

Annual results 2017

Investor and analyst presentation
Zurich, 23 February 2018



Today's agenda

- Key achievements
- 2017 financial performance
- Business outlook for 2018

Key achievements

In 2017 we supported our clients and their customers in the aftermath of large losses



Swiss Re's employees assessed losses on site in multiple loss-affected areas after the occurrence of the 2017 natural catastrophe events

In a challenging year Swiss Re also achieved multiple successes



Superior capital strength enabling full execution of share buy-back and attractive new capital actions



Focus on underwriting discipline maintained in challenging P&C market



Continued emergence of strong profitability in L&H Reinsurance



Strong investment performance and high-quality portfolio



Third party equity capital introduced in ReAssure supporting L&G transaction; continued growth in open books



External recognition of sustainability leadership

2017 financial performance

Diversification of earnings streams supported Swiss Re's 2017 result

Swiss Re Group

- Swiss Re reports Group net income of USD 331 m despite large natural catastrophes
- Group investment portfolio delivers a very strong ROI of 3.9% alongside a steady running yield
- Group economic solvency remains very strong, comfortably above the Group's respectability level of 220%
- Board of Directors will propose an increased regular dividend of CHF 5.00 per share to the AGM 2018 and will also seek authorisation for a public share buy-back programme of up to CHF 1.0bn

Business Units

P&C Reinsurance		L&H Reinsurance		Corporate Solutions		Life Capital	
Net loss	USD 413m	Net income	USD 1 092m	Net loss	USD 741m	Net income	USD 161m
RoE	-3.5%	RoE	15.3%	RoE	-32.2%	GCG	USD 998m

Key figures

USD m, unless otherwise stated

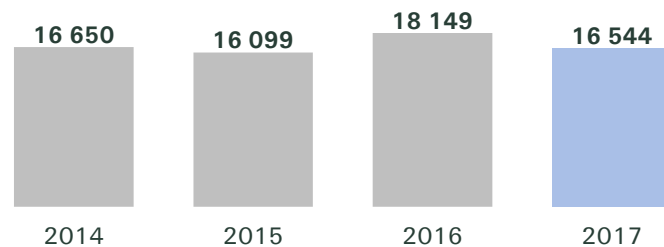
	P&C Re	L&H Re	Corporate Solutions	Life Capital	Group items	Total FY 2017	Total FY 2016
• Gross premiums written	16 544	13 313	4 193	1 761	-	34 775	35 622
• Premiums earned and fee income	16 667	11 980	3 651	1 407	-	33 705	33 231
• EBIT	-239	1 815	-926	298	331	1 091	4 978
• Net income/loss	-413	1 092	-741	161	232	331	3 558
• Net operating margin	-1.3%	13.1%	-23.5%	10.9%	41.1%	2.8%	13.0%
• Return on investments	3.5%	4.3%	3.4%	3.4%	4.7%	3.9%	3.4%
• Return on equity	-3.5%	15.3%	-32.2%	2.2%	4.1%	1.0%	10.6%
• Combined ratio	111.5%	-	133.4%	-	-		
• Earnings per share	(USD)					1.03	10.72
	(CHF)					1.02	10.55
• Common shareholders' equity ¹	10 755	7 471	2 385	7 088	5 675	33 374	34 532
<i>of which unrealised gains</i>	170	1 854	22	2 333	365	4 744	4 454
• Book value per common share	(USD)					106.09	105.93
	(CHF)					103.37	107.64

¹ Excluding contingent capital instruments (USD 750m in L&H Re as of 31 December 2017, and USD 750m in L&H Re and USD 352m in P&C Re as of 31 December 2016); basis for ROE and BVPS calculations

P&C Reinsurance result impacted by significant natural catastrophe losses

Gross premiums written

USD m



Combined ratio

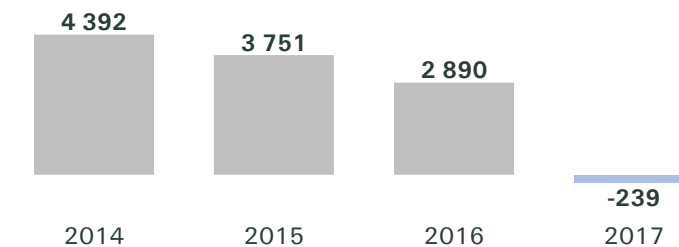
%



- Gross premiums written decreased by 8.8% as a result of disciplined underwriting in a challenging market
- Combined ratio reflects higher than expected large natural catastrophe events (-14.8%pts) and favourable prior-year development (3.3%pts)

EBIT

USD m



Net operating margin

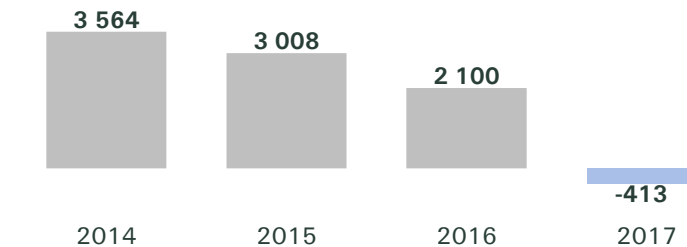
%



- EBIT and net operating margin impacted by large natural catastrophe losses of USD 3.7bn, partially offset by strong investment result
- Solid underlying result driven by large and tailored transactions, particularly in Asia and EMEA

Net income

USD m



Return on equity

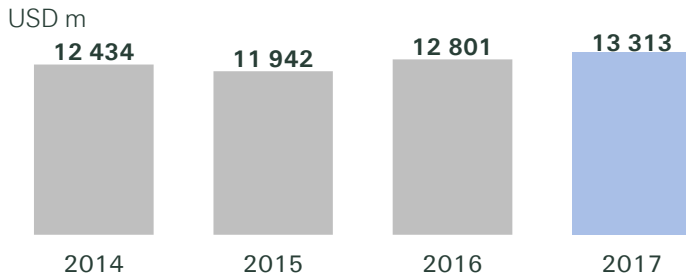
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- Net income performance in line with EBIT development
- Tax expenditure significantly lower in 2017 due to reduced EBIT and US tax reform

L&H Reinsurance delivers another year of strong performance

Gross premiums written

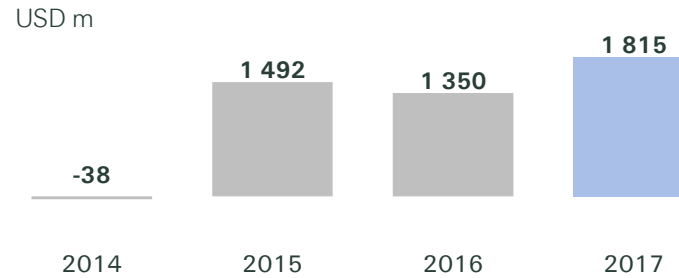


Running yield



- Gross premiums written increased by 4.0% mainly driven by new business wins and growth in all markets, including several transactions, mainly in the US and Asia
- Running yield slightly lower versus 2016 reflecting a higher asset base stemming from unrealised gains

EBIT

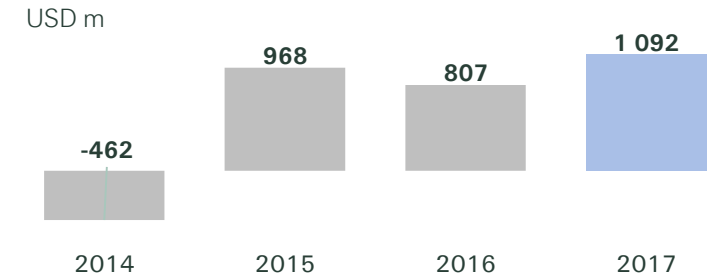


Net operating margin



- Underwriting performance improved compared to 2016
- EBIT and net operating margin increased in both Life and Health segments
- Realised gains on equity securities contributed to the strong results

Net income



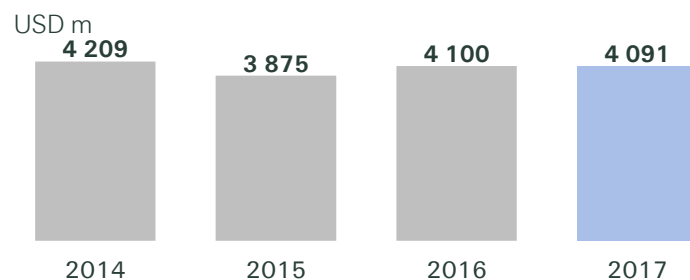
Return on equity



- Continuing strong ROE reflects quality of the overall L&H Reinsurance portfolio and the strong market position
- Sustainability and stability of results further improved due to increased diversification of revenues by line of business and by region

Corporate Solutions' result impacted by significant natural catastrophe losses

Gross premiums written¹

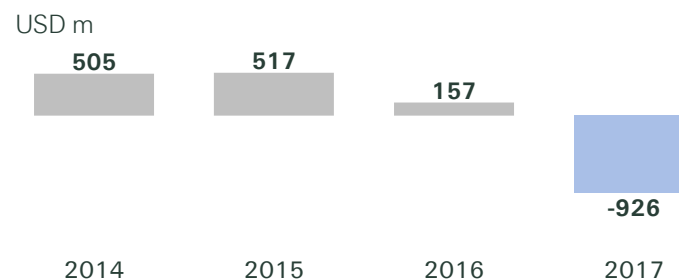


Combined ratio



- Gross premiums written¹ remained broadly unchanged. Expansion into Primary Lead compensates for declining rates in the Excess Layer segment
- Combined ratio impacted by significantly higher natural catastrophe losses (-28.7%pts)² and unfavourable prior-year development (-7.2%pts)²

EBIT

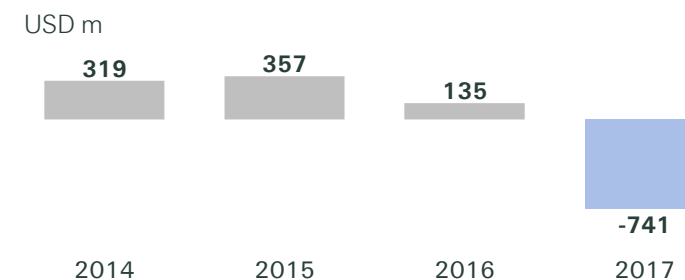


Net operating margin



- EBIT and net operating margin impacted by large natural catastrophe losses of USD 1.0bn, partially offset by increased income from investment activities, driven by higher net realised gains, and a 0.9%pts improvement in the admin expense ratio
- Continued investment in Primary Lead capabilities, office openings in Kuala Lumpur and Manchester, UK, and commencement of the Bradesco JV in Brazil

Net income



Return on equity



- Net income performance in line with EBIT development
- Despite active portfolio pruning, overall price level declined due to prevailing soft market in particular in the large corporate segment
- Capital strength restored with USD 1.0bn equity capital injection from Swiss Re Group, enabling Corporate Solutions to take advantage of expected rate increases

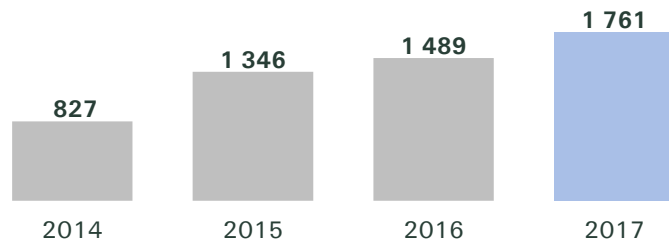
¹ Gross premiums written including premiums for insurance in derivative form, net of internal fronting for the Reinsurance Business Unit

² Refer to slide 31 for combined ratio breakdown

Life Capital generates strong gross cash and continues to grow in open books

Gross premiums written

USD m



Gross cash generation

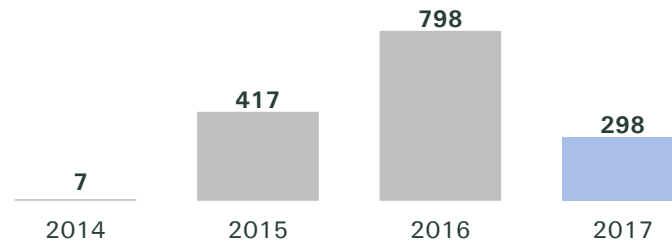
USD m



- Gross premiums written increase mainly driven by growth in open book businesses
- Significant gross cash generation driven by strong underlying surplus, mortality updates and the year-end true up for the final 2016 Solvency II position
- Achieved USD 1.7bn of gross cash generation between 2016 and 2017, at the upper end of our target range

EBIT

USD m



Net operating margin

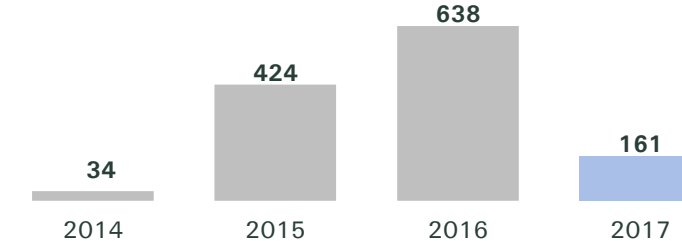
%



- EBIT and net operating margin supported by gains on sales and strong UK investment market performance
- 2016 included a favourable impact from movements in the investment portfolio arising from falling interest rates
- Continued investment into open book expansion

Net income

USD m



Return on equity

%

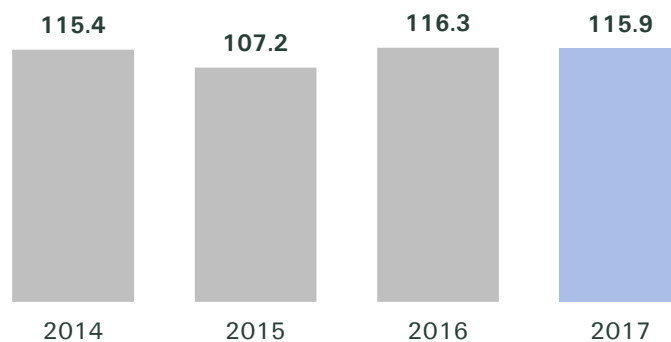


- Net income development in line with EBIT
- Unrealised gains accounted for one third of closing equity
- Dividend of USD 1.1bn paid to Group in H1 2017
- MS&AD transaction and L&G acquisition closed and effective from 2018

Group investment portfolio delivers a very strong ROI alongside a steady running yield

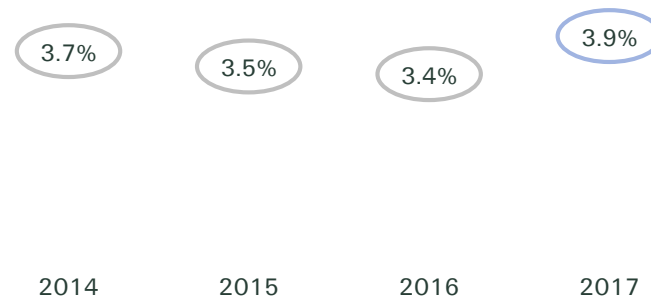
Average invested assets

USD bn, basis for ROI calculation



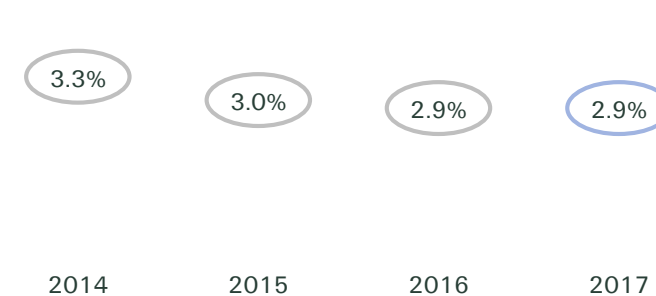
- Asset allocation changes include a reduction of cash and short-term investments and an increase in shorter-term fixed income, increasing income with low duration risk
- Mark-to-market gains on equity securities were offset by a partial divestment within Principal Investments
- Potential for increased volatility of investment result stemming from change in US GAAP requirements for 2018 impacting equities and most alternative investments

Return on investments



- ROI of 3.9% for FY 2017 driven by stable net investment income (USD 3.1 bn) as well as higher net realised gains (USD 1.5bn) mainly from sales of equity securities
- Continued very low impairments (USD 46m for FY 2017), reflecting a disciplined investment approach

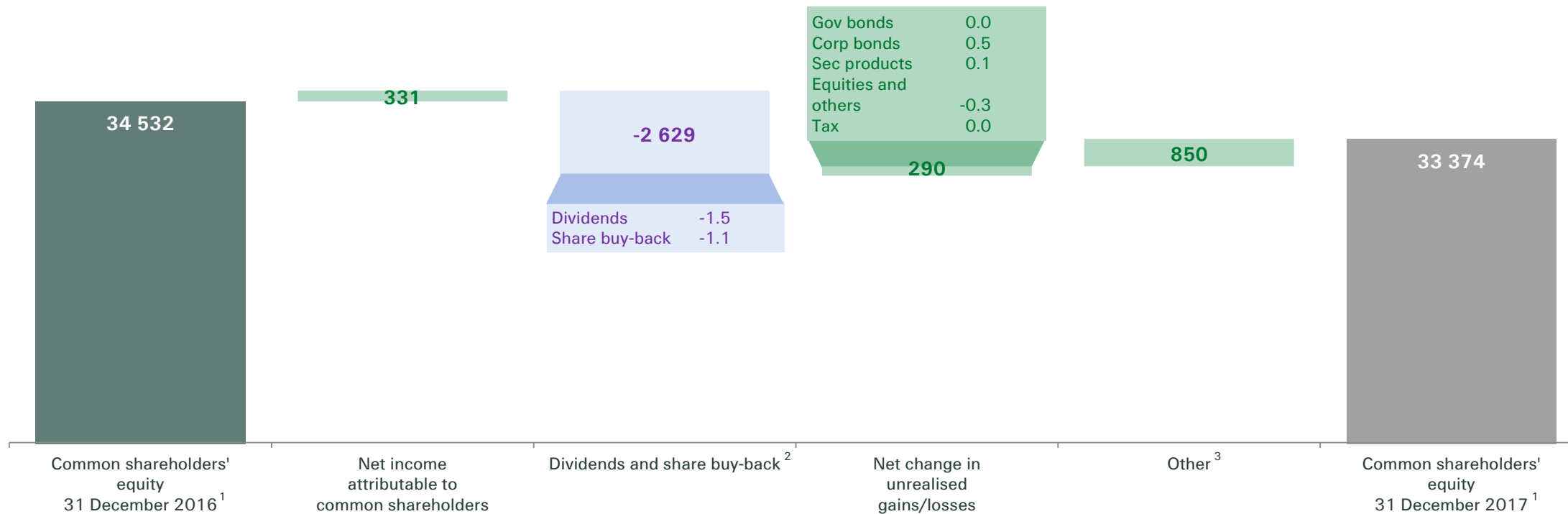
Running yield



- Strong and steady fixed income running yield consistent with the prior year
- Net unrealised gains of USD 8.3bn as of end 2017; end 2016: USD 7.8bn

Change in shareholders' equity mainly driven by dividend payments and share buy-back

USD m



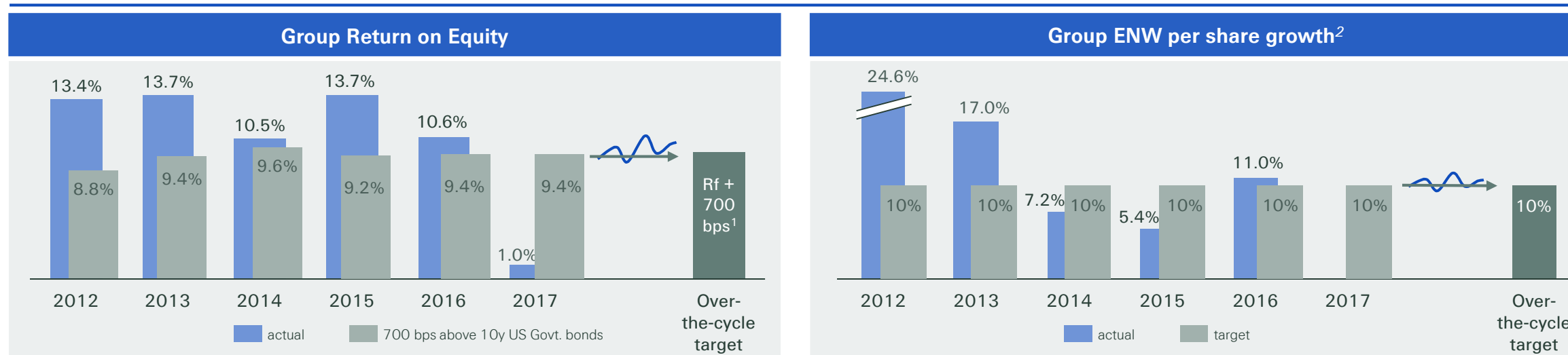
¹ Excluding contingent capital instruments (USD 750m in L&H Re as of 31 December 2017, and USD 750m in L&H Re and USD 352m in P&C Re as of 31 December 2016); basis for ROE and BVPS calculations

² Includes USD 476m of the share buy-back programme announced in 2016 and completed on 9 February 2017, and USD 594m of the share buy-back programme launched on 3 November 2017 and completed on 16 February 2018

³ Including foreign exchange translation adjustments of USD 526m

Swiss Re continues to focus on Group and Business Unit targets

Group targets over-the-cycle



Reinsurance and Corporate Solutions RoE targets

	P&C Reinsurance	L&H Reinsurance
2017	-3.5%	15.3%
2012-17 average	19.1%	8.6%
Target	10-15% (over-the-cycle)	10-12% (over-the-cycle)

Life Capital targets

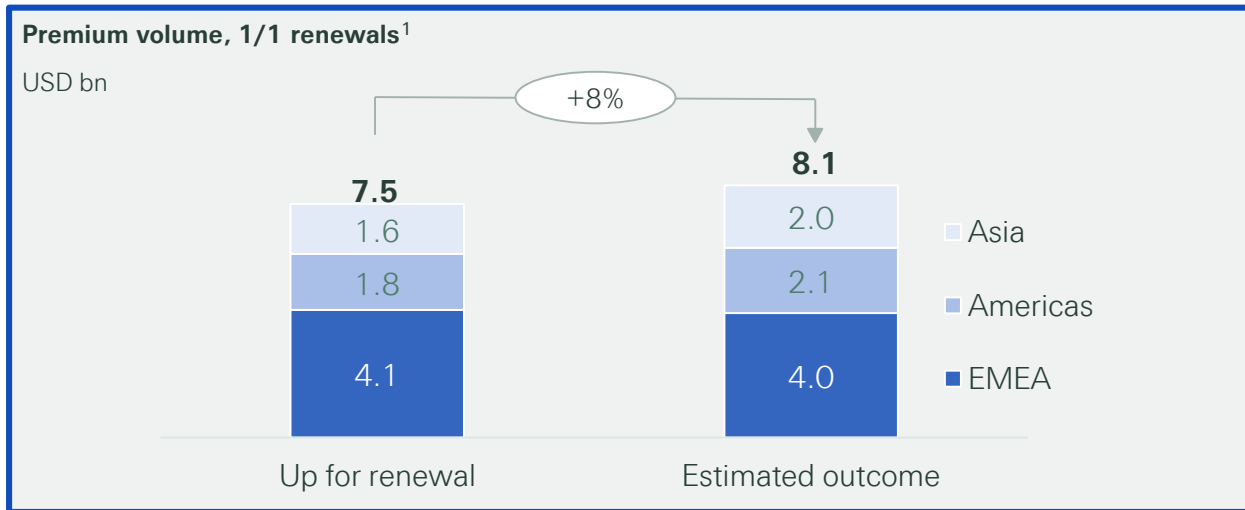
Corporate Solutions	Life Capital RoE	Life Capital GCG
-32.2%	2.2%	USD 1.0bn
3.1%	5.0%	USD 821m
10-15% (over-the-cycle)	6-8% (in mid term)	USD 1.4-1.7bn (between 2016 and 2018)

¹ 700 bps above 10y US Govt. Bonds. Management to monitor a basket of rates reflecting Swiss Re's business mix

² Year-end ENW + dividends from current year divided by previous year-end ENW; all per share; 2017 ENW per share growth to be reported on 15 March 2018

Business outlook for 2018

Improved outlook for P&C Reinsurance following January 2018 treaty renewals



- Volume up 8% in January renewals
- Prices up 2%; increases most pronounced in loss affected property lines; majority of loss affected US property business still to be renewed
- Risk adjusted price quality increased to 103% from 101% for January 2017
- Maintained underwriting discipline; continued to increase portfolio weight in segments with most attractive economic profitability
- Combined ratio estimate for 2018 at 99%

¹ Gross premium volume, treaty portfolio; estimated outcome vs up for renewal 1 January 2018; up for renewal volume adjusted for large transactions not placed in the market

² Assuming an average large loss burden

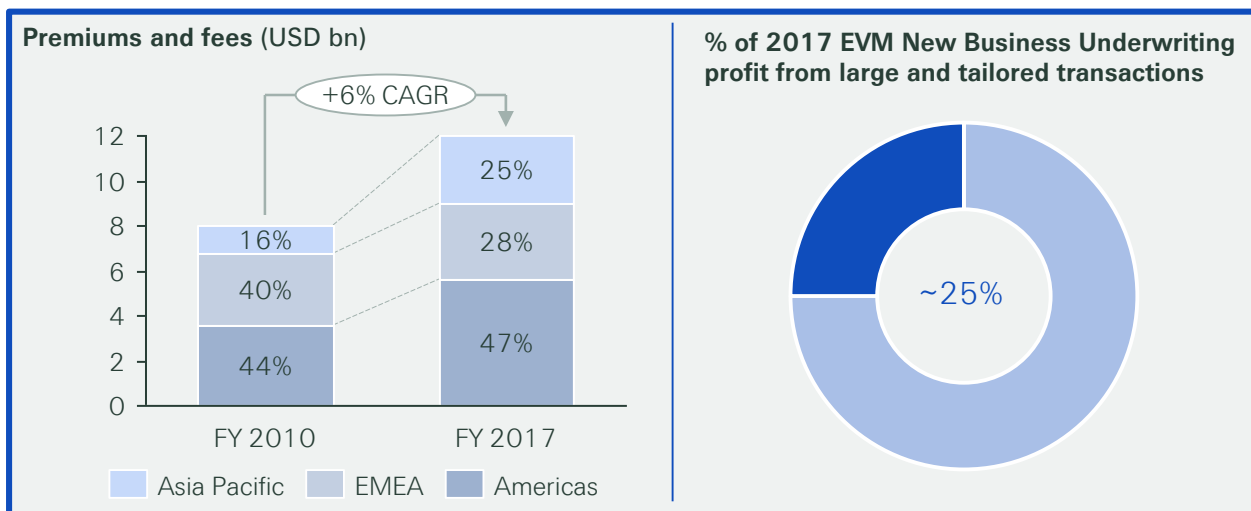


Higher rates across all major lines of business and regions

Price increase of 2 %

2018 combined ratio estimate²
99%

L&H Reinsurance will continue to pursue growth in high growth markets and large transactions



- Positive outlook for life and health reinsurance markets continues
- Strong contributions from large transactions expected in L&H Reinsurance, especially in mature markets
- Swiss Re ideally positioned as a knowledge company with the ability to offer solutions to clients for enhanced margins

¹ Source: Swiss Re Institute; expected growth per annum in life and health reinsurance in nominal USD terms over the next five years



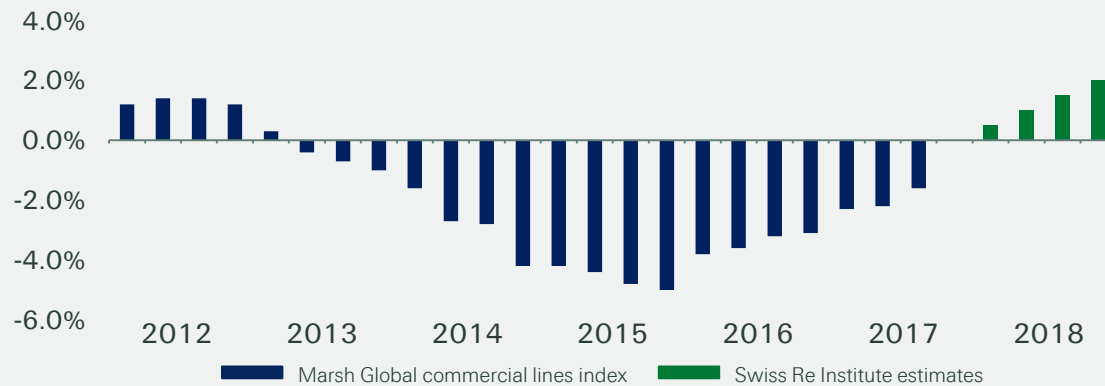
Diversified business mix supporting sustainable profitability

4% overall market growth expected¹

12% market growth expected in High Growth Markets¹

Corporate Solutions expects to benefit from overall market recovery

Global composite renewal rate changes



Source: Swiss Re Institute, based on Marsh Global commercial lines index

- Steady increase in prices expected over the next 12 to 18 months post recent natural catastrophe events, most pronounced increases expected in US property
- Corporate Solutions to maintain focus on active re-underwriting of existing portfolio and increased productivity, while continuing to expand into Primary Lead

Top player in Excess Layers market and expanding into Primary Lead

Start of JV with Bradesco supporting our growth plans in Brazil

Leveraging technology to achieve service differentiation

Life Capital to continue growing across closed and open book portfolios

Closed book business outlook



- Key regulatory and demographic trends to support strong growth outlook
- Attractive deal pipeline focused on UK market, with additional capacity from third party investor
- Strong gross cash generation expected to continue

Open book business outlook



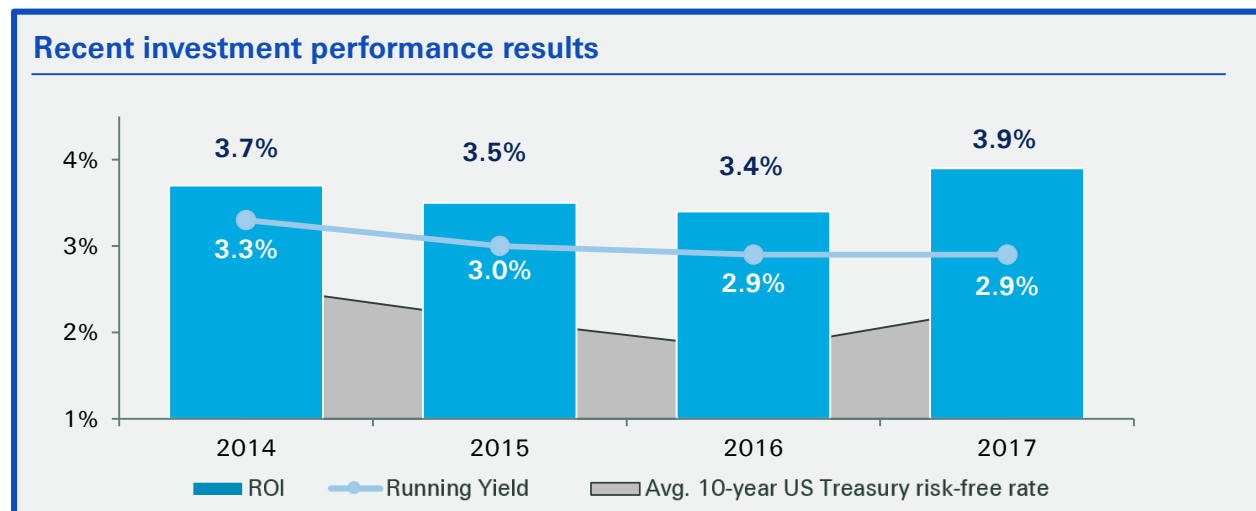
- Expansion of access to attractive L&H risk pools
- Continued strong growth
- Successful broadening of client base in Europe and the US

MS&AD participation increases ability to pursue further closed book transactions

Part VII transfer of acquired L&G closed book expected by mid-2019

elipsLife and iptiQ expected to maintain dynamic growth

Investment portfolio well positioned for future returns, building on a successful track record



- Global economic growth to stay solid in 2018, with a focus on the overall inflation development and the withdrawal of central bank accommodation
- Swiss Re maintains a high-quality portfolio with enhanced focus on ESG criteria
- With recent asset allocation changes to shorter-term bonds, the current portfolio provides an attractive level of income while retaining flexibility for future market opportunities
- Group's investment income projected to be broadly stable, despite overall low interest rate environment; higher volatility in reported results expected due to accounting changes

Solid 2018 global economic growth outlook

Enhanced income with low duration risk

High quality portfolio enabling sustainable performance

Swiss Re proposes another set of attractive capital management actions

- The Board of Directors will propose to the AGM 2018 a regular dividend of CHF 5.00 per share (3% increase)
- The Board will also propose to the AGM a further public share buy-back programme of up to CHF 1 bn commencing at the discretion of the Board subject to AGM approval¹
- Beyond Board approval¹, considering the capital management priorities, there will be no other pre-conditions to the commencement of the proposed share buy-back programme

Swiss Re's capital management priorities remain unchanged

- Ensure superior capitalisation at all times and maximise financial flexibility
- Grow the regular dividend with long-term earnings and at a minimum maintain it
- Deploy capital for business growth where it meets our strategy and profitability requirements
- Repatriate further excess capital to shareholders

¹ Subject to legal and regulatory requirements being satisfied



Swiss Re remains fully committed to maintaining its leadership in sustainability

Sustainability approach highlights

- Integration of FSB climate-related financial disclosure into 2017 Financial Report
- ESG considerations remain integral part of our underwriting and investment decisions
- Systematic assessment of all sensitive business transactions
- Innovative solutions with public sector clients to address key social and environmental challenges

External recognition

MSCI



AAA-rating (May 2017)

MEMBER OF

**Dow Jones
Sustainability Indices**

In Collaboration with RobecoSAM

Corporate
Responsibility

Prime

rated by

ekom research

ECPI



Sense in
sustainability



FTSE4Good

EURONEXT
vigeo eiris

INDICES EUROPE 120

Co-led and placed first-ever World Bank pandemic bond

Continued external recognition of sustainability leadership

Investment portfolio switched to ESG benchmarks

Appendix

- Business segment results FY 2017 – Income statement
- Business segment results FY 2017 – Balance sheet
- Total equity and ROE FY 2017
- P&C Reinsurance: 2018 renewals
- P&C underwriting performance
- L&H Reinsurance – EBIT movements
- Corporate Solutions combined ratio details
- Return on investments (ROI)
- Overall investment portfolio
- Fixed income securities
- Equities and alternative investments
- Investment portfolio positioning
- Sensitivities
- Premiums by country
- Swiss Re is broadly diversified
- Premium development by line of business and geography
- Corporate calendar & contacts
- Cautionary note on forward-looking statements

Business segment results FY 2017

Income statement

USD m	Reinsurance	P&C Re	L&H Re	Corporate Solutions	Life Capital	Group items	Consolidation	Total FY 2017	Total FY 2016
Revenues									
Gross premiums written	29 857	16 544	13 313	4 193	1 761	-	-1 036	34 775	35 622
Net premiums written	27 857	16 031	11 826	3 600	859	-	-	32 316	33 570
Change in unearned premiums	661	636	25	51	91	-	-	803	-879
Premiums earned	28 518	16 667	11 851	3 651	950	-	-	33 119	32 691
Fee income from policyholders	129	-	129	-	457	-	-	586	540
Net investment income/loss – non participating	2 325	1 017	1 308	161	1 193	184	-155	3 708	3 661
Net realised investment gains/losses – non participating	1 204	613	591	128	133	262	-	1 727	1 484
Net investment result – unit-linked and with-profit	81	-	81	-	3 234	-	-	3 315	5 382
Other revenues	51	48	3	5	2	359	-385	32	28
Total revenues	32 308	18 345	13 963	3 945	5 969	805	-540	42 487	43 786
Expenses									
Claims and claim adjustment expenses	-13 172	-13 172	-	-3 558	-	-	-	-16 730	-12 564
Life and health benefits	-9 211	-	-9 211	-	-1 872	-	-	-11 083	-10 859
Return credited to policyholders	-119	-	-119	-	-3 179	-	-	-3 298	-5 099
Acquisition costs	-6 317	-4 253	-2 064	-554	-106	-	-	-6 977	-6 928
Operating expenses	-1 913	-1 159	-754	-759	-514	-474	352	-3 308	-3 358
Total expenses	-30 732	-18 584	-12 148	-4 871	-5 671	-474	352	-41 396	-38 808
Income/loss before interest and tax	1 576	-239	1 815	-926	298	331	-188	1 091	4 978
Interest expenses	-595	-280	-315	-23	-35	-101	188	-566	-606
Income/loss before income tax expense/benefit	981	-519	1 500	-949	263	230	-	525	4 372
Income tax expense/benefit	-235	125	-360	203	-102	2	-	-132	-749
Net income/loss before attribution of non-controlling interests	746	-394	1 140	-746	161	232	-	393	3 623
Income/loss attributable to non-controlling interests	-	-	-	5	-	-	-	5	3
Net income/loss after attribution of non-controlling interests	746	-394	1 140	-741	161	232	-	398	3 626
Interest on contingent capital instruments	-67	-19	-48	-	-	-	-	-67	-68
Net income/loss attributable to common shareholders	679	-413	1 092	-741	161	232	-	331	3 558

Business segment results FY 2017

Balance sheet

31 December 2017, USD m	Reinsurance	P&C Re	L&H Re	Corporate Solutions	Life Capital	Group Items	Consolidation	End FY 2017	End FY 2016
Assets									
Fixed income securities	66 831	34 189	32 642	8 356	26 528	71	-	101 786	93 276
Equity securities	2 838	1 893	945	455	32	540	-	3 865	3 435
Other investments	17 672	14 460	3 212	191	2 697	5 530	-9 856	16 234	15 218
Short-term investments	2 604	1 608	996	482	1 711	49	-	4 846	10 909
Investments for unit-linked and with-profit business	585	-	585	-	34 581	-	-	35 166	32 178
Cash and cash equivalents	2 929	1 334	1 595	654	2 959	264	-	6 806	9 011
Deferred acquisition costs	6 380	2 146	4 234	454	37	-	-	6 871	6 200
Acquired present value of future profits	921	-	921	-	1 068	-	-	1 989	2 003
Reinsurance recoverable	7 179	2 541	4 638	5 737	5 200	-	-10 174	7 942	7 461
Other reinsurance assets	20 962	10 293	10 669	2 477	7 666	2	-8 118	22 989	21 454
Goodwill	3 817	1 944	1 873	213	142	-	-	4 172	3 965
Other	12 316	10 067	2 249	1 717	2 100	1 819	-8 092	9 860	9 955
Total assets	145 034	80 475	64 559	20 736	84 721	8 275	-36 240	222 526	215 065
Liabilities									
Unpaid claims and claim adjustments expenses	57 405	45 276	12 129	11 818	2 308	-	-4 736	66 795	57 355
Liabilities for life and health policy benefits	18 230	-	18 230	279	29 491	-	-5 439	42 561	41 176
Policyholder account balances	1 574	-	1 574	-	35 963	-	-	37 537	34 354
Other reinsurance liabilities	15 773	10 245	5 528	4 177	4 410	2	-8 448	15 914	16 086
Short-term debt	5 573	807	4 766	-	904	60	-6 104	433	1 564
Long-term debt	10 414	3 500	6 914	497	1 603	-	-2 366	10 148	9 787
Other	17 088	9 891	7 197	1 411	2 954	2 538	-9 147	14 844	19 027
Total liabilities	126 057	69 719	56 338	18 182	77 633	2 600	-36 240	188 232	179 349
Equity									
Common shareholders' equity	18 226	10 755	7 471	2 385	7 088	5 675	-	33 374	34 532
Contingent capital instruments	750	-	750	-	-	-	-	750	1 102
Non-controlling interests	1	1	-	169	-	-	-	170	82
Total equity	18 977	10 756	8 221	2 554	7 088	5 675	-	34 294	35 716
Total liabilities and equity	145 034	80 475	64 559	20 736	84 721	8 275	-36 240	222 526	215 065

Total equity and ROE FY 2017

USD m	Reinsurance	P&C Re	L&H Re	Corporate Solutions	Life Capital	Group Items	Total ¹ FY 2017
Common shareholders' equity² at 31 December 2016	19 500	12 688	6 812	2 218	7 272	5 544	34 532
Net income/loss attributable to common shareholders	679	-413	1 092	-741	161	232	331
Dividends and share buy-back	-2 600	-1 950	-650	-150	-1 058	1 179	-2 629
Capital contributions	-	-	-	1 000	314	-1 314	-
Net change in unrealised investment gains/losses	-69	-405	336	11	295	53	290
Other (incl. fx)	716	835	-119	47	104	-19	850
Common shareholders' equity² at 31 December 2017	18 226	10 755	7 471	2 385	7 088	5 675	33 374
Contingent capital instruments	750	-	750	-	-	-	750
Shareholders' equity at 31 December 2017	18 976	10 755	8 221	2 385	7 088	5 675	34 124
Non-controlling interests	1	1	-	169	-	-	170
Total equity at 31 December 2017	18 977	10 756	8 221	2 554	7 088	5 675	34 294

ROE calculation

USD m	Reinsurance	P&C Re	L&H Re	Corporate Solutions	Life Capital	Group items	Total ¹ FY 2017
Net income/loss attributable to common shareholders	679	-413	1 092	-741	161	232	331
Opening common shareholders' equity ²	19 500	12 688	6 812	2 218	7 272	5 544	34 532
Average common shareholders' equity ²	18 864	11 722	7 142	2 302	7 180	5 610	33 953
ROE FY 2017 annualised³	3.6%	-3.5%	15.3%	-32.2%	2.2%	4.1%	1.0%

Shares outstanding⁴

in millions

As at 31 December 2017	314.6	Weighted average	320.8
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¹ Total is after consolidation

² Excluding contingent capital instruments (USD 750m in L&H Re as of 31 December 2017, and USD 750m in L&H Re and USD 352m in P&C Re as of 31 December 2016); basis for ROE and BVPS calculations

³ Based on published net income attributable to common shareholders

⁴ Shares outstanding is the number of shares eligible for dividends and is used for the BVPS and EPS calculation

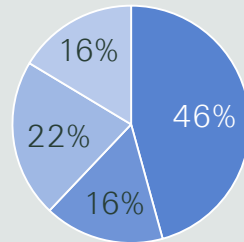
P&C Reinsurance: 2018 renewals

Portfolio weighting by line of business and region

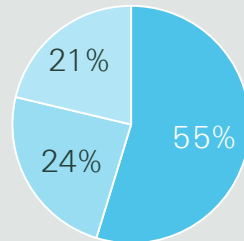
Gross premium volume, treaty portfolio

Up for renewal January¹

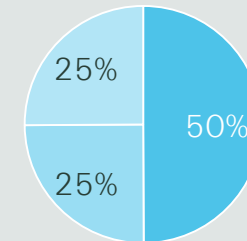
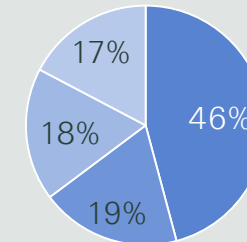
By line of business



By region



Estimated outcome January



- Casualty
- Nat cat
- Property²
- Specialty²

- EMEA
- Americas
- Asia

Majority of loss affected US property business still to be renewed

¹ Up for renewal volume adjusted for large transactions not placed in the market

² Excluding nat cat

P&C underwriting performance

P&C Reinsurance	Combined ratio		Main drivers of change	Net premiums earned	Underwriting result
	FY 2016	FY 2017		FY 2017 USD m	FY 2017 USD m
Property	86.6%	119.9%	• 2017 reflects impact from large natural catastrophe claims, partially offset by favourable prior year development	6 255	-1 244
Casualty	103.9%	108.8%	• 2017 impacted by continuously challenging market conditions as well as adverse claims experience in motor	8 100	-711
Specialty	77.8%	98.4%	• 2017 includes claims from large natural catastrophes in the marine line of business	2 312	38
Total	93.5%	111.5%		16 667	-1 917

Corporate Solutions	Combined ratio		Main drivers of change	Net premiums earned	Underwriting result
	FY 2016	FY 2017		FY 2017 USD m	FY 2017 USD m
Property	84.4%	174.0%	• Combined ratio increased due to significantly higher natural catastrophe losses	1 237	-915
Casualty	115.9%	122.0%	• Both periods impacted by large man-made liability losses in North America. FY 2017 reserve strengthening in US casualty book	1 302	-287
Specialty	102.2%	101.6%	• FY 2017 impacted by higher marine and engineering losses due to the natural catastrophe events and a large aviation loss. Credit & surety portfolio returned to technical profitability	1 112	-18
Total	101.1%	133.4%		3 651	-1 220

L&H Reinsurance

EBIT movements

EBIT movements

In USD m

	FY 2016			FY 2017		
	Life	Health	L&H	Life	Health	L&H
EBIT reported¹	867	268	1 350	935	345	1 815⁴
Net operating margin, %¹	9.9	6.6	10.4	9.9	8.8	13.1
Mortality/morbidity experience vs. expected ²	-108	-58	-166	21	-8	13
Valuation/assumption changes ³	150	-81	69	-4	14	10
VA/GMDB/B36	-38		-38	2		2
Other one-offs	50	3	53	45	-39	6

- Favourable mortality in 2017 mainly driven by higher performance in Americas
- "Other one-offs" in FY 2017 includes impact from UK Critical Illness IBNR strengthening

¹ FY 2016 EBIT and net operating margin for Life and Health segments have been restated for a new net investment income allocation process

² "Expected" reflects latest best estimate of claims expected to be paid out. Improvement in our estimate process reduces the volatility in the experience variance

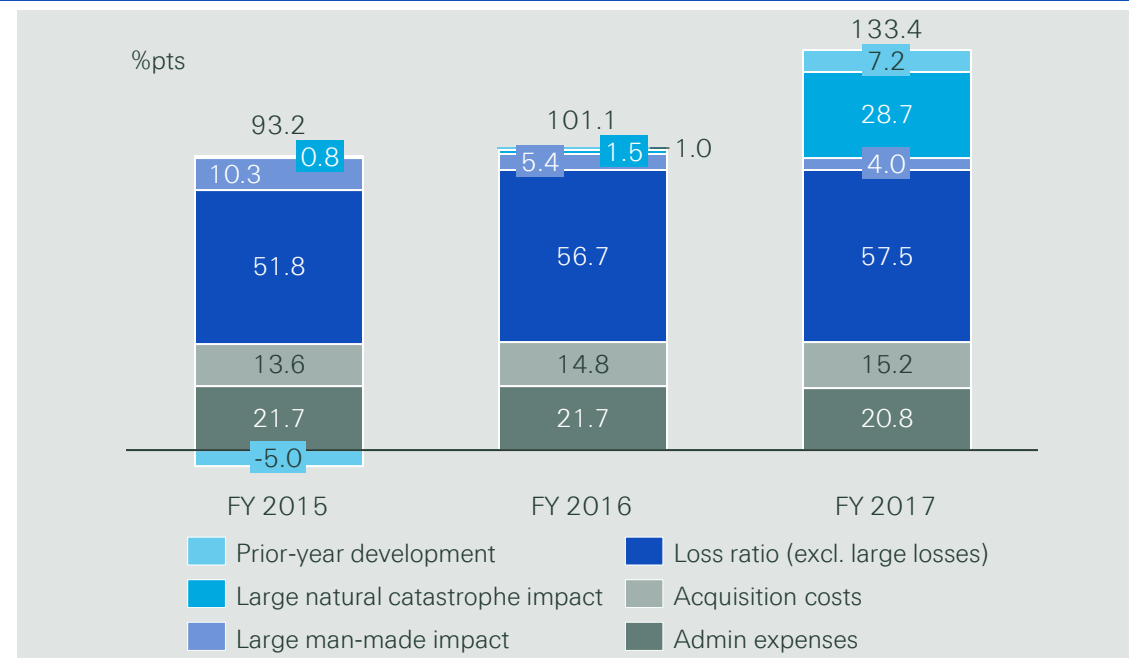
³ "Valuation/assumption changes" related to VA/GMDB/B36 also included

⁴ The total includes unallocated net realised gains of USD 535m in 2017

Corporate Solutions combined ratio details

Combined ratio decomposition

%pts	FY 2015	FY 2016	FY 2017
Reported combined ratio	93.2	101.1	133.4
• Large natural catastrophe impact	-0.8	-1.5	-28.7
• Large man-made impact	-10.3	-5.4	-4.0
• Total prior-year development	+5.0	-1.0	-7.2
- Of which, large natural catastrophe losses	0.0	0.0	-1.0
- Of which, large man-made losses	-2.4	-8.5	-7.0



- Investment in growth represents **~3-4%pts** of combined ratio per annum
- Positive development of Corporate Solutions historical loss reserves remaining in the Reinsurance Business Unit of **~4-5%pts** of combined ratio per annum

Note: Large natural catastrophe and large man-made includes losses exceeding USD 10m threshold

Return on investments (ROI)

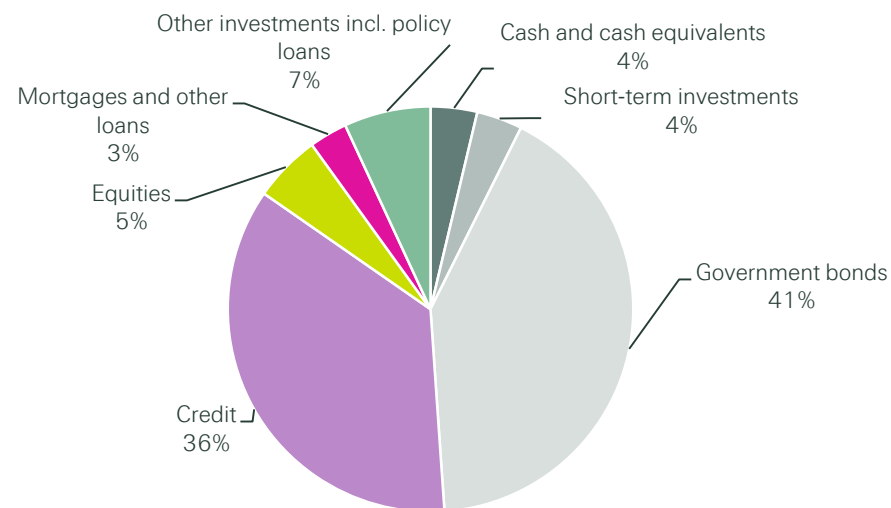
USD m	P&C Re	L&H Re	Corporate Solutions	Life Capital	Group items	Consolidation	Total FY 2017	Total FY 2016
Investment related net investment income	922	1 105	183	894	184	-156	3 132	3 099
<i>Fixed income</i>	703	1 044	166	850	2	-	2 765	2 797
<i>Equities and alternative investments -incl RE, PE, HF</i>	364	62	12	-	71	-	509	424
<i>Other</i>	58	85	20	83	162	-198	210	244
<i>Investment expenses</i>	-203	-86	-15	-39	-51	42	-352	-366
Investment related net realised gains/losses	590	459	118	111	229	-	1 507	962
<i>Fixed income</i>	251	194	14	161	-	-	620	659
<i>Equities and alternative investments -incl RE, PE, HF</i>	345	266	115	-	240	-	966	262
<i>Other</i>	-6	-1	-11	-50	-11	-	-79	41
Other revenues	32	-	-	-	-	-32	-	-
Investment related operating income	1 544	1 564	301	1 005	413	-188	4 639	4 061
Less income not related to investment return ¹	-47	-12	-19	-1	-76	73	-82	-72
Basis for ROI	1 497	1 552	282	1 004	337	-115	4 557	3 989
Average invested assets	42 471	36 238	8 387	29 593	7 203	-8 020	115 872	116 296
ROI, annualised	3.5%	4.3%	3.4%	3.4%	4.7%	n/a	3.9%	3.4%
Insurance related net investment income	95	203	-22	299	-	1	576	562
Insurance related net realised gains/losses	12	56	12	13	6	-	99	344
Foreign exchange gains/losses	11	76	-2	9	27	-	121	178
Net investment income/loss – non participating	1 017	1 308	161	1 193	184	-155	3 708	3 661
Net realised investment gains/losses – non participating	613	591	128	133	262	-	1 727	1 484

- Increase in investment related net investment income due to additional income from alternative investments, partially offset by a reduced contribution from fixed income driven by fx impacts
- Increase in investment related net realised gains driven by higher realised gains from sales across equities and alternative investments (including Principal Investments)
- Decrease in insurance related net realised gains as the prior period reflected significant gains from interest rate derivatives in Life Capital

¹ Excluded from basis for ROI: income from minority interests, cash and cash equivalents, securities lending, repurchase agreements and collateral balances

Overall investment portfolio

USD bn	End FY 2017
Balance sheet values	168.7
Unit-linked investments	-31.3
With-profit business	-5.7
Assets for own account (on balance sheet only)	131.7

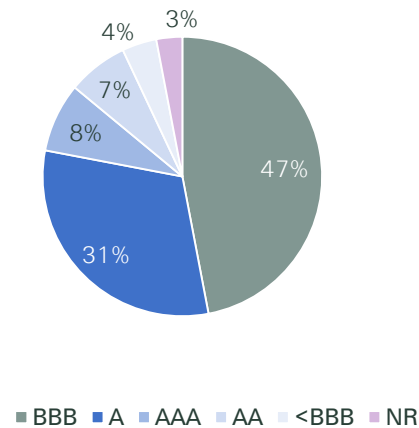
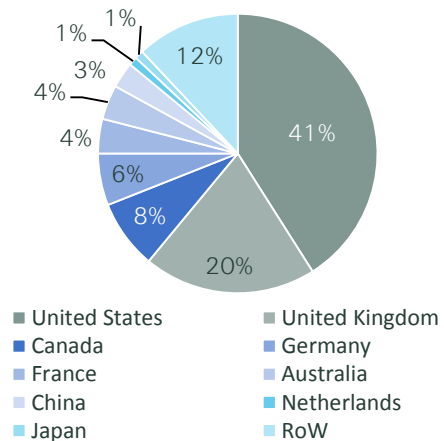


USD bn	P&C Re	L&H Re	Corporate Solutions	Life Capital	Group items	Consolidation	End FY 2017	End FY 2016
Cash and cash equivalents	1.3	1.6	0.7	1.0	0.3	-	4.9	7.7
Short-term investments	1.6	1.0	0.5	1.7	-	-	4.8	10.9
Government bonds	25.6	15.9	5.5	7.7	-	-	54.7	48.4
Credit bonds	8.6	16.7	2.9	18.9	-	-	47.1	44.9
Equities ¹	3.2	1.0	0.5	-	2.4	-	7.1	6.7
Mortgages and other loans	5.8	1.6	-	1.8	3.3	(8.5)	4.0	3.6
Other investments incl. policy loans	7.4	1.6	0.1	1.0	0.4	(1.4)	9.1	8.3
Total	53.5	39.4	10.2	32.1	6.4	(9.9)	131.7	130.5

¹ Includes equity securities, private equity and Principal Investments

Fixed income securities

USD m	Government bonds	Credit bonds
End FY 2016	48 374	44 902
End FY 2017	54 658	47 128



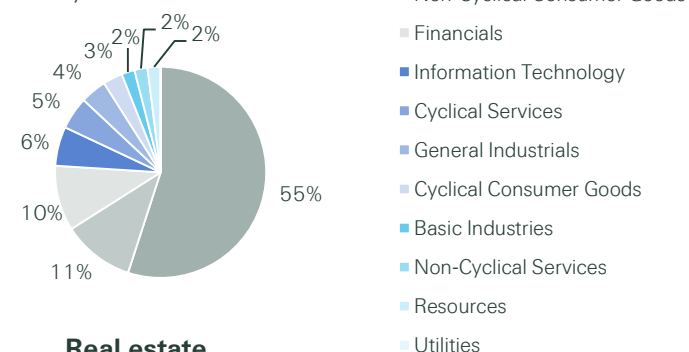
- Increase in government bonds mainly due to net purchases and fx impacts
- Credit bonds include corporate bonds (USD 42.6bn) and securitised products (USD 4.5bn)
- Increase in credit bonds due to fx impacts and mark-to-market gains stemming from tighter credit spreads
- Overall credit bond portfolio is high quality; non-rated bonds include private debt of investment grade quality

Equities and alternative investments

USD m	End FY 2016	End FY 2017
Equity securities	2 698	3 326
Private equity	1 430	1 382
Hedge funds	317	359
Real estate	3 678	4 091
Principal Investments	2 577	2 422
<i>Equity securities</i>	737	539
<i>Private equity</i>	1 840	1 883
Total market value	10 700	11 580

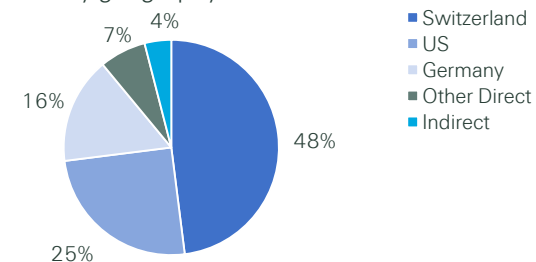
Equity securities

by sector



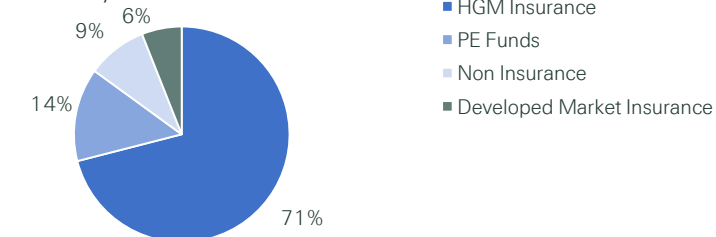
Real estate

by geography



Principal Investments

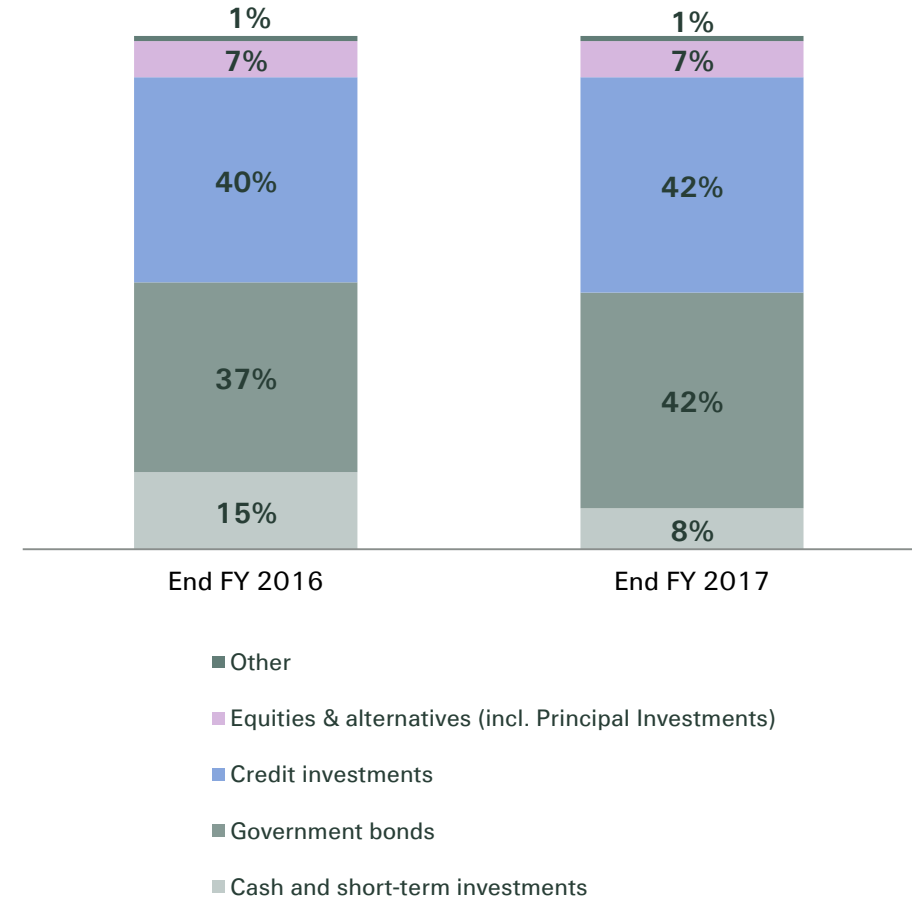
by sector



- Increase in equity securities mainly due to market value gains
- Increase in real estate driven by net purchases, fx impacts and market value gains on direct investments, partially offset by net sales of indirect investments
- Decrease in Principal Investments reflects a partial divestment, largely offset by market value gains

Investment portfolio positioning

- Decrease in cash and short-term investments allocation driven by net purchases of shorter-term fixed income securities, increasing income with low duration risk
- Increase in credit allocation driven by fx impacts and positive impact from credit spread tightening; credit allocation does not reflect hedges
- No significant change to equities and alternative investments allocation
 - Increase in equity securities and direct real estate offset by sales in Principal Investments



Sensitivities

USD bn, pre-tax

Change in market values

(Equities and Alternative Investments, excl. Real Estate)

	-25%	-10%	+25%
Estimated impact on shareholders' equity	-1.7	-0.7	+1.7
Estimated impact on economic net worth (EVM)	-2.2	-0.9	+2.3
Estimated impact on income/loss before income tax expense	-1.5	-0.6	+1.5

Change in interest rates

	-50bps	-25bps	+50bps	+100bps
Estimated impact on shareholders' equity	+4.0	+1.9	-3.7	-7.0
Estimated impact on economic net worth (EVM)	0.0	0.0	0.0	-0.1

Change in credit spreads

	-50bps	+50bps	+100bps
Estimated impact on shareholders' equity	+2.4	-2.3	-4.4
Estimated impact on economic net worth (EVM)	+2.4	-2.3	-4.4

All sensitivities are assumed to take effect on 31 December 2017, adjusted to include changes in US GAAP requirements related to equities and alternative investments effective 1 January 2018. No management actions are included in this analysis. Figures are estimated as mutually exclusive events and reflect the estimated impact on the Group. All figures are net of hedging impacts.

Premiums by country

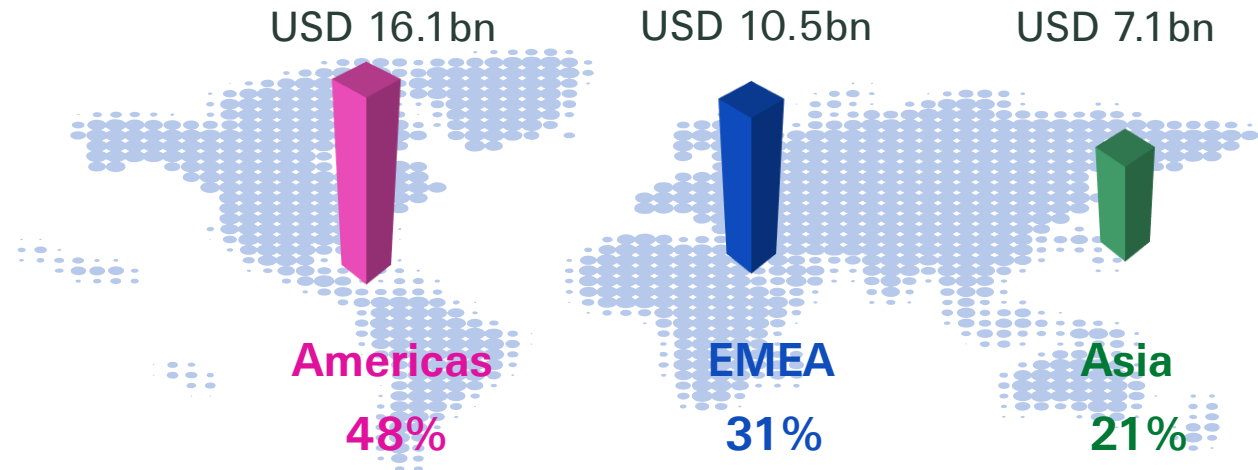
2017 Gross premiums written and fees assessed against policyholders by country¹

USD m	Life & Health	Non-Life	Total FY 2017	Total FY 2016
United States	5 987	8 764	14 751	14 584
United Kingdom	2 386	1 003	3 389	3 898
Australia	1 388	758	2 146	1 988
China	343	1 189	1 532	2 409
Germany	218	1 038	1 256	1 221
Canada	785	387	1 172	1 160
Japan	620	498	1 118	1 127
Ireland	980	37	1 017	940
Switzerland	199	736	935	1 047
France	116	662	778	680
Republic of Korea	139	417	556	485
Netherlands	272	239	511	454
Spain	92	412	504	442
Bermuda	15	451	466	386
Israel	165	230	395	351
Italy	97	252	349	355
India	82	246	328	391
Brazil	11	290	301	197
Hong Kong	216	38	254	194
Other	880	2 724	3 604	3 852
Total	14 991	20 371	35 362	36 161

¹ Country split based on the country where the premium was generated or an approximation thereof

Swiss Re is broadly diversified

Swiss Re Group net premiums earned¹ 2017: USD 33.7bn



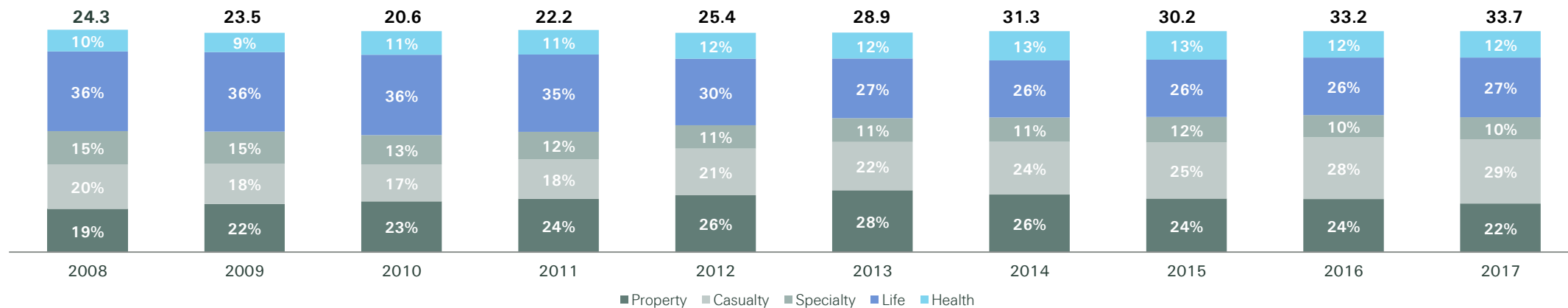
of which				
HGMs:	~3%	~3%	~11%	≈17%
HGMs incl. PI ² :	~5%	~3%	~15%	≈23%

¹ Includes fee income from policyholders; does not reflect the exposure to HGMs through Principal Investments (PI)

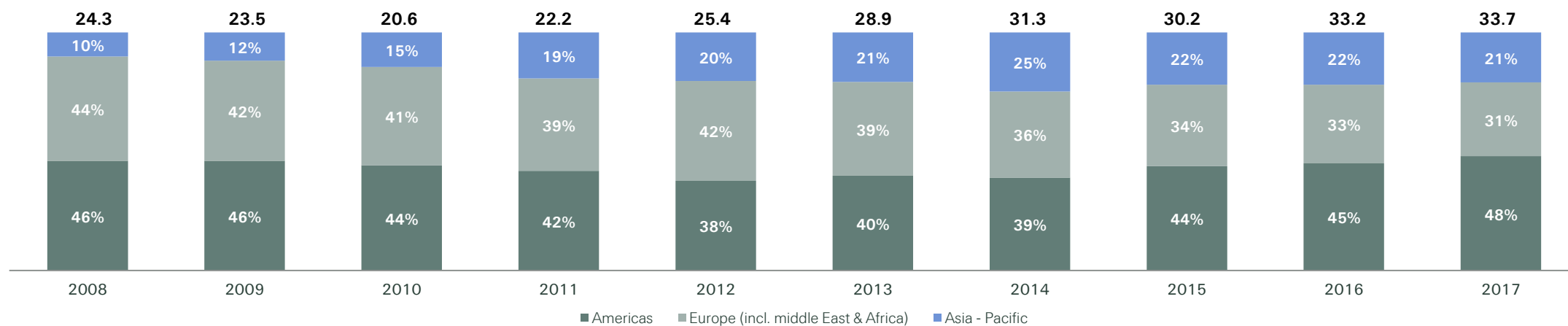
² Based on additional pro rata net premiums from PI including FWD Group (14.8%), New China Life (2.5%) and SulAmérica (14.9%)

Premium development by line of business and geography

Premiums earned and fee income by line of business, USD bn



Premiums earned and fee income by geography, USD bn



Cautionary note on forward-looking statements

Certain statements and illustrations contained herein are forward-looking. These statements (including as to plans, objectives, targets, and trends) 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”, “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 the Group’s actual results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects to be materially different from any future results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects expressed or implied by such statements or cause Swiss Re to not achieve its published targets. Such factors include, among others:

- the frequency, severity and development of insured claim events, particularly natural catastrophes, man-made disasters, pandemics, acts of terrorism and acts of war;
- mortality, morbidity and longevity experience;
- the cyclical nature of the insurance and reinsurance sectors;
- instability affecting the global financial system;
- deterioration in global economic conditions;
- 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 the Group’s investment assets;
- changes in the Group’s investment result as a result of changes in the Group’s investment policy or the changed composition of the Group’s investment assets, and the impact of the timing of any such changes relative to changes in market conditions;
- the Group’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 due to actual or perceived deterioration of the Group’s financial strength or otherwise;
- any inability to realize amounts on sales of securities on the Group’s balance sheet equivalent to their values recorded for accounting purposes;
- changes in legislation and regulation, and the interpretations thereof by regulators and courts, affecting us or the Group’s ceding companies, including as a result of shifts away from multilateral approaches to regulation of global operations;
- the outcome of tax audits, the ability to realize tax loss carryforwards, 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, and the overall impact of changes in tax regimes on business models;
- failure of the Group’s hedging arrangements to be effective;
- the lowering or loss of one of the financial strength or other ratings of one or more Swiss Re companies, and developments adversely affecting the Group’s ability to achieve improved ratings;
- uncertainties in estimating reserves;
- policy renewal and lapse rates;
- uncertainties in estimating future claims for purposes of financial reporting, particularly with respect to large natural catastrophes and certain large man-made losses, as significant uncertainties may be involved in estimating losses from such events and preliminary estimates may be subject to change as new information becomes available;
- extraordinary events affecting the Group’s clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- legal actions or regulatory investigations or actions, including those in respect of industry requirements or business conduct rules of general applicability;
- changes in accounting standards;
- significant investments, acquisitions or dispositions, and any delays, unexpected costs, lower-than expected benefits, or other issues experienced in connection with any such transactions;
- changing levels of competition, including from new entrants into the market; and
- operational factors, including the efficacy of risk management and other internal procedures in managing the foregoing risks and the ability to manage cybersecurity risks.

These factors are not exhaustive. Swiss Re operates in a continually changing environment and new risks emerge continually. Readers are cautioned not to place undue reliance on forward-looking statements. Swiss Re undertakes 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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Corporate calendar & contacts

Corporate calendar

2018

15 March	Publication of Annual Report 2017	
4 April	Investors' Day	Zurich
20 April	154th Annual General Meeting	Zurich
4 May	First Quarter 2018 Key Financial Data	Conference call
3 August	Half-Year 2018 Results	Conference call
1 November	Nine Months 2018 Key Financial Data	Conference call

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