Swiss Re successfully issues AUD 750 million of hybrid securities

Zurich, 27 April 2007 - Swiss Re has successfully issued a total of AUD 750 million of hybrid debt securities, its first foray into the Australian dollar bond market.

Swiss Re successfully settled its first Australian dollar bond today with a perpetual subordinated step-up notes transaction. This two-tranche transaction represents one of the first issues of hybrid debt denominated in Australian dollars by a non-Australian issuer. The offering was structured using a repackaging vehicle (ELM B.V.) that issued notes secured over perpetual subordinated step-up loan notes issued by Swiss Reinsurance Company.

The transaction attracted strong investor demand, predominantly from local investors. The AUD 300 million fixed-rate tranche was priced at 7.635% while the AUD 450 million floating tranche pays a coupon of 6m BBSW + 117 bps, in each case for the first 10 years.

Notes to editors

Swiss Re
Swiss Re is the world’s leading and most diversified global reinsurer. The company operates through offices in more than 25 countries. Founded in Zurich, Switzerland, in 1863, Swiss Re offers financial services products that enable risk-taking essential to enterprise and progress. The company’s traditional reinsurance products and related services for property and casualty, as well as the life and health business are complemented by insurance-based corporate finance solutions and supplementary services for comprehensive risk management. Swiss Re is rated “AA-” by Standard & Poor’s, “Aa2” by Moody’s and “A+” by A.M. Best.

This announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for 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 was made solely by means of an offering memorandum in compliance with applicable securities laws. The hybrid securities were not registered under the US Securities Act of 1933 and were not offered and sold in the United States.

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 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 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;
- cyclical 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.