



Swiss Re transfers USD 200 million hurricane risk for two North Carolina associations through the Parkton Re Program

Contact:

Media Relations, Zurich
Telephone +41 43 285 7171

Corporate Communications, London
Telephone +44 20 7933 3445

Corporate Communications, New York
Telephone +1 212 317 5663

Investor Relations, Zurich
Telephone +41 43 285 4444

Corporate Communications, Asia
Telephone +852 2582 3660

www.swissre.com

New York, July 29 2009: **Swiss Re announces the successful closing of a USD 200 million insurance-linked securities offering of hurricane risk in North Carolina through Parkton Re Ltd. (Parkton Re), a Cayman Islands exempted company.**

In this transaction, Swiss Reinsurance America Corporation will purchase reinsurance from Parkton Re, thereby transforming the proceeds of this catastrophe bond issuance into a source of capacity for a reinsurance agreement that provides the North Carolina Joint Underwriting Association (the FAIR plan) and North Carolina Insurance Underwriting Association (the Beach Plan, and the two are collectively known as the Associations) USD 200 million of coverage over two years. The Parkton Re Ltd. bond was issued in a single tranche, the Series 2009-1 Principal At-Risk Variable Rate Notes, that is scheduled to mature in May 2011.

Stefano Sola, Managing Director, Insurance-Linked Securities at Swiss Re Capital Markets, commented, "This is the first time that a collective pool in the US has accessed the capital markets for hurricane risk. We acted as the transformer between the Associations and Parkton Re, which helped the Associations to concentrate on their primary goal – accessing the capital markets for capacity - rather than focusing on the administrative details of the bond transaction. In addition, Parkton Re is the first cat bond that directly and exclusively references North Carolina hurricane risk, thereby providing investors with a new opportunity for portfolio diversification."

The catastrophe bond uses an indemnity trigger, based on storm losses incurred by the Association. AIR Worldwide Corporation (AIR) provided the expert risk modeling analysis.

Tom Falkenbach, Chairman of the Beach and FAIR Plan Boards, stated, "The Associations are pleased to have obtained the capital market-based protection with the support of the investors, as well as of Swiss Re Capital Markets and GC Securities. This strengthens our

claims paying abilities in the event of catastrophe wind losses and will help protect both our Policyholders and our Member Insurers.”

Swiss Re Capital Markets has acted as co-lead manager, initial purchaser and a bookrunner of Parkton Re. The details of the notes placed in the initial offering are the following:

Series	Size in millions	Rating	Expected Maturity	Coupon
2009-1	USD 200	B+	6 May 2011	Treasury Money Market Fund Return + 10.50%

The Parkton Re notes were sold in a private placement pursuant to Rule 144A of the U.S. Securities Act of 1933, as amended, (the “Securities Act”) and have not been registered under the Securities Act or any state securities laws; they may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

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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.

Parkton Re Ltd.

Parkton Re Ltd is a Cayman Islands exempted company financed through the offering of insurance-linked securities.

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 stabilize 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 realize 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 realize tax loss carry forwards and the ability to realize 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 cyclical nature 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 or our ceding companies, and regulatory and legal actions;
- 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.