Swiss Re reports net profit of CHF 150 million for first quarter of 2009
Earnings per share were CHF 0.45
Annualised return on equity 2.9%

Contact:

Media Relations, Zurich
Telephone +41 43 285 7171

Corporate Communications, London
Telephone +44 20 7933 3445

Corporate Communications, Asia
Telephone +852 2582 3660

Corporate Communications, New York
Telephone +1 212 317 5663

Investor Relations, Zurich
Telephone +41 43 285 4444

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

Telephone +41 43 285 2121
Fax +41 43 285 2999

Zurich, 7 May 2009 – Swiss Re reports a net profit of CHF 150 million for the first quarter of 2009. Property & Casualty delivered premium growth and excellent underwriting performance, while Life & Health income grew as a result of favourable mortality developments.

CEO Stefan Lippe said: "We are pleased to report that Swiss Re was able to return to profit in the first quarter of 2009. More importantly, we strengthened our capital base and made progress on our plans to reduce risk. The results show that even in this challenging economic environment Swiss Re's earnings power in its core business remains strong."

Group results back to profit in the first quarter
Swiss Re reported a net profit of CHF 150 million in the first quarter of 2009, compared to CHF 0.6 billion for the same period last year. Earnings per share declined to CHF 0.45. Annualised return on equity for the first quarter of 2009 was 2.9%, compared to 8.5% for the same period of 2008.

Shareholders' equity increased by 15% to CHF 23.6 billion, compared to year end 2008. This increase is largely due to the convertible perpetual capital instrument issued to Berkshire Hathaway in March 2009, which contributed CHF 3.0 billion to the Group's equity.
Net unrealised investment losses of CHF 2.1 billion, mainly caused by interest rate movements, were partially offset by positive foreign exchange movements of CHF 1.4 billion.

Property & Casualty benefited from excellent underwriting
Property & Casualty posted an operating income of CHF 1.0 billion and an outstanding combined ratio of 90.2%, (or 88.6% excluding unwind of discount). These positive results were driven by premium growth, excellent underwriting performance and favourable claims experience.

Robust January 2009 renewals also supported the result, and confirmed the trend towards stronger prices in several major business lines. This further reflects the trust that our clients place in our ability to provide innovative and sustainable (re)insurance solutions, and to meet the continued demand for significant solvency support.

Operating income improved in Life & Health

Life & Health operating income grew to CHF 280 million in the three first months of 2009 from CHF 17 million in the first quarter of 2008. The benefit ratio improved to 86.9%, from 91.3% in the same period of 2008. Favourable mortality experience in the US, as well as better pricing, had a positive effect on the results of our Life & Health unit in the reporting period.

Asset Management maintained focus on de-risking

Asset Management delivered a return on investment of 1.9%. In line with our previously announced intention to de-risk our portfolio, we have sold selected positions, continued to implement hedging strategies, increased the proportion of short-term maturity securities and invested new cash inflows in lower risk asset classes. While this shift into cash, short-term and government-backed securities reduces the level of investment returns, it allows us to deploy our capital more effectively to core (re)insurance risks.

Legacy generated small gain in 2009

The Legacy unit generated a net operating income of CHF 12 million for the first quarter of 2009. Gains from former trading activities were offset by losses related to the structured credit default swaps.

Priorities and targets

Swiss Re's priorities are geared to delivering superior client services and sustainable shareholder value, building on our strengths in (re)insurance and the expertise of our people. We have established clear priorities to focus on our core business, ensure capital strength and position the company to compete successfully in this challenging environment. We continue to allocate capital to the most profitable parts of the business and develop innovative solutions for our clients.

"Rebuilding trust with our stakeholders is essential," Stefan Lippe said. "We have restored our capital position, and continue to de-risk our balance sheet and allocate our capital to those markets and clients that provide sustainable returns. We remain committed to reducing the risks in our legacy portfolio, while holding on to higher rated assets in order to capitalise on improving market conditions. Simplifying the organisation to reduce costs and improve efficiencies, while strengthening our client focus, are other important measures we are taking to become more competitive."

Swiss Re's mid-term financial targets have been revised as a result of the volatile market conditions. Over the next three years, we will focus on generating the necessary capital to avoid potential dilution of our existing shareholders' capital. Furthermore, we seek to generate a 14% return on capital in (re)insurance pricing. We are targeting a AA level of capital adequacy, and as previously announced we aim for a reduction in expenses run-rate of CHF 400 million by the end of 2010.

Outlook

CEO Stefan Lippe holds a positive view of the future. "It will take some time to reduce the asset risk in our portfolios, and we may suffer volatility in the process. However, we see increased demand and reduced capacity in the (re)insurance market driving prices higher. Swiss Re is in a strong position to seize such market opportunities," he continued. "The successful 2009 renewals clearly underscore our ability to deliver unique value to our clients, and confirm the trust they place in our (re)insurance expertise."

Media conference call

Swiss Re will hold a media conference call this morning at **10.30 am** (CET). The slides for the first quarter results are available on www.swissre.com. You are kindly requested to dial in 10 minutes prior to the start using the following numbers:

From Switzerland:	+41 (0)44 800 9659
From Germany:	+49 (0)69 9897 2631
From France:	+33 (0)1 70 99 42 73
From UK:	+44 (0)20 7138 0814
From USA:	+1 718 247 0878
From Japan:	+81 (0)3 3570 8242
From Singapore:	+65 6823 2152
From Hong Kong:	+852 3002 1616

Analysts' conference call

Swiss Re will hold an analysts' conference call this afternoon at **2.00 pm** (CET). You are kindly requested to dial in 10 minutes prior to the start using the following numbers:

From Switzerland:	+41 44 800 9659
From Germany:	+49 69 9897 2631
From France	+33 1 70 99 42 75
From UK:	+44 20 7138 0815
From US:	+1 718 354 1157

Notes to editors

Swiss Reinsurance Company Ltd
Swiss Re is a leading and highly diversified global reinsurer. The company operates through offices in more than 20 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 "A+" by Standard & Poor's, "A1" by Moody's and "A" by A.M. Best.

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:

- the direct and indirect impact of the continuing deterioration in the financial markets and the efficacy of efforts to strengthen financial institutions and stabilise the credit markets and the broader financial system;
- changes in global economic conditions and the effects of the global economic downturn;
- the occurrence of other unanticipated market developments or trends;
- 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 Swiss Re's 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 carry forwards 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 companies in the Group;
- risks associated with implementing Swiss Re's business strategies;

- 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;
- political risks in the countries in which Swiss Re operates or insures risks;
- the impact of current, pending and future legislation and regulation, affecting us our ceding companies, and regulatory and legal actions;
- the impact of changes in accounting standards;
- 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;
- 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. 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.