 billion
Net premiums earned increase to CHF 30.7 billion
Combined ratio improves by six percentage points to 98.4%

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Zurich, 25 March 2004 – Swiss Re’s net income increased to CHF 1.7 billion in 2003. Swiss Re further strengthened its market position posting a significant increase in premiums to CHF 30.7 billion. Property and casualty business was especially strong with premiums up 25% in original currencies and a combined ratio of 98.4%.

John Coomber, Swiss Re’s Chief Executive Officer comments: “Swiss Re’s 2003 results reflect good performance from all three business groups. Property and casualty lines in particular developed positively reflecting favourable market conditions. We expect further improvements across the Group in 2004.”

All Business Groups contribute to earnings

Positive earnings from all three business groups contributed to Swiss Re’s 2003 net income of CHF 1.7 billion. Particular progress was made in non-life reinsurance where underwriting profitability improved significantly. Overall net premiums increased 6%, or 16% at constant foreign exchange rates, to CHF 30.7 billion. Operating efficiency improved across all business groups in 2003 and cost initiatives will further benefit 2004 and beyond.

Swiss Re’s Property & Casualty Business Group increased premium income by 16% to CHF 17.4 billion. In original currencies premiums grew by 25%, attributable to higher premium rates and organic growth. Earnings grew to CHF 1.8 billion (including capital gains of CHF 0.4 billion), reflecting a six percentage point improvement in the combined ratio to 98.4%.

Swiss Re’s Life & Health Business Group maintained its attractive earnings record with a return on operating revenues of 8.7% or CHF 1.2 billion. Premium growth was flat in original currencies (-9% in Swiss Francs) reflecting the continued run-off in some health lines, declining interest rates and the first effects of Swiss Re’s repricing actions.

Financial Services Business Group achieved a significant turnaround with earnings of CHF 558 million. All business sectors contributed to the improved performance. Premiums in the Financial Services Business Group grew 25% in original currencies to CHF 3.1 billion. Fee business also grew strongly to CHF 807 million, reflecting a 31% growth in revenues in original currencies.

Return on investments increased to 5.1%, from 4.7% in 2002 which was heavily affected by impairment charges on equity securities. Swiss Re continued its strategy of concentrating capital on its core reinsurance business and has further reduced its exposure to equity markets in 2003.

Attractive fundamentals continue as demand remains strong

Swiss Re is off to a good start in 2004. In addition to the further improvements which will emerge from the 2003 pricing actions in property and casualty, the January 2004 renewals for traditional treaty business have produced a further 7% increase in premiums including a 4% improvement in prices. Swiss Re has also signed its largest Admin Re™ transaction to date with the recent announcement of the acquisition of CNA's book of life business. Attractive fundamentals in both the life and non-life insurance sectors continue while demand for Swiss Re's secure capacity remains strong.

Taking into account Swiss Re's good performance and the opportunities for further development of its business, the Board of Directors will recommend a dividend of CHF 1.10 per share (up from CHF 1.00 per share for 2002) at the Annual General Meeting on 14 May 2004.

At the Annual General Meeting Swiss Re will propose Kaspar Villiger for election to the Board of Directors. Kaspar Villiger is a former President of the Swiss Confederation and Federal Councillor of Switzerland. His biography is available on swissre.com. The terms of office of George Farr and Rajna Gibson will expire at the next AGM. They will both be standing for re-election.

Annual Report 2003

The full Annual Reporting package, including a short version of the annual report and further information on Swiss Re, is available at www.swissre.com.

Media Conference and Analysts Meeting

Swiss Re will hold a Media Conference this morning at 10.30 (CET) and will later hold an Analysts' meeting at 14.00 (CET).

Notes to editors

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. Through its three business groups Property & Casualty, Life & Health and Financial Services, 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 is rated "AA" by Standard & Poor's, "Aa1" by Moody's and "A+" by A.M. Best.

Cautionary note on forward-looking statements

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 our 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:

- cyclicalities of the reinsurance industry;
- changes in general economic conditions, particularly in our core markets;
- uncertainties in estimating reserves;
- risks and uncertainties relating to our estimates of the losses arising from the 11 September 2001 terrorist attack in the United States;
- 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;
- changes in rating agency policies or practices;
- mortality and morbidity experience;
- policy renewal and lapse rates;
- the change in or loss of one or more of the financial or claims-paying 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.