

To the Board of Directors of
Swiss Life Holding AG
General-Guisan Quai 40
8002 Zürich

Zurich, 23 March 2009

Dear Sirs

METHODOLOGY AND ASSUMPTIONS

In accordance with our letter of engagement dated 31 July 2008, we have assessed the Embedded Value Guidelines, their local implementation and management's assumptions. Our work was carried out in accordance with ISAE 3000.

We have assessed whether the Embedded Value Guidelines, version 1.18b, dated 14 January 2009 ("EV Guidelines") prepared by Swiss Life Group ("the Company")'s management correspond with generally accepted actuarial methods. Furthermore we have assessed the reasonableness of the assumptions derived from these guidelines and of the models used by the Company.

The Board of Directors of Swiss Life Holding AG is responsible for EV Guidelines, their local implementation and the assumptions. Our responsibility is to provide a conclusion on the subject matter based on our work.

In our opinion:

- The methodology set out in the EV Guidelines, in all material respects and with due regard to the nature of the business, is appropriate and consistent for the purpose of the (traditional) Embedded Value;
- The local implementation of the methodology is, in all material respects and with due regard to the nature of the business, consistent with the prescriptions of the management of the Company and in line with general market practice;
- The assumptions determined by Swiss Life Group are reasonable to derive the Embedded Value Information.

EMBEDDED VALUE INFORMATION

We have audited the schedule of Embedded Value Information of Swiss Life Group for the period ended 31 December 2008. This schedule is the responsibility of Swiss Life Group's management. Our responsibility is to express an opinion on the schedule based on our audit.

We conducted our audit in accordance with Swiss Auditing Standards and with the International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule is free of material misstatement. Our

audit included examining, on a test basis, evidence supporting the amounts and disclosures in the schedule. An audit also includes assessing the significant estimates made by management, as well as evaluating the overall presentation of the schedule. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the Embedded Value Information at 31 December 2008 has been properly prepared on the basis of the EV Guidelines.

This report has been prepared solely for the Board of Directors of Swiss Life Holding AG in accordance with the terms of our engagement letter. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown except where explicitly agreed by our prior consent in writing. This report does not extend to any financial statements of Swiss Life Holding AG.

Yours sincerely,

PricewaterhouseCoopers AG



Peter Lüssi



Michael Köhler

Enclosures:

- Embedded Value Information
- EV Guidelines

Enclosure 1: Embedded Value information

All amounts are in CHF million.

Summary of Embedded Value:

	31.12.2008	31.12.2007
Switzerland	2'311	4'847
Europe without Switzerland	2'577	4'996
Swiss Life Holding AG (Adjusted Net Asset Value) (*)	3'569	2'994
Total Embedded Value	8'457	12'837
whereas Adjusted Net Asset Value	6'088	8'705
whereas Present Value of Future Profits (PVFP)	3'502	4'880
whereas Cost of Solvency capital	-1'133	-748

(*) The Equity of Swiss Life Holding AG less book value of Swiss Life Rentenanstalt.

Analysis of Changes:

	Swiss Life Group
Reported Value at end of previous year	12'837
Dividend payment 2007	-596
Effect of moving forward 2008	+782
Investment return 2008 variance	-3'568
Future investment return variance	-1'017
150% Cost of holding capital	-484
Non-economic variances	+408
Tax effects	+240
Change in currency exchange rate	-238
Value of new business 2008	+78
Various	+15
Reported Value at end of period	8'457

Sensitivities – Business in Force:

	Switzerland	Europe without Switzerland	Other effects	Total
Base Case	2'311	2'577	3'569	8'457
Bond returns + 100 bps	+41	+207	---	+248
Bond returns - 100 bps	-216	-197	---	-413
Property & Equity Return - 100 bps	-267	-67	---	-334
Investment return + 100 bps	+421	+313	---	+734
Investment return - 100 bps	-618	-303	---	-921
RDR - 100 bps	+272	+199	---	+471
Cost of holding capital at 100%	+314	+343	---	+657

Sensitivities – New business:

	Total Swiss Life Group
Base Case	78
Bond return + 100bps	+29
Investment return + 100 bps	+49
Risk Discount Rate - 100 bps	+34
Administration costs -10%	+22
Acquisition costs -10%	+24
Cost of Holding Capital at 100%	+38

Economic assumptions - Return assumptions per asset class:

	Switzerland		Europe without Switzerland	
	Current	in 5 years	Current	in 5 years
Risk discount rate	7.0%	7.0%	8.0%	8.0%
Total weighted new money return	2.7%	3.5%	3.9%	4.8%
Return assumptions per asset class				
Bonds return	2.4%	3.3%	3.5%	4.7%
Real Estate return	4.8%	4.7%	5.1%	5.4%
Equities return	6.5%	6.5%	7.5%	7.5%
Return on participations / alternative investments	6.5%	6.5%	7.5%	7.5%