Swiss Re's 2001 net loss of CHF 165 million in line with expectations - Return to strong earnings path expected for 2002 given strong outlook - Dividend remains unchanged at CHF 2.50 per share

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Swiss Re's 2001 result was negatively impacted primarily by the terrorist attack of 11 September. Swiss Re indicated on 26 February 2002 that it expected to report a loss for 2001 in the range of CHF 200 million. The final result for 2001 is a net loss of CHF 165 million after tax, or a loss per share of CHF 0.57. Despite this loss, Swiss Re strengthened its competitive position in 2001 and is confident of returning to its previous strong earnings path with a sharp upturn in earnings for 2002. As a result, the Board of Directors will propose to the Annual General Meeting an unchanged dividend of CHF 2.50 per share.

Swiss Re Group

Swiss Re's result for 2001 shows a net loss of CHF 165 million, compared to 2000 net income of CHF 2 966 million. The loss includes the after tax impact from 11 September of CHF 2 951 million and a reduction in net realised investment gains of CHF 1 610 million. Excluding 11 September and the reduction in capital gains, 2001 was a year of positive progress for the Group's operations. Net premiums earned were up 14% at CHF 25.2 billion and once again return on investments exceeded the 7% target, despite a difficult year in the capital markets.

Walter B. Kielholz, Chief Executive Officer of Swiss Re comments: "Despite the worst year ever for insured losses, Swiss Re strengthened its position during 2001 and is now well placed to capitalise on improving markets and achieve superior results in the coming years."

The challenges of 2001 highlighted the value of a strong balance sheet and triple-A-rated security to Swiss Re's clients. With these strengths, Swiss Re has already seen, and will continue to gain, significant benefits from the market's flight to quality.

Property & Casualty Business Group

The impact of the 11 September and other large man-made losses, together with a reduced level of capital gains, resulted in the Property & Casualty Business Group reporting an 87% fall in operating income to CHF 281 million in 2001 from CHF 2 164 million in 2000. The hardening of the market, already visible in 2000, was actively built on by the business group during 2001 as net premiums earned rose 20% to CHF 13.8 billion.

The 11 September loss resulted in the combined ratio increasing to 124%. Without this impact, however, substantial progress was made as the combined ratio reduced to 110% from 117% in 2000.

Following an accelerated upswing in the insurance cycle, the business group is now operating in a fundamentally positive environment. In spite of currently favourable conditions, the focus will remain on underwriting discipline, tight capacity control and adherence to return on capital targets, to ensure the long term success of the business group.

Life & Health Business Group

Life & Health Business Group's operating income improved 16% to CHF 1 682 million in 2001 from CHF 1 447 million in 2000. Return on operating revenues was 9.5%, once again exceeding the target of 9%. The return was achieved by continued growth in traditional and Administrative Reinsurance business and eliminating under-performing health accounts. Concluding a successful year, the Lincoln Re acquisition was completed on 7 December 2001.

Swiss Re expects continued positive development from the Life & Health Business Group. Leveraging its strong market position, full service capability and expense management expertise, it is well placed to benefit from market opportunities. The Lincoln Re acquisition, bringing an enlarged client base and additional efficiencies, will further enhance this trend.

Financial Services Business Group

The Financial Services Business Group reported an operating loss of CHF 932 million for 2001. The business group was heavily impacted by the 11 September event, through its direct commitment to the WTC and aviation business. This factor, combined with weakness in private equity and credit markets which caused a reduction in capital gains, resulted in the operating loss.

However, excluding 11 September and the reduction in capital gains, the business group registered operating improvements in 2001. Net premiums and fees and commissions were up 16%. Assets under management grew from CHF 6 billion to CHF 60 billion, as a result of the Conning acquisition and organic growth.

Organisational change and cost management measures undertaken in 2001 will have a positive impact in 2002. Premium rate increases together with new business opportunities in structured risk finance and a greater contribution from third party asset management will all contribute to an expected improvement in the result for 2002.

Investments

Continuing its excellent performance of recent years, Swiss Re's return on investments for 2001 was 8%, once again exceeding the 7% target.

Dividend recommendation

Based on the positive outlook, the Board of Directors will propose to the Annual General Meeting an unchanged dividend of CHF 2.50 per share.

Board of Directors strengthens international representation

At the Annual General Meeting of 6 May 2002, Swiss Re's Board of Directors is to propose the election to the board of Oswald J. Grübel, a former CEO of Credit Suisse Private Banking and former member of Credit Suisse Group's Executive Board. Oswald J. Grübel is a German citizen. It will further propose the election of Bob Scott, previously Group Chief Executive of CGNU plc in London, one of the world's largest insurance companies. Bob Scott is an Australian citizen.

The term of office of Lukas Mühlemann, Chairman and CEO of Credit Suisse Group, is due to expire at the meeting. He has decided not to stand for re-election. Professor Peter Forstmoser, Chairman of Swiss Re's Board of Directors, and Walter B. Kielholz, Managing Director and CEO, whose tenures also expire, will be standing for re-election. In future, the Board of Directors is expected to comprise ten members.

Annual Report 2001

Further information is available with the **Annual Reporting 2001 package.**

Notes to editors

Swiss Re is one of the world's leading reinsurers with over 70 offices in more than 30 countries. Gross premiums in 2001 amounted to CHF 28.5 billion. Swiss Re has a strong track record of earnings growth only interrupted in 2001 with a net loss of CHF 165 million, largely due to the 11 September event. At the end of 2001, Swiss Re's shareholders' equity amounted to CHF 22.6 billion and the total balance sheet stood at CHF 170 billion. Swiss Re is rated "AAA" by Standard & Poor's, "Aaa" by Moody's and "A++" by A.M. Best.

Administrative Reinsurance is the acceptance of in-force life and health insurance business either through acquisition or through the assumption of a reinsurance agreement.

Cautionary note on forward-looking statements

or implied by such statements. Such factors include, among others:

· risks and uncertainties relating to our estimates of the losses arising from the 11 September 2001 terrorist attack in the United States, and the possibility of future terrorist attacks;
· changes in general economic conditions, particularly in our core markets;
· uncertainties in estimating reserves;
· the performance of financial markets;
· the frequency, severity and development of insured claim events;
· mortality and morbidity experience;
· policy renewal and lapse rates;
· changes in levels of interest rates;
· changes in currency exchange rates;
· changes in laws and regulations, including changes in accounting standards and taxation requirements; and
· increases 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 our 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.

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