



Goldman Sachs

European Financials Conference 2007

George Quinn

Chief Financial Officer

Lisbon, 13 June 2007

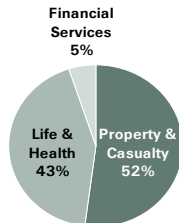


Agenda

- **Swiss Re at a glance**
- Strategy update
- Evolution of a new business model
- Targets and outlook

Swiss Re at a glance

Revenues by business (Total 2006: CHF 40.3bn)



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Slide 3

Swiss Re is the world's leading and most diversified global reinsurer, founded in Zurich (Switzerland) in 1863

The company offers traditional reinsurance products and related services for property and casualty, as well as for life and health businesses

These traditional products are complemented by insurance-based corporate finance solutions and supplementary services for comprehensive risk management under financial services

Swiss Re is the industry leader in insurance-linked securities

Swiss Re is rated "AA-" (stable outlook) by Standard & Poor's, "Aa2" (negative outlook) by Moody's and "A+" (stable outlook) by A.M. Best

Key statistics 2006:	CHF bn	Change	USD bn
- Premiums earned:	29.5	+ 10%	23.5
- Net income:	4.6	+ 98%	3.6
- Shareholders' equity:	30.9	+ 27%	24.6
	Percentage	Change	
- P&C combined ratio:	90.4%	- 23.7pts.	

2006 and 1Q 2007 results Summary

Performance

Results 2006

- Net income CHF 4.6 bn, up 98%, EPS of CHF 13.49

Results 1Q 2007

- Net income of CHF 1.3 bn, up 54%, EPS of CHF 3.85

Continuing good performance across all business segments

Quality

- P&C: operating income CHF 5bn, strong combined ratio of 90.4%
- L&H: 14% profit growth to CHF 1.5bn
- FS: 21% profit growth to CHF 0.5 bn
- Investment performance: RoI 5.3%

- P&C: operating income up 4% despite Kyrill to CHF 1.2bn, combined ratio 94.8%
- L&H: 25% profit growth to CHF 0.4bn
- FS: 209% profit growth to CHF 0.2bn
- Good investment performance, RoI 5.9%

Shareholders' equity, returns, buyback

- Shareholders' equity up 27% to CHF 30.9 bn
- Share buyback plan of up to CHF 6bn over a 3 year period; CHF 1.7bn done on March 1, 2007
- RoE 16.3%, up from 10.3% in 2005

- Shareholders' equity down 1% to CHF 30.4 bn due to first step in CHF 6bn share buyback programme
- Book value per share up 3% to CHF 89.0
- Annualised RoE 17.1%, up from 14.1% in 1Q 2006

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Slide 4

Agenda

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Our strategic direction

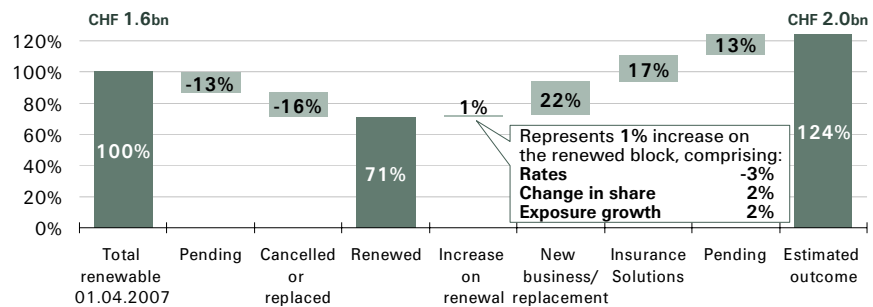


Generate economic profit growth

April 2007 renewals – profit targets achieved

- Roughly CHF 1.6bn traditional treaty business was up for renewal at 1 April 2007
- Most regions/units saw some softening in rates, peak cat scenarios remained firm
- Tendency to higher client retention levels compensated by attractive new business
- Achieved prices as a percentage of technical reference prices have increased for treaty business in all regions and most lines of business except liability and aviation

Total traditional portfolio



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Slide 7

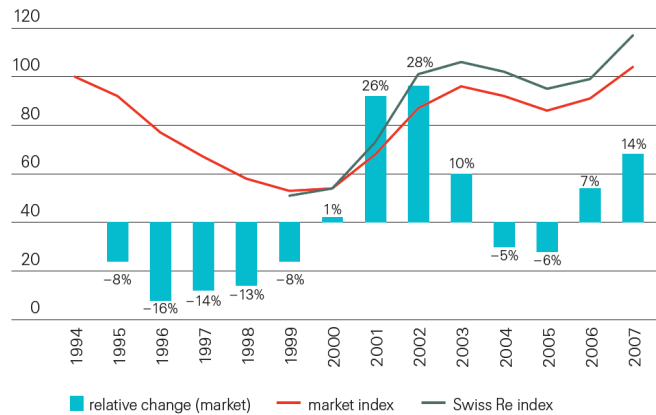
All renewal figures are estimated and calculated at constant foreign exchange rates

Generate economic profit growth

CAMARES index – nat cat premiums at highest levels

Long-term price adequacy of Swiss Re's combined Cat XL portfolio now at 140%

- Risk-adjusted premium currently at peak level since its introduction 1994 (following Hurricane Andrew in 1992)
- Swiss Re has clearly outperformed the market



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Source: CAMARES; Swiss Re's cat market research analyses the profitability of cat programmes in the 13 largest markets

Reduce earnings volatility

Overview of measures to protect the quality of earnings

Foundations

- Diversification across regions, lines and type of business, and clients
- Sound risk governance framework with clearly defined authorities, limits and independent risk management functions
- Operational excellence, particularly with regard to underwriting, claims, capital and risk management
- Strong capital adequacy

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Capital market measures

	Top risks	Measures taken
L&H	Lethal pandemic	Vita II and III securitisation (total of CHF 1.3bn)
	TC North Atlantic	Successor and retro (total of CHF 1.8bn)
	WS Europe	Successor and retro (total of CHF 2.1bn)
P&C	Inflation	No measures taken yet, but under investigation
	Generic liability	No measures taken yet, but limited contribution
	EQ California	Successor and retro (total of CHF 1.6bn)
	Terrorism	No measures taken yet, but limited contribution
C&FM	Equity	Equity hedges (reduction of stress loss by CHF 1.5bn)
	Credit spread	Credit spread hedges (total reduction of CHF 9bn)
	Credit	Crystal Credit securitisation (relief of CHF 0.4bn)

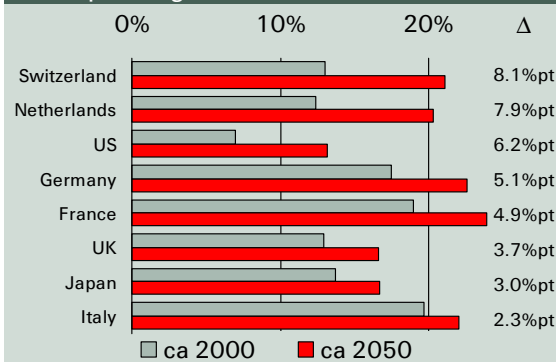
Notes:

Foreign currencies converted in CHF with FX rates as end of December 2006.
 P&C protection in force; TC North Atlantic protection expiring before June 2007 not considered, Swaps assumed as in 2006.

Enlarge market scope

Ageing-related public spending pressures are mounting

Public old-age pension, health and long-term care spending as % of GDP



Source: Ageing and pension system reform, G10 report, Sept. 2005

Key aspects

- Dependency ratio is increasing
- Demographic change is augmenting ageing-related spending
- States will need to cut-back on social security benefits and individuals need to carry more risks

Social security system cannot be maintained in its current way.
 This opens-up new fields for reinsurers

Enlarge market scope

Most recent transactions in Life & Health

- **June 2007 – longevity transaction with Zurich Assurance**
 - Second largest longevity transaction globally, transferring 220 000 annuity policies and assets of GBP 3.7bn
 - Attractively priced business with positive effects in Embedded Value and EVM terms and additional diversification benefits
- **May 2007 – Admin Re[®] transaction with Consec**
 - Acquisition of block of deferred annuity contracts with total assets of approx. USD 3bn
- **April 2007 – longevity transaction with Friends Provident**
 - Swiss Re’s first ever longevity transaction transferring longevity and investment risks on a GBP 1.7bn block of annuities-in-payment
- **December 2006 – GE Life UK Admin Re[®] transaction**
 - Largest Admin Re[®] transaction to date with 400 000 policies and total assets of GBP 8bn
 - Provides further scale and infrastructure for Admin Re[®] in the UK

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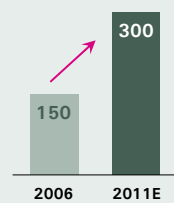
Slide 11

Enlarge market scope

Organic growth in Life & Health

Variable annuities
 US premium
 volume
 (in USD bn)

Strong growth in the
 market driven by
 demographic
 changes



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Slide 12

■ Variable annuities

Significant demand driven by demographic factors and from clients seeking to address capital efficiency, rating agency issues and internal risk management

Treaties written and requests for coverage: in Japan and the US; with potential to develop in Europe and Asia

■ Health protection in emerging markets

26% stake in TTK Healthcare Services in India acquired in December 2006

First treaties in China expected

■ Longevity

Longevity is a large opportunity which builds on our mortality expertise and has negative correlation benefits

Swiss Re has an array of hedging and risk transfer strategies at its disposal for mitigating our clients’ risk exposure

Enlarge market scope

Organic growth in Property & Casualty

- **Expansion in engineering, weather, agricultural and marine**
 Combination of IS market position and Swiss Re capital markets expertise provides growth opportunity
- **Credit in emerging markets**
 High demand for trade finance and credit and surety business; developed new hedging structure → Crystal Credit
- **Nat cat protection for governments and NGOs**
 Swiss Re structured and placed a transaction to allow access to the capital markets and a new source of capacity for the Mexico Natural Disaster Fund

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Slide 13

Insurance Solutions

Higher cost synergies and lower restructuring costs than planned

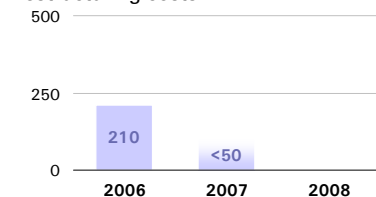
Estimated cost synergies and restructuring costs

CHF m, pre-tax

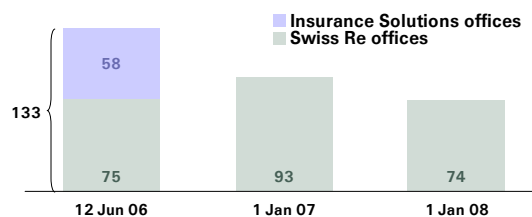
Cost synergies



Restructuring costs



- Estimated cost synergies of at least CHF 460m (previously CHF 390m) pre-tax p.a. anticipated to be fully realised by end 2008
- Total one-time restructuring cost below original estimate of CHF 325m → CHF 210m in 2006, less than CHF 50m expected in 2007
- Global IT cost savings of CHF 42m: consolidation of data centres, infrastructure harmonisation, reduction of contractors, services migration
- Offices consolidated in North America, Europe and Asia:



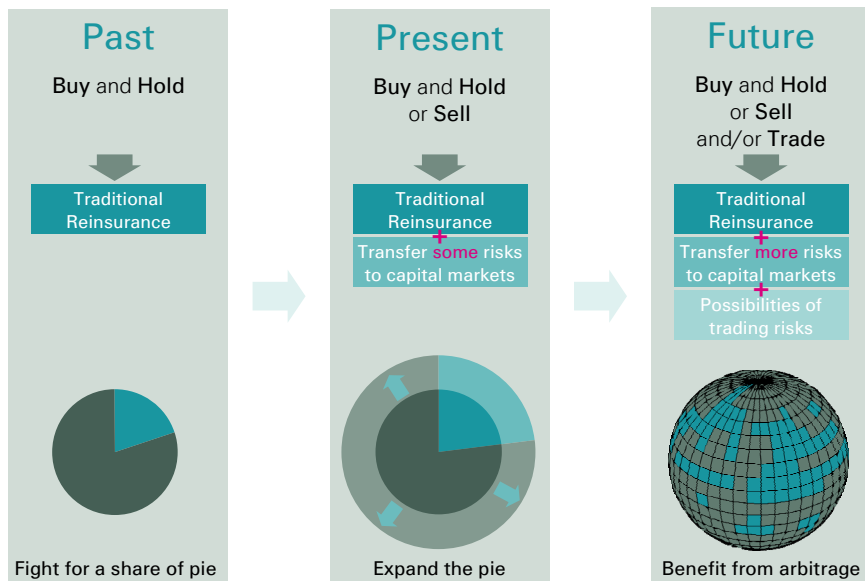
Slide 14

Agenda

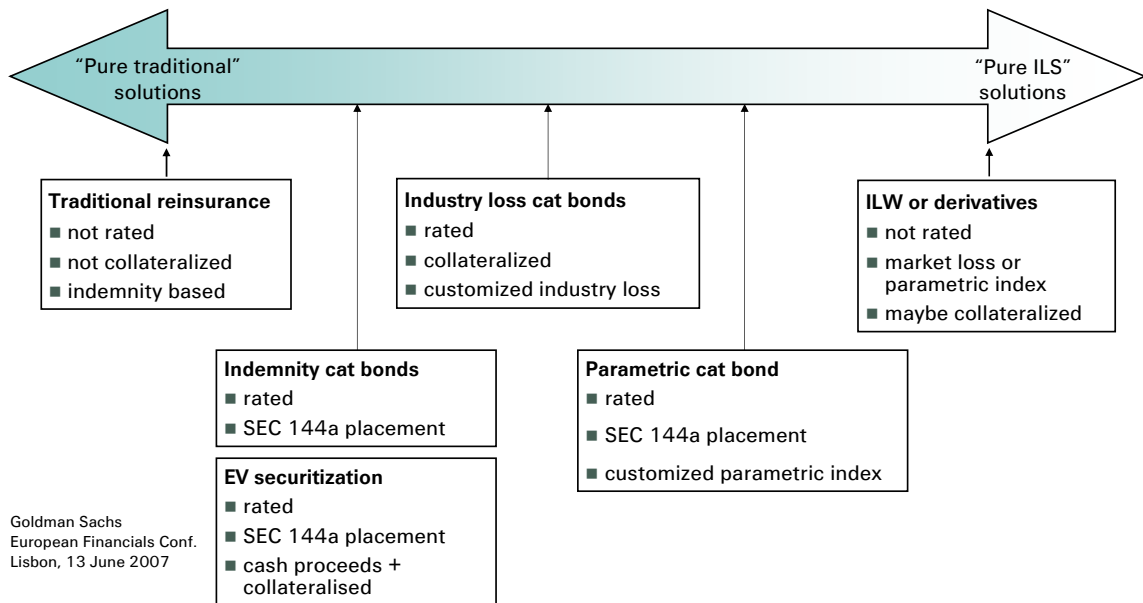
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Evolution of a new business model

Think in three dimensions rather than two



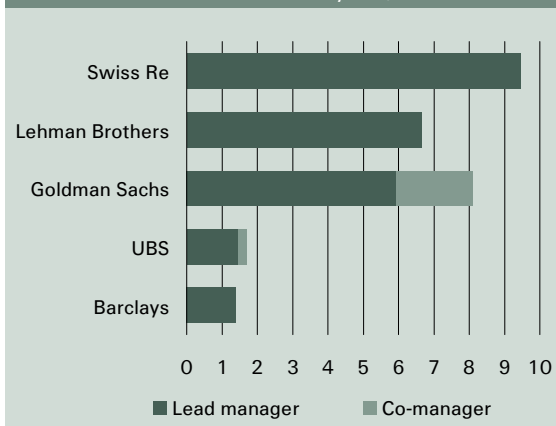
Continuous spectrum of capital market solutions



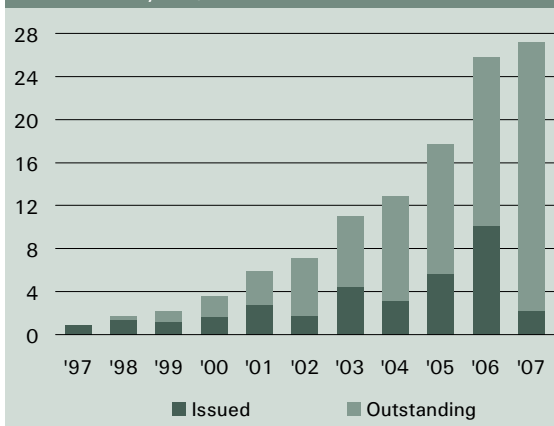
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Capital market alternatives are accelerating

Leading ILS underwriters between 1 Jan '03 and 15 May '07, in USDbn



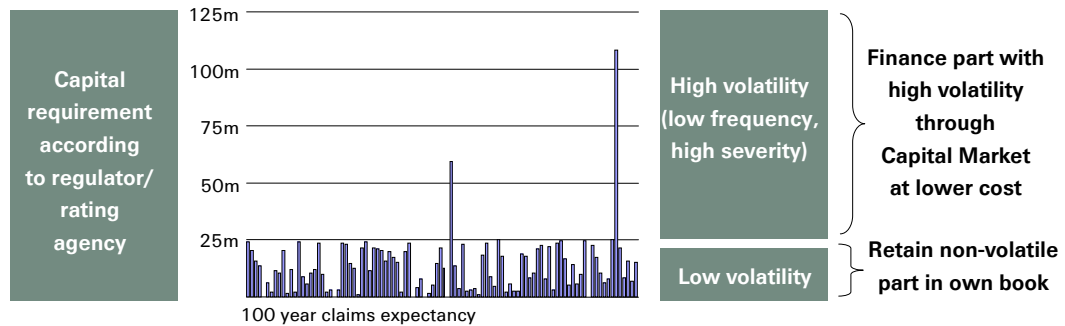
Total ILS outstanding as of 15 May '07, in USDbn



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Securitisation reduces capital requirements

Example: Capital requirements versus P&C claims expectancy



Instead of binding 100% of required capital for a specific business line regardless of underlying risk **at equity cost levels**, capital may be financed **at more competitive terms** through financial markets (lower cost of capital)

Slide 19

Agenda

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Targets and outlook

Over the cycle targets

EPS growth

10%

RoE

13%

- Swiss Re's first set of quarterly results with continuing good performance across the board, annualised RoE 17.1%
- Continued focus on underwriting quality and on reducing earnings volatility, reflected in successful April renewals and modest impact from winter storm Kyrill
- Economic profit growth in 2007 supported by first year full inclusion of Insurance Solutions and GE UK Life
- Swiss Re will continue to seize opportunities in Admin Re®
- Reinsurance market remains favourable, prices still at attractive level coupled with structurally better claims environment

Appendix

Capital management actions

Dividend policy & share buy-back programme

Buy-back announced
1 March 2007

- Multi-year share buy-back/cancellation plan of up to CHF 6 billion within a three year period to improve capital efficiency
- Swiss Re waived the GE lock-up
- Subject to market conditions Swiss Re agreed to repurchase 50% of GE's stake in conjunction with an accelerated book building for the remainder

Step one completed
1 March 2007

- On 1st March 07 Swiss Re repurchased 50% of GE's stake at CHF102.96 per share in conjunction with an accelerated book build for the remainder of the stake (market closed at CHF 107.50)
- 1% discount to the price which GE achieved in the accelerated book building at which it sold the remainder of its stake in Swiss Re – consequently GE overhang eliminated

Step two completed
20 April 2007

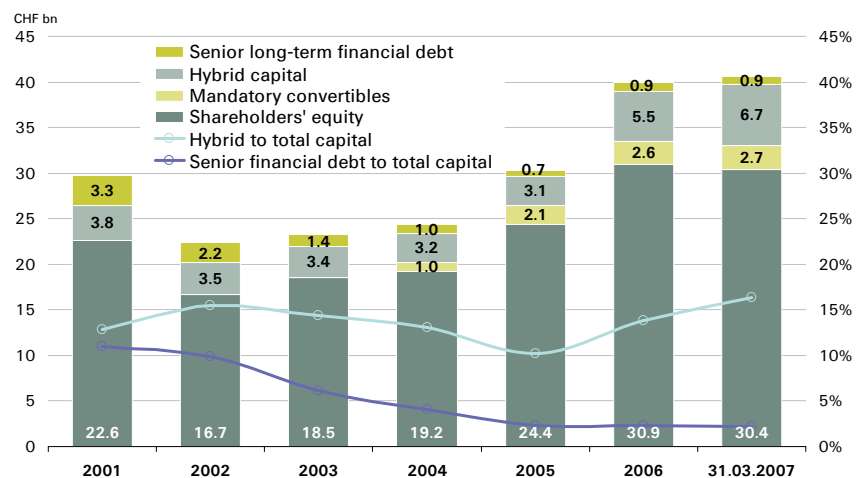
- Multi-year buyback/cancellation plan of up to CHF 4.2bn within a three year period to improve capital efficiency
- Dividend of CHF 3.40 paid to shareholders on Wednesday, 25 April 2007

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Slide 23

Swiss Re's effective capital management

Swiss Re's value proposition includes commitment to prudent capital management

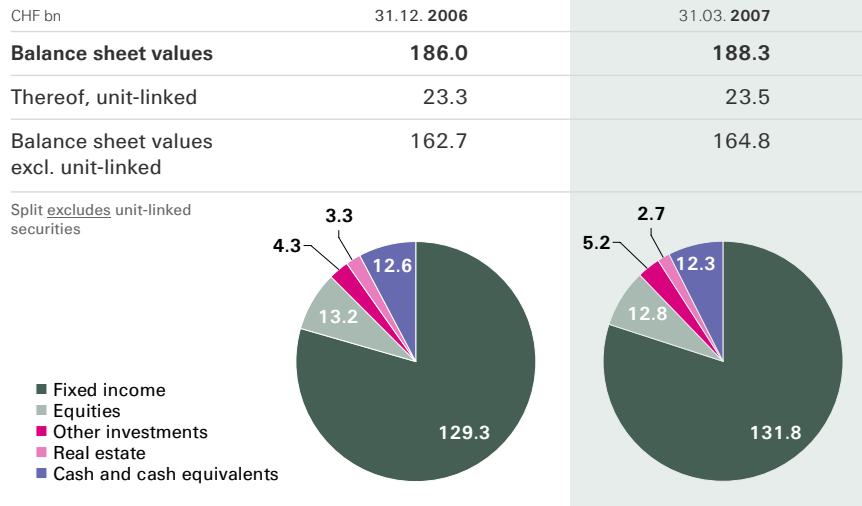
At the same time financial flexibility and capital efficiency continue to improve over time



Hybrid / total capital	12.8%	15.5%	14.4%	13.1%	10.2%	13.8%	16.4%
Senior debt / total capital	11.0%	9.9%	6.2%	4.1%	2.3%	2.3%	2.2%

Slide 24

Investment portfolio



■ The investment portfolio grew 1%, from CHF 186.0bn at year end to CHF 188.3bn, due to cash flows from operations

Hedging expanded from capital to earnings protection

Winter storm "Kyrill"

Swiss Re expects winter storm "Kyrill" to produce estimated net claims of EUR 140m (estimated gross claims EUR 220m)

Earnings volatility events

USD m	Return period	Market loss	Est. Swiss Re gross claims ¹⁾	Est. claims hedge effect ²⁾	Est. net claims
Hurricane NORTH ATLANTIC	25 yrs	55 000	1 900	- 950	950
Windstorm EUROPE	25 yrs	13 000	1 400	- 775	625
Earthquake CALIFORNIA	50 yrs	22 500	1 100	- 350	750
Earthquake JAPAN	50 yrs	15 000	550	- 100	450

↑
 Claims exceeding these figures are considered as "extreme" claims

¹⁾ Business as per 31.12.2006. Insurance Solutions inward retro included which was not renewed on 1.1.2007

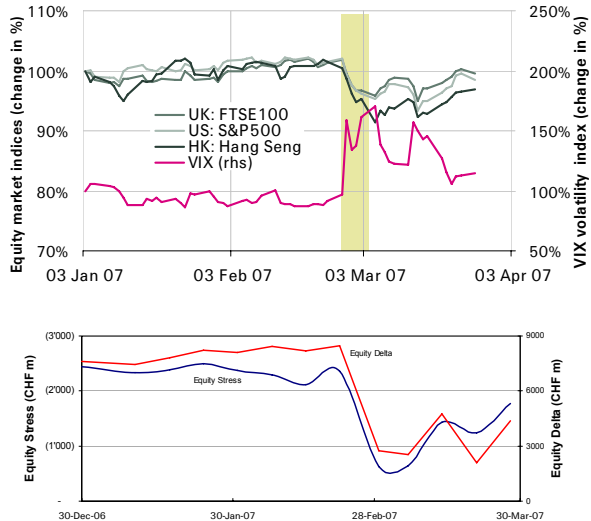
²⁾ Full limits available for first event only. Does not consider possible partial relief in some scenarios, i.e. basis risk between indemnity and parametric or modelled hedges



Very active management of financial market risk in recent equity market crash

- On 27 February the Hong Kong equity market experienced a mini crash that spread over to the US and European markets
- On 28 February 2007 Swiss Re's Asset Management
 - sold index futures of CHF 3.4bn
 - sold common shares of about CHF 1bn
- In the course of March 2007, the short futures have mostly been replaced by put options to regain the upside potential
- Risk management monitors the exposure by
 - daily monitoring of stress, VaR and P/L broken down by futures, options, structured products and cash securities
 - daily communication with portfolio managers to receive updates on trading activities
 - weekly PAM reports

Development of major equity market indices and the VIX volatility index from 3 January 2007 until 26 March 2007

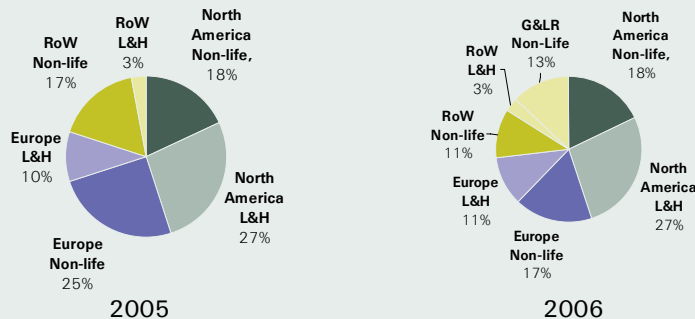


Slide 27



Power of diversification Swiss Re most diversified reinsurer

Geographic split of gross premiums written and fees assessed against policyholders; total of CHF 32.8bn as of end 2006



- Insurance Solutions provides further diversification of client base and portfolio
- Non-life: Near doubling of attractive US Regional & Specialty clients; high market share in specialty, e.g. aviation, marine, agro
- Life & Health: Higher market share in Europe, particularly Germany and UK

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Slide 28

Corporate calendar & contacts

07 August 2007	2Q 2007 results	Conference call
11 September 2007	Investors' meeting	Monte Carlo
06 November 2007	3Q 2007 results	Conference call
11 December 2007	Investors' day	London

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Slide 29

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 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;
- cyclicalities 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 invested 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.

Slide 30