

Swiss Re Ltd

**5th Annual General Meeting
Zurich, Friday 22 April 2016**

Speech

Michel M. Liès
Group Chief Executive Officer

Check against delivery.

Ladies and gentlemen, dear shareholders,

On behalf of my colleagues on the Executive Committee and myself, I would also like to welcome you to this Annual General Meeting.

Our solutions can help companies and societies around the world to recover from catastrophes more quickly. Thanks to the financial safety net that we provide together with our clients in the primary market, the recovery after a loss event can proceed both more smoothly and more rapidly. Infrastructure can be repaired more speedily. Companies can resume production more swiftly. Shops and restaurants can receive customers and guests again. In short, life returns to normal more quickly after a loss event thanks to the payouts of insurers and reinsurers.

Our knowledge and experience give us the ability to help companies – but also cities, regions and even nations – to prepare themselves and protect themselves from catastrophes and we are very motivated to do so. It pushes us to constantly seek new solutions – solutions that can help make the world more resilient. As we have heard from Mr Kielholz, our vision is to bring our financial safety net in new areas, wherever we identify risks that we can absorb.

And our expertise is in high demand! My Group Executive Committee colleagues and I enjoy the moments when we are invited by our clients, but also by government representatives or international organisations, to contribute our expertise in order to develop new solutions. It happened again in January at the World Economic Forum in Davos, for example. That illustrates we are on the right track, and that our capacity to innovate is widely recognised.

I look back at over 35 years at Swiss Re with a great deal of gratitude. It has been a privilege to work for such a fascinating company for such a long time.

Now, at my last AGM as Group CEO of Swiss Re, I am also delighted to be able to present one of the best sets of results in our history – despite the challenging business environment.

For you as shareholders, the figures for the holding company are just as important as those for the Group. So let me begin there. The holding company made a profit of CHF 3.9 billion in the financial year 2015, compared with CHF 4.1 billion in the previous year. That profit consists primarily of cash dividends from Group companies.

Now let's take a look at the figures for the Group: Group profit rose to USD 4.6 billion, compared with USD 3.5 billion in 2014. Not only does this result clearly set us apart from many of our competitors, it also shows how well positioned we are. All three Business Units contributed to this profit. Without the commitment and dedication of our entire staff, this would not have been possible. I would like to take this opportunity to express my sincere thanks to them.

Property & Casualty Reinsurance generated a strong profit of USD 3 billion in 2015. The low level of losses from natural catastrophes was certainly a factor contributing to this result. Just as important, however, was the underlying quality of our portfolio.

At our Investors' Day in 2013 we set Life & Health Reinsurance a target of generating a return on equity of 10% to 12% by 2015. And that's what we achieved. This segment also made a strong profit of USD 939 million.

The establishment of the Life Capital Business Unit in 2015 was an important step towards tapping into an attractive, growing market segment. Since 1 January 2016, Life Capital has been managing the directly insured closed and open life and health insurance portfolios. That also includes our Admin Re[®] business, which performed well in 2015, with a high level of gross cash generation and a profit of USD 422 million. In January this year we completed the acquisition of the UK-based company Guardian Financial Services. This makes us a leading consolidation specialist for closed life insurance business in the UK.

In a challenging market environment, Corporate Solutions again delivered and continues to focus successfully on disciplined underwriting. The Business Unit posted an annual result of USD 340 million. Our focus remains on those markets where there is strong growth, as the takeover of Sun Alliance Insurance China Limited shows. Following this acquisition, we can now also operate actively with Corporate Solutions in China, one of the world's most promising markets.

In the last five years, we have implemented our internal growth initiatives and made strategically important acquisitions. As we heard from Mr Kielholz, we have also distributed a significant amount of surplus capital to you, our shareholders, while ensuring that our capital position remains very strong. With satisfaction – and, in view of the turbulent economic environment, with some pride as well – we are able to say that we have achieved our financial targets for return on equity and earnings per share. These are targets, it should be noted, we set five years ago under quite different circumstances. We have also increased economic net worth per share by an average of 9.6% a year, just short of our target of 10% a year. Given the background of record-low interest rates and the acquisition of Guardian Financial Services, that is a remarkable success.

Ladies and gentlemen, many of the challenges of recent years, such as continued low interest rates, the fragility of the global economy and the surplus capital in our core business, will continue to keep us busy for the foreseeable future. I look ahead with confidence as far as Swiss Re is concerned. We are well-positioned and, thanks to our flexible business model, can respond quickly and effectively to any changes that occur. We will continue to be able to exploit attractive business opportunities, wherever they arise. And I am convinced that Christian Mumenthaler and his team will continue to build on the leading role played by Swiss Re in our industry and strengthen our excellent reputation as a company with a solutions-based approach.

Finally, ladies and gentlemen and fellow shareholders, I would like to express my heartfelt thanks to you for the confidence you have placed in me and for your loyalty to Swiss Re.

I am certain you will be able to put your trust in my successor, Christian Mumenthaler, in just the same way.