News release

Swiss Re reports very strong 12% rise in net income to USD 3.7 billion for the first nine months of 2015

- Group 9M 2015 net income increased 12% to USD 3.7 billion; benefiting from strong underwriting and investment result, benign natural catastrophe experience
- Property & Casualty Reinsurance 9M 2015 net income of USD 2.3 billion; ROE of 23.3%
- Life & Health Reinsurance 9M 2015 net income improved significantly to USD 763 million; ROE of 17.0%
- Corporate Solutions 9M 2015 net income of USD 324 million; ROE of 18.7%
- Admin Re® 9M 2015 net income of USD 270 million; USD 265 million gross cash generated
- Thierry Léger appointed as new member to the Group Executive Committee effective 1 January 2016
- Swiss Re estimates claims burden from the Tianjin explosion to be approximately USD 250 million
- Swiss Re plans to start share buy-back programme in mid-November; subject to regulatory approval
- Swiss Re Board of Directors proposes Sir Paul Tucker for election at the upcoming AGM in April 2016

Zurich, 29 October 2015 — Swiss Re reports a net income of USD 3.7 billion for the first nine months of 2015, USD 1.4 billion of which was earned in the third quarter. All Business Units contributed to this result, with Life & Health Reinsurance in particular showing a strong increase in net income. The performance reflects the very strong underlying portfolio, the importance of close client relationships and Swiss Re's differentiated services. Group return on equity (ROE) was strong at 14.5% during the first nine months. Considering the financial performance of the Group, Swiss Re expects to launch the share buy-back programme in mid-November, after filing for and having received necessary approvals. Swiss Re remains on track to meet its 2011–2015 financial targets.

Group Chief Executive Officer Michel M. Liès says: "Swiss Re achieved a very strong net income over the first nine months of 2015. Despite an overall insurance market environment that remains challenging, we've again made progress towards our 2011—2015 financial targets. In addition, in the third quarter we announced a significant transaction for our Admin Re® unit –

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which represents an excellent opportunity to deploy part of our excess capital above our hurdle rate. We are also preparing for the launch of our share buy-back programme in mid-November, which was authorised by the AGM earlier this year."

Group reports very strong nine-month net income; strong 3.8% return on investments

All Business Units contributed to deliver a 12% increase in Group net income to USD 3.7 billion for the first nine months of 2015 (vs. USD 3.3 billion in 9M 2014). Generally, the result benefited from disciplined underwriting, low natural catastrophe losses as well as reserve releases and strong results in Life & Health Reinsurance.

The annualised ROE for the nine months stands at 14.5% with earnings per share of CHF 10.19 or USD 10.69, compared with CHF 8.52 or USD 9.51 for the prior-year period.

The Group's annualised return on investments (ROI) was strong at 3.8% for the nine months ended 30 September 2015. The Group's net investment income was USD 2.7 billion for the nine months (vs. USD 3.1 billion in 9M 2014), with the reduction driven by a lower invested asset base and reduced income from equities and alternative investments.

Book value per common share decreased to USD 95.34 or CHF 93.13 at the end of September 2015, compared to USD 101.78 or CHF 101.12 as of 31 December 2014. Swiss Re's Group capital position remains strong with common shareholders' equity of USD 32.6 billion. The Group Swiss Solvency Test ratio remains comfortably above Swiss Re's risk tolerance and the company continues to be well-capitalised – even when taking into account the expected 20–25% point impact of the announced Guardian Financial Services acquisition.

Expected claims from Tianjin explosion

The explosion that destroyed part of the Chinese port city of Tianjin in August 2015 is likely to constitute one of the largest man-made loss events in Asia to date. Based on current information, Swiss Re provisionally estimates its loss from the explosion to be approximately USD 250 million before tax. However, as the situation continues to involve considerable uncertainties associated with the assessment of the damage, Swiss Re's loss assessment is subject to change.

P&C Re reports very strong results supported by benign natural catastrophe experience

P&C Re reported net income of USD 2.3 billion over the first nine months of the year, compared to USD 2.4 billion for the prior-year period. The nine-month results benefited from a strong underlying portfolio, a benign natural catastrophe experience and positive prior-year development. The period was impacted by several large man-made losses notably the explosion in Tianjin, China, estimated at approximately USD 235 million pre-tax for the unit.

The combined ratio was 84.8% for the first nine months (vs. 82.7%). Premiums earned for the first nine months stood at USD 11.4 billion (vs. USD 11.7 billion). Measured at constant foreign exchange rates, premiums earned increased by 4%, mainly driven by growth in US casualty business, higher premiums in the EMEA region and reduced external retrocessions, partly offset by the expiration of a large quota share in China.

L&H Re net income significantly increases to USD 763 million; well on track to achieve ROE target

L&H Re reported net income of USD 763 million for the nine months of 2015 (vs. USD 272 million in 9M 2014). The increase primarily reflected a strong operating result, lower interest charges and net realised gains. The results show that the management actions taken in prior years are bearing fruit and successfully contributing to the stable results in the last nine months. As a result, the operating margin increased to 10.7% from 8.8% a year ago.

The annualised return on equity for the nine months was 17.0%. The unit is well on track to reach its 10—12% ROE target by the end of this year. Premiums earned and fee income were USD 8.1 billion (vs. USD 8.4 billion). Measured at constant foreign exchange rates, premiums earned and fee income were up 5%.

Corporate Solutions net income up 30%; ROE of 18.7%

Corporate Solutions reported USD 324 million net income in the first nine months of 2015 (vs. USD 249 million in 9M 2014). The 30% increase was driven by continued profitable business performance across most lines of business and net realised gains from insurance business in derivative form. The result was supported by the absence of natural catastrophe events. The man-made loss from the explosion in Tianjin, China impacted the result by USD 15 million, pre-tax.

Premiums earned of USD 2.5 billion decreased by 2% (vs. USD 2.6 billion), reflecting the continued challenging market. Measured at constant foreign exchange rates, premiums increased by 2% compared to the prior-year period. The combined ratio improved to 91.9% in the first nine months (vs. 92.9%). Corporate Solutions continued to expand its footprint by opening an office in Madrid to reinforce its presence in the Iberian Peninsula, and one in Osaka, Japan's second-largest broking hub.

Admin Re® generates strong gross cash; reports net income of USD 270 million

Admin Re® reported net income of USD 270 million in the first nine months of 2015 (vs. USD 219 million in 9M 2014). The increase in net income reflected higher realised gains from sales of government bonds as part of the re-positioning of the portfolio that took place in preparation for Solvency II and tax credits following the finalisation of the UK year-end statutory results. Admin Re® generated gross cash of USD 265 million for the first nine months of 2015 (vs. USD 615 million), with the prior year including the

Swiss Re

release of surplus reserves held against the risk of credit default and higher UK statutory valuation impacts.

Swiss Re announced the acquisition of Guardian Financial Services in September 2015, subject to regulatory approval which is expected in early 2016. This acquisition is a strong demonstration of progress against Admin Re®'s strategy to be a leading closed life book consolidator in the UK. The sale of Aurora National Life Assurance Company closed in April, continuing Admin Re®'s exit from the US market, and in the third quarter, the acquired HSBC policies were successfully migrated to Admin Re® platforms.

Third quarter results: very strong performance across entire Group
P&C Re reported net income of USD 1.0 billion for the third quarter 2015 (vs. USD 842 million in Q3 2014), reflecting the absence of large natural catastrophe losses, reserve releases and strong investment results. Premiums earned were USD 4.1 billion (vs. USD 4.3 billion), after foreign exchange movements. Measured at constant foreign exchange rates, premiums earned increased 1.4%, largely driven by the US casualty business.

L&H Re reported net income for the quarter of USD 268 million (vs. USD 160 million), benefiting from strong operating results and lower interest charges. Premiums earned and fee income were stable at USD 2.8 billion (vs. USD 2.9 billion), after new longevity deals in the UK and large transactions in Asia, partially offset by exchange rate movements. The operating margin improved to 11.3% (vs. 9.2%).

Corporate Solutions reported third quarter net income of USD 85 million (vs. USD 103 million in Q3 2014), driven by profitable business performance in most regions and an increased investment result. Premiums earned of USD 796 million decreased by 8%, measured at constant foreign exchange rates, reflecting the challenging market. The combined ratio was 90.7% (vs 90.5%).

Admin Re® delivered net income of USD 21 million for the quarter (vs. USD 54 million), impacted by unfavourable UK investment market performance. Gross cash generation was strong at USD 126 million, with underlying performance in line with expectations.

The Group ROI for the quarter was solid at 3.2% (vs. 3.5% in Q3 2014). Group net investment income was USD 0.9 billion, compared to USD 1.0 billion in the same period of the prior year, driven by reduced income from fixed income securities as a result of a lower invested asset base.

Group Chief Financial Officer David Cole says: "We again were able to generate a very strong result in the third quarter, despite the impact we had from the large claims coming from Tianjin. The third quarter result once again shows the value of having a diversified business with three distinctive business units. It is rewarding to see that the management actions in L&H Re are showing steady results. The overall performance of Swiss Re gives me confidence as we enter the last quarter of our 2011–2015 financial targets period."

Thierry Léger joins Group Executive Committee; all areas managing life insurance books will be combined in Life Capital Business Unit
Swiss Re's Board of Directors announces the appointment of Thierry Léger as CEO of Swiss Re Life Capital Ltd and as a Member of the Group Executive Committee, effective 1 January 2016. In this role, he will combine the oversight at the Group Executive Committee of all areas in the Group that manage life insurance books. He will assume responsibility for leading the strategic development of these areas, including Admin Re®'s closed book franchise. This will also include other existing businesses which serve the policyholders of our clients and partners. This change, which includes the alignment of the name of the Business Unit Admin Re® with the holding company to Swiss Re Life Capital, will also be effective as of 1 January 2016. As from the same time, the existing business areas managing life insurance books, currently reported in the Reinsurance segment, will be reported under the Swiss Re Life Capital Business Unit.

Walter B. Kielholz, Chairman of the Board of Directors, says: "We recently demonstrated our ongoing commitment to the closed life book business by the announcement of the planned acquisition of Guardian Financial Services. As a result, it is important that we have a good representation of this business at the highest executive level at Swiss Re. I am looking forward to Thierry taking on the responsibility to guarantee not only the oversight of this business area but also to look at developing and capturing potential growth opportunities going forward."

Thierry Léger joined Swiss Re 18 years ago and has a broad range of experience across Swiss Re's P&C and L&H businesses, most recently as Head of Life & Health Products. The current management teams of the integrated business areas will be unaffected by this change. Bob Ratcliffe, currently CEO of Admin Re®, will continue in his role as his expertise, especially in executing large transactions, is key not only for the upcoming integration of Guardian Financial Services but also to continue to drive the business forward.

Share buy-back programme expected to launch in mid-November
Swiss Re expects to launch the share buy-back programme, which has been authorised by shareholders, in mid-November. This is subject to filing for and having received the necessary approvals from the Swiss Takeover Board. Swiss Re had announced in March 2015 that it plans to establish a public share buy-back programme to achieve its objective of returning capital to shareholders when excess capital is available and other business opportunities do not meet its internal investment hurdle rate.

Swiss Re proposes Sir Paul Tucker to be elected to its Board at the AGM in April 2016

Swiss Re's Board of Directors will propose Sir Paul Tucker as a new member for election at the Annual General Meeting on 22 April 2016 as part of the continued aim to further diversify and renew its composition. From 2009 to 2013, Sir Paul Tucker was the Deputy Governor of the Bank of England responsible for Financial Stability. Prior to that he held various senior roles at the Bank since 1980, including as a member of the Monetary Policy Committee from 2002. In addition, he was a member of the steering committee of the G20 Financial Stability Board (FSB) and a member of the Board of the Bank for International Settlements. Sir Paul Tucker was born in 1958 and graduated from Trinity College, Cambridge, with a BA in Mathematics and Philosophy. He was knighted in the 2014 New Year Honours for services to central banking.

Walter B. Kielholz, Chairman of the Board of Directors, says: "As part of the ongoing commitment to renew our Board composition, we are very pleased to propose Sir Paul Tucker as a new member for election next year. His 33-year long career with the Bank of England is an impressive testimony to his knowledge of financial markets and in particular in the area of financial stability – bringing invaluable experience and knowledge to our Board."

On track to meet financial targets; update on Swiss Re's strategic framework to be provided at Investors' Day in December 2015

The Group remains committed to its 2011–2015 financial targets. At the Investors' Day on 8 December, Swiss Re will present an update on the Group's strategic framework under which it will seek to reach the two new financial targets, starting in 2016.

Looking ahead, opportunities exist to continue growing profitably, especially in High Growth Markets where insurance penetration is currently still low but increasing wealth is generating greater demand for financial protection. Swiss Re expects that the long-term increase in demand will outweigh the current supply pressures in the market.

Group Chief Executive Officer Michel M. Liès says: "The uncertainty in the market that we have seen for a while continues to exist. Swiss Re is well-capitalised, client-centric and differentiates itself via its underwriting expertise, portfolio steering and R&D to effectively navigate an increasingly demanding business environment. But let's keep sight of the many opportunities that are still out there. The economic cost of natural catastrophes has increased more than fivefold over the last 35 years and insurance hasn't kept pace with the increased risk. In fact, the gap between economic and insured losses has remained stubbornly large. Addressing this insurance gap represents an important long-term opportunity for the industry globally."

Details of year-to-date performance (9M 2015 vs 9M 2014)

		9M 2015	9M 2014
P&C Reinsurance	Premiums earned (USD millions)	11 378	11 678
	Net income (USD millions)	2 274	2 385
	Combined ratio (%)	84.8	82.7
	Return on investment (%, annualised)	3.8	3.6
	Return on equity (%, annualised)	23.3	25.1
L&H Reinsurance	Premiums earned and fee income (USD millions)	8 091	8 440
	Net income (USD millions)	763	272
	Operating margin (%)	10.7	8.8
	Return on investment (%, annualised)	3.6	3.3
	Return on equity (%, annualised)	17.0	5.9
Corporate Solutions	Premiums earned (USD millions)	2 521	2 574
	Net income (USD millions)	324	249
	Combined ratio (%)	91.9	92.9
	Return on investment (%, annualised)	3.2	2.9
	Return on equity (%, annualised)	18.7	12.2
Admin Re®	Premiums earned and fee income (USD millions)	565	731
	Net income (USD millions)	270	219
	Gross cash generation (USD millions)	265	615
	Return on investment (%, annualised)	4.8	5.0
	Return on equity (%, annualised)	6.1	4.9
Consolidated Group (Total)	Premiums earned and fee income (USD millions)	22 555	23 423
	Net income (USD millions)	3 659	3 255
	Earnings per share (USD)	10.69	9.51
	Return on investment (%, annualised)	3.8	3.7
	Return on equity (%, annualised)	14.5	13.3

Details of third quarter performance (Q3 2015 vs Q3 2014)

		Q3 2015	Q3 2014
P&C Reinsurance	Premiums earned (USD millions)	4 108	4 305
	Net income (USD millions)	1 013	842
	Combined ratio (%)	78.0	76.7
	Return on investment (%, annualised)	2.9	2.8
	Return on equity (%, annualised)	34.4	28.0
L&H Reinsurance	Premiums earned and fee income (USD millions)	2 771	2 873
	Net income (USD millions)	268	160
	Operating margin (%)	11.3	9.2
	Return on investment (%, annualised)	3.5	3.3
	Return on equity (%, annualised)	18.5	9.6
Corporate Solutions	Premiums earned (USD millions)	796	903
	Net income (USD millions)	85	103
	Combined ratio (%)	90.7	90.5
	Return on investment (%, annualised)	2.4	2.5
	Return on equity (%, annualised)	15.0	15.4
Admin Re®	Premiums earned and fee income (USD millions)	174	231
	Net income (USD millions)	21	54
	Gross cash generation (USD millions)	126	142
	Return on investment (%, annualised)	4.2	5.2
	Return on equity (%, annualised)	1.5	3.5
Consolidated Group (Total)	Premiums earned and fee income (USD millions)	7 849	8 312
	Net income (USD millions)	1 399	1 227
	Earnings per share (USD)	4.09	3.59
	Return on investment (%, annualised)	3.2	3.5
	Return on equity (%, annualised)	17.3	14.8

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Notes to editors:
Video presentation:
A video presentation of Swiss Re's results for media and analysts and the accompanying slides are available on www.swissre.com.

Media conference call
Swiss Re will hold a media conference call this morning at 08.30 am (CET). The accompanying slides are available on www.swissre.com.

You are kindly requested to dial in 10 minutes prior to the start using the following numbers:

From Switzerland:	+41 (0)58 310 5000
From Germany:	+49 (0)69 25 511 4445
From UK:	+44 (0)203 059 5862
From France:	+33 (0)17091 8706
From USA:	+1 (1)631 570 5613
From Hong Kong:	+852 58 08 1769

Investors' and analysts' conference call
Swiss Re will hold an investors' and analysts' conference call this afternoon at 2.00 pm (CET) which will focus on Q&A.
You are kindly requested to dial in 10 minutes prior to the start using the following numbers:

From Switzerland:	+41 (0)58 310 5000
From Germany:	+49 (0)69 25 511 4445
From UK:	+44 (0)203 059 5862
From France:	+33 (0)17091 8706
From USA:	+1 (1)631 570 5613
From Australia:	+61 28 073 0441

About Swiss Re
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For logos and photography of Swiss Re executives, directors or offices go to www.swissre.com/media

For media 'b-roll' please send an e-mail to media_relations@swissre.com

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:

- instability affecting the global financial system and developments related thereto;
- deterioration in global economic 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;
- 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 its investment policy or the changed composition of its 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 realise amounts on sales of securities on the Group's balance sheet equivalent to their mark-to-market values recorded for accounting purposes;
- the outcome of tax audits, the ability to realise tax loss carryforwards and the ability to realise 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 the Group's hedging arrangements may not 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;
- the cyclicality of the reinsurance industry;
- uncertainties in estimating reserves;
- uncertainties in estimating future claims for purposes of financial reporting, particularly with respect to large natural catastrophes, 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;
- the frequency, severity and development of insured claim events;
- acts of terrorism and acts of war;

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- mortality, morbidity and longevity experience;
- policy renewal and lapse rates;
- extraordinary events affecting the Group's clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- current, pending and future legislation and regulation affecting the Group or its ceding companies and the interpretation of legislation or regulations;
- 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 or other issues experienced in connection with any such transactions;
- 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. The Group 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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