

Full-year results 2013 Investors' presentation

Zurich, 26 February 2014

Agenda

→ **Overview**

Financial results and
Swiss Life 2015

Bruno Pfister

Thomas Buess

Highlights FY 2013 results

FY 2013 vs. FY 2012

- Adjusted profit from operations improved by 13% to CHF 1 143 m
- Net profit increased from CHF 99 m to CHF 784 m
- Premiums grew 4% in local currency to CHF 18.0 bn
- Fee and commission income up by 1% to CHF 1 157 m
- Asset Managers' external customer business acquired net new assets of CHF 5.6 bn
- Resilient direct yield of 3.4% (FY12: 3.5%) and net investment yield of 3.9% (FY12: 4.8%)
- Cost base 1% down despite growth and investments in fee initiatives; improved efficiency ratios
- New business margin increased to 2.2% (FY12: 1.4%) and value of new business up to CHF 289 m (FY12: CHF 158 m)
- Group solvency at 210% (FY12: 239%); SST in the green based on our internal model¹⁾

1) Model is partially approved by FINMA

Key figures FY 2013 results

FY 2013 vs. FY 2012

Adjusted profit from operations	➔	CHF 1 143 m	+13%
Net profit	➔	CHF 784 m	+685 m
GWP incl. PHD (in local currency)	➔	CHF 18.0 bn	+4%
Fee and commission income	➔	CHF 1 157 m	+1%
New business margin (% PVNBP)	➔	2.2%	+0.8 pts
Shareholders' equity	➔	CHF 8.9 bn	-12%
Return on equity ¹⁾	➔	10.0%	+8.7 pts
Group solvency	➔	210%	-29 pts
Dividend (proposed)	➔	CHF 5.50	CHF +1.00

1) Equity excl. unrealised gains/losses on bonds

Agenda

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→ **Financial results and
Swiss Life 2015**

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Income statement

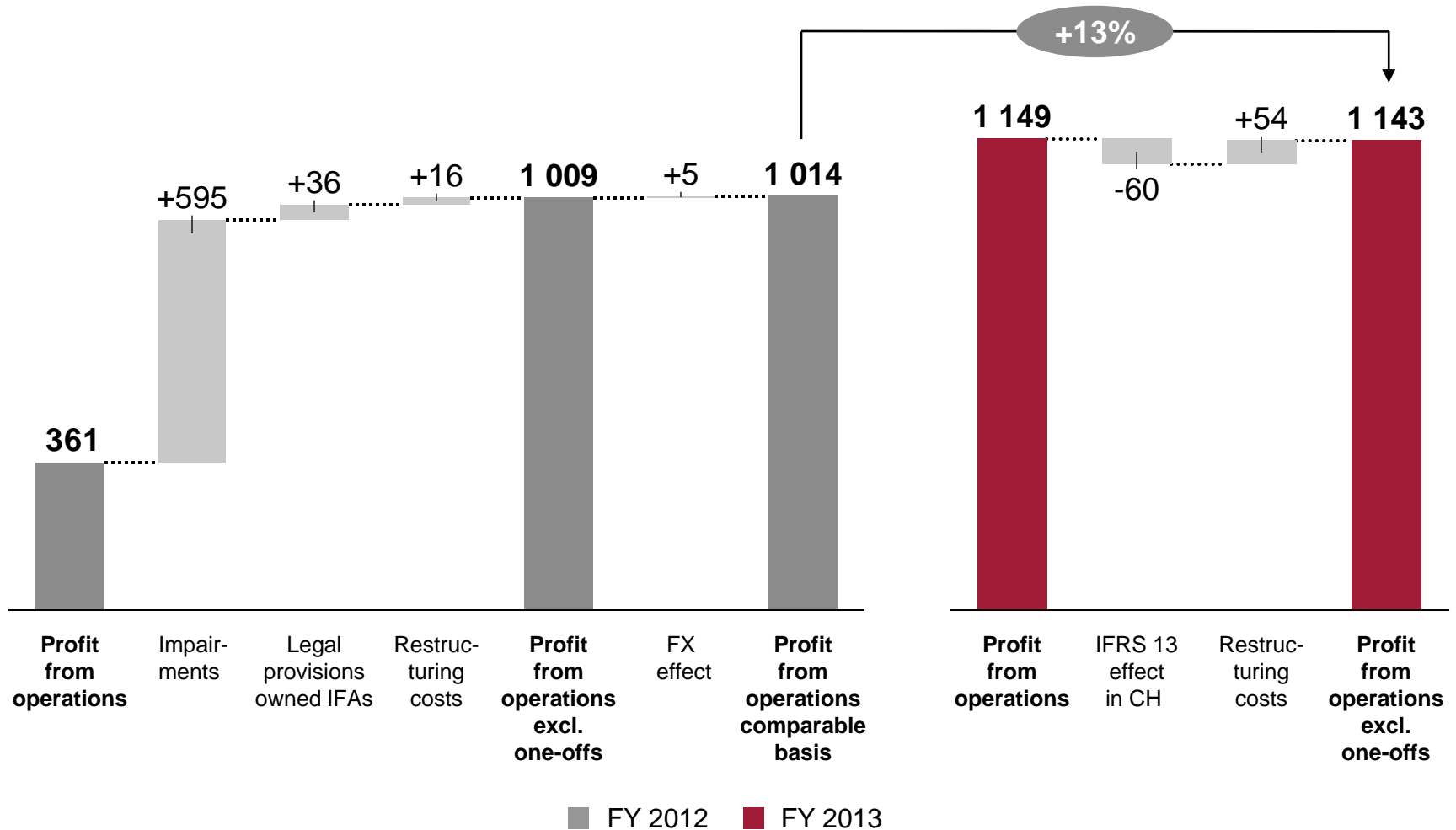
CHF million (IFRS basis)

	FY 2012	FY 2013
Gross written premiums, fees and deposits received	17 046	17 969
Commission income	826	840
Financial result for own risk	6 015	5 379
<i>Net investment result insurance portfolio for own risk</i>	5 731	4 949
Net insurance benefits and claims	-13 819	-13 920
Policyholder participation	-1 115	-1 361
Operating expense	-3 534	-2 809
Profit from operations	361	1 149
Borrowing costs	-125	-148
Income tax expense	-138	-218
Net profit	99	784
Earnings per share (in CHF)¹⁾	3.05	24.22

1) Diluted, based on 32 044 682 shares in FY12 and 32 274 253 shares in FY13

Profit from operations excluding major one-off effects

CHF million (IFRS basis)



Business review Switzerland

CHF million (IFRS basis, MCEV)

	FY 2012	FY 2013	Change	
GWP incl. PHD	8 292	9 020	+9%	<ul style="list-style-type: none"> GL: +13% (market +8%); strong new business and lower lapses IL: -10% (market -1%); focus on profitability
Fee and commission income ¹⁾	167	166	-0%	<ul style="list-style-type: none"> Owned IFA and new income sources largely offset lower policy fees
Operating expense adjusted ²⁾	-407	-396	-3%	<ul style="list-style-type: none"> Cost savings
Segment result	613	716	+17%	<ul style="list-style-type: none"> Further improved cost result; strong investment result
New business margin (% PVNBP)	1.9%	3.0%	+1.1 pts	<ul style="list-style-type: none"> Improved persistency and higher volumes in GL; re-pricings and new products in IL
MCEV	5 053	6 287	+24%	<ul style="list-style-type: none"> Strong new business, continued balance sheet strengthening and improved persistency

1) Net earned policy fees and commission income 2) Excluding unallocated corporate costs

Business review France

EUR million (IFRS basis, MCEV)

	FY 2012	FY 2013	Change	
GWP incl. PHD	3 533	3 806	+8%	<ul style="list-style-type: none"> ▪ Volume growth above personal insurance market (+5%) ▪ Life: +15% (market +6%); very high UL share of 35% (market 14%) ▪ Health & disability: +0% (market +4%)
Fee and commission income ¹⁾	177	202	+14%	<ul style="list-style-type: none"> ▪ Substantial growth in UL
Operating expense adjusted ²⁾	-276	-280	+1%	<ul style="list-style-type: none"> ▪ Improved efficiency despite investment in infrastructure and growth initiatives
Segment result	133	157	+18%	<ul style="list-style-type: none"> ▪ Strong fee contribution; higher efficiency; improved combined ratios in health & protection and P&C
New business margin (% PVNBP)	1.4%	1.7%	+0.3 pts	<ul style="list-style-type: none"> ▪ Higher share of UL in life; lower acquisition expenses; improved capital market environment
MCEV	1 735	1 990	+15%	<ul style="list-style-type: none"> ▪ Strong new business; efficiency gains; effects from ANI on health business offset

1) Net earned policy fees and commission income 2) Excluding unallocated corporate costs

Business review Germany

EUR million (IFRS basis, MCEV)

	FY 2012	FY 2013	Change	
GWP incl. PHD	1 403	1 401	-0%	<ul style="list-style-type: none"> IL: Higher volumes with modern and risk products; lower traditional business due to re-pricings and product focus GL: Higher premiums Overall market +4%
Fee and commission income ¹⁾	352	311	-11%	<ul style="list-style-type: none"> Reduced revenues from owned IFAs due to lower number of financial advisors
Operating expense adjusted ²⁾	-219	-215	-2%	<ul style="list-style-type: none"> Cost savings in context of owned IFAs' integration
Segment result	-158	78	n.m.	<ul style="list-style-type: none"> Strong financial result; 2012 impacted by impairments of EUR 220 m
New business margin (% PVNBP)	0.6%	2.7%	+2.1 ppts	<ul style="list-style-type: none"> Substantial increase of risk business; lower share of traditional business; continuous pricing discipline
MCEV	420	545	+30%	<ul style="list-style-type: none"> Strong operating earnings; improved capital market environment

1) Net earned policy fees and commission income 2) Excluding unallocated corporate costs

Business review International

CHF million (IFRS basis, MCEV)

	FY 2012	FY 2013	Change	
GWP incl. PHD	2 892	2 643	-9%	<ul style="list-style-type: none"> Lower HNWI volumes and higher premiums in corporate business
Fee and commission income ¹⁾	227	231	+2%	<ul style="list-style-type: none"> Policy fees up mainly due to growth of AuC of HNWI business; revenues from owned IFAs stable
Operating expense adjusted ²⁾	-131	-118	-10%	<ul style="list-style-type: none"> Focusing on two carriers for new business; overhead reductions
Segment result	-334	16	n.m.	<ul style="list-style-type: none"> FY12 at CHF -15 m excl. one-offs; higher fee income and cost reductions
New business margin (% PVNBP)	1.0%	1.0%	-0.0 pts	<ul style="list-style-type: none"> Lower volumes compensated by substantial cost savings
MCEV	234	277	+18%	<ul style="list-style-type: none"> Positive contribution from HNWI and corporate business

1) Net earned policy fees and commission income 2) Excluding unallocated corporate costs, FX adjusted

Business review Asset Managers

CHF million (IFRS basis, AuM fair value basis)

	FY 2012	FY 2013	Change	
Total income	340	377	+11%	<ul style="list-style-type: none"> Strong growth in all business areas; more favourable asset mix at insurance mandates; strong NNA and new facility management mandates in business with external customers
– Insurance mandates	209	228	+9%	
– External customers	129	146	+13%	
– o/w other	2	3	n.m.	
Operating expense adjusted ¹⁾	-160	-173	+8%	<ul style="list-style-type: none"> Investments in growth initiatives for external customer business
Segment result	138	166	+21%	<ul style="list-style-type: none"> Substantially improved cost/income ratio
Net new assets from external customers	2 361	5 628	+138%	<ul style="list-style-type: none"> Very strong inflows in institutional fixed income mandates as well as real estate and money market funds
Assets under management	148 466	155 081	+4%	
– Insurance mandates	127 957	127 499	-0%	<ul style="list-style-type: none"> Net inflows offset by lower valuations
– External customers	20 509	27 582	+34%	<ul style="list-style-type: none"> Mainly due to strong NNA

1) Excluding unallocated corporate costs

Expense development

CHF million (IFRS basis)

	FY 2012	FY 2013	Change
Total operating expense	2 939¹⁾	2 809	-4%
Commissions and DAC amortisation	-1 487	-1 357	
Operating expense (before FX)	1 452	1 451	-0%
Restructuring costs and one-offs	-69	-71	
Scope changes	-6	-2	
FX effect	13		
Operating expense adjusted	1 390	1 378	-1%
of which - Market Units	1 206	1 182	-2%
- Asset Managers	164	177	+8%

1) FY12: Operating expense CHF 3 534 m – impairments CHF 595 m = CHF 2 939 m

Investment result

CHF million (IFRS basis), insurance portfolio for own risk

	FY 2012	FY 2013
Direct investment income	4 270	4 296
Direct investment income in %	3.5%	3.4%
Expense	-242	-276
Net capital gains/losses on investments and impairments ¹⁾	1 703	930
Net investment result	5 731	4 949
Net investment result in %	4.8%	3.9%
Changes in unrealised gains/losses on investments	3 998	-5 813
Total investment result	9 729	-864
Total investment result in %	8.1%	-0.7%
Average net investments	120 492	125 581
Total investment performance (fair value) in %	8.6%	-1.8%

1) Including FX gains/losses on hybrid (FY12 CHF 15 m; FY13 CHF -29 m)

Investment portfolio

CHF million (fair value basis), insurance portfolio for own risk

Equities & equity funds
Alternative investments
Real estate

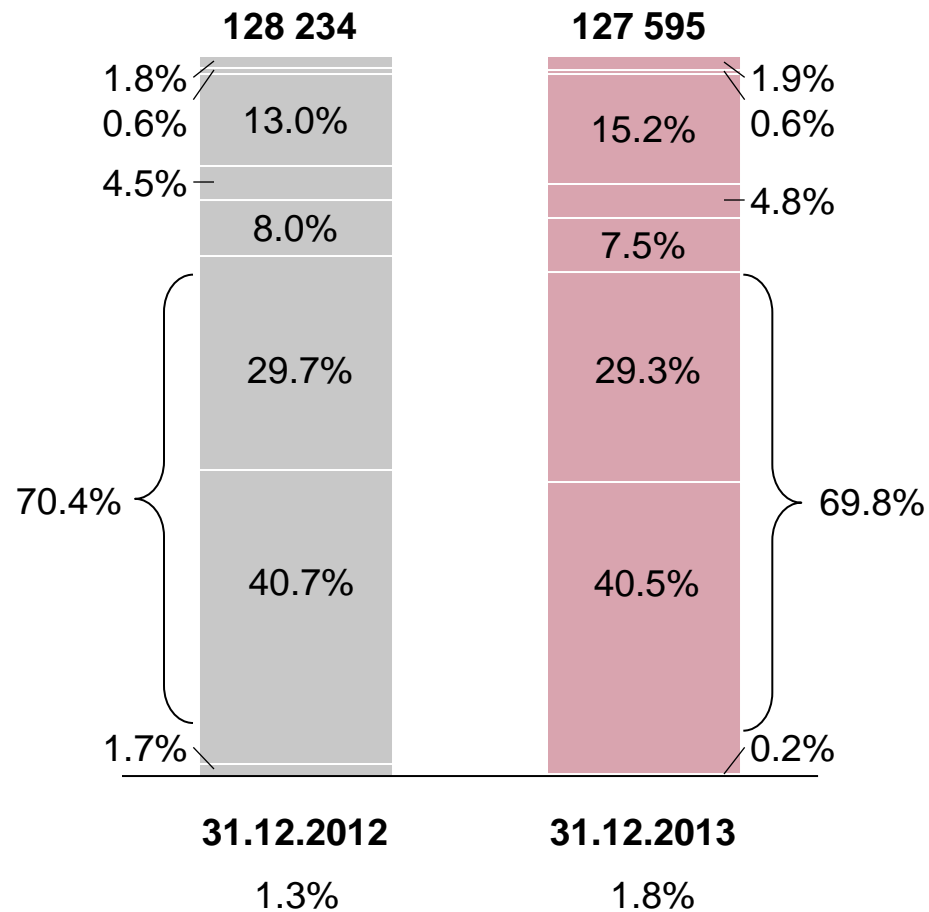
Mortgages
Loans

Government &
supranational bonds

Corporate bonds

Cash and other

Net equity exposure



Insurance reserves and borrowings

CHF million (IFRS basis)

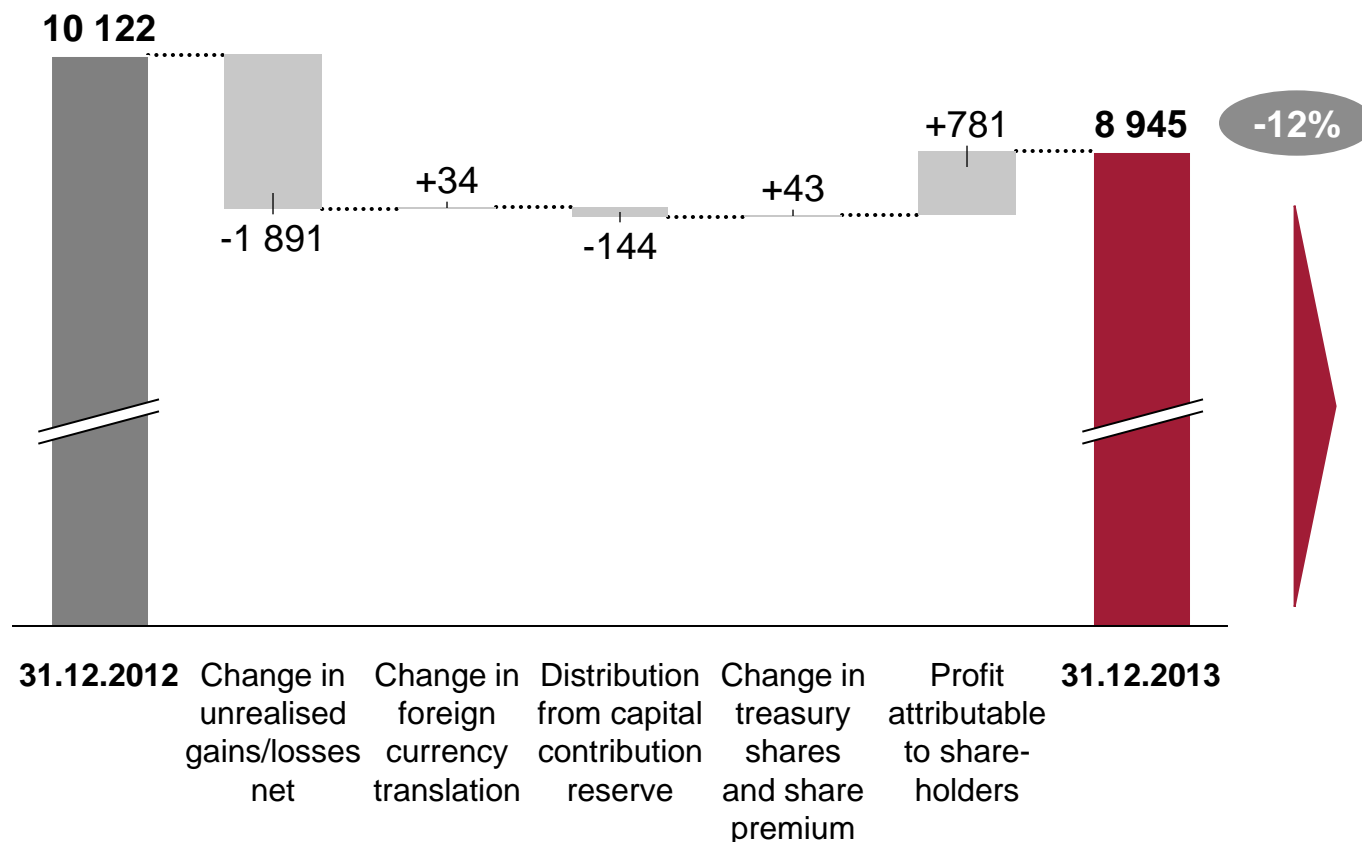
	31.12.2012	31.12.2013		Local currency
Insurance reserves	137 736	142 479	+3%	+3%
Policyholder participation liabilities	8 139	5 481		
<i>Insurance reserves w/o PH liabilities</i>	<i>129 597</i>	<i>136 998</i>	<i>+6%</i>	<i>+5%</i>
Insurance liabilities	97 474	101 432		
Investment contracts	11 553	13 130		
Unit-linked contracts	20 570	22 436		
Borrowings	2 768	3 677	+33%	



Shareholders' equity and group solvency

CHF million (IFRS basis)

Shareholders' equity

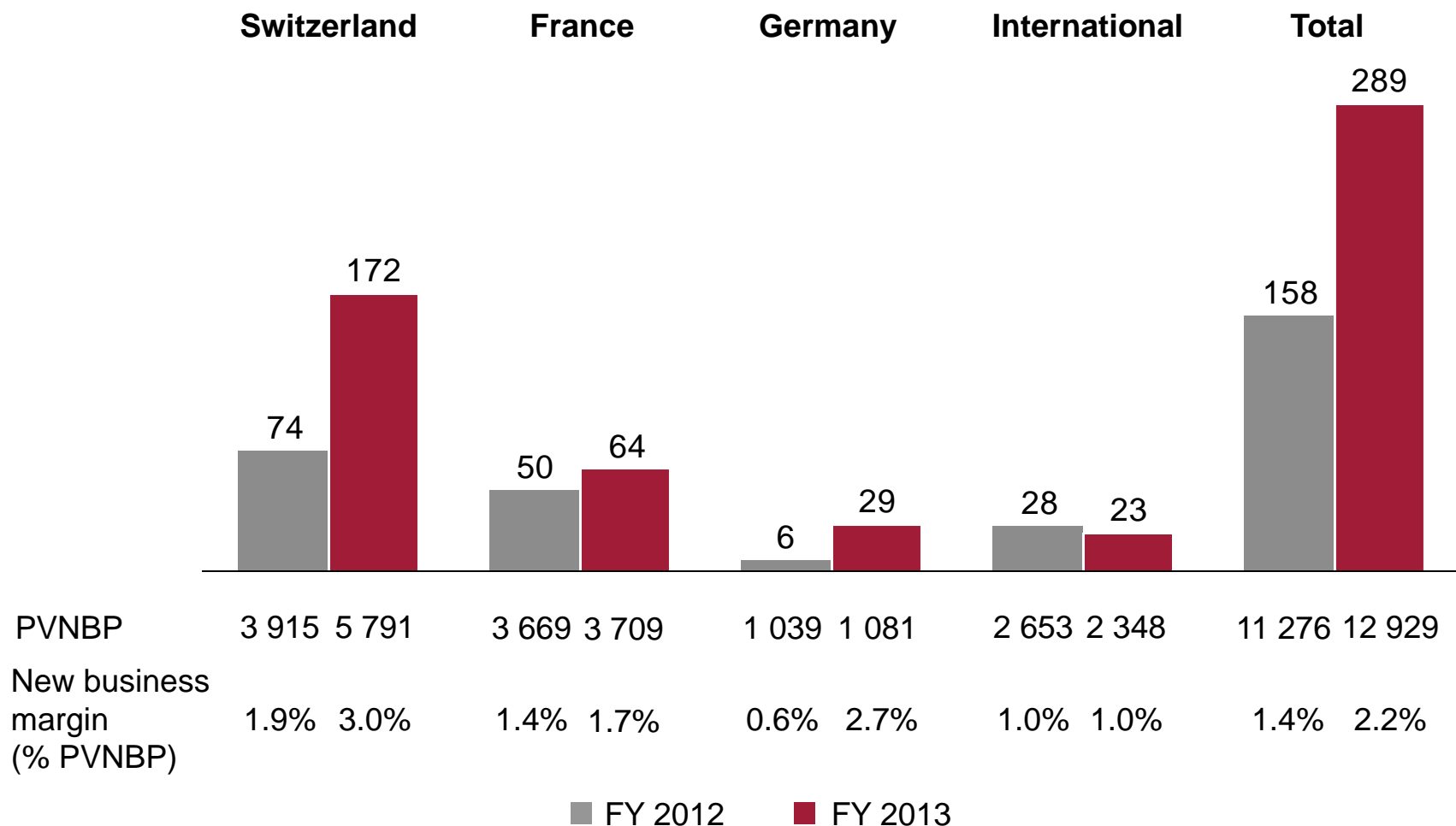


Group solvency

- 210% (FY 2012: 239%)
- 196% excl. unrealised gains/losses on bonds (FY 2012: 186%)

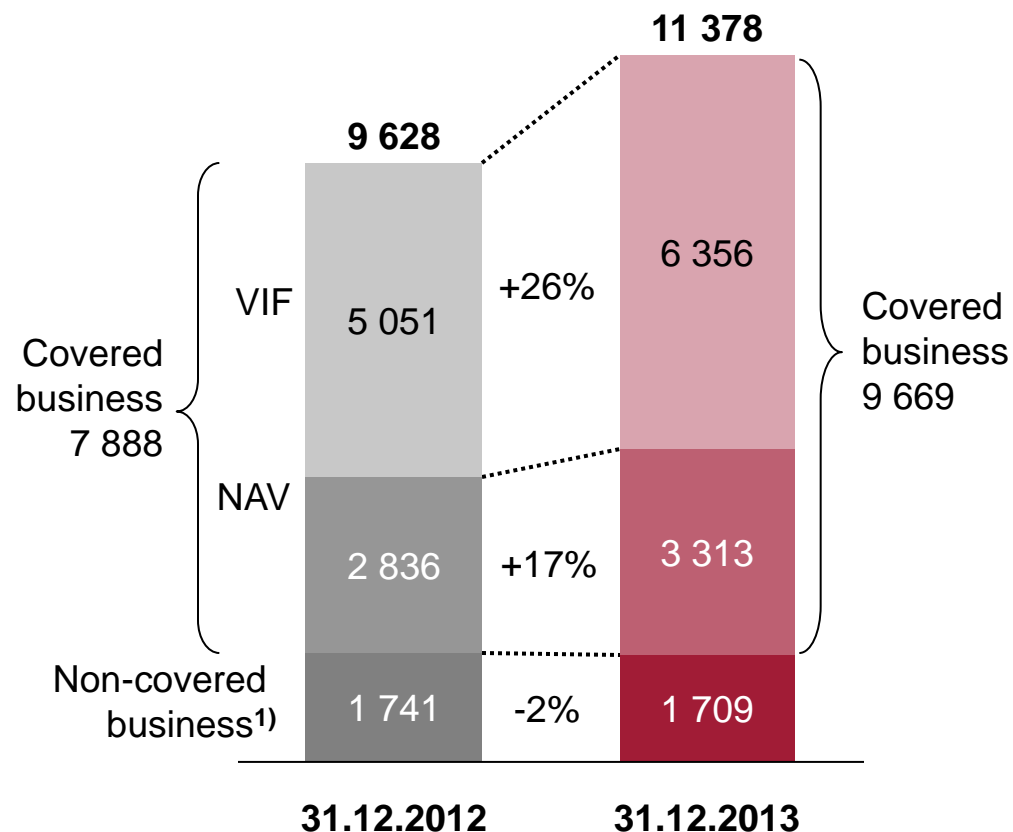
Value of new business

CHF million (MCEV)



Group MCEV

CHF million



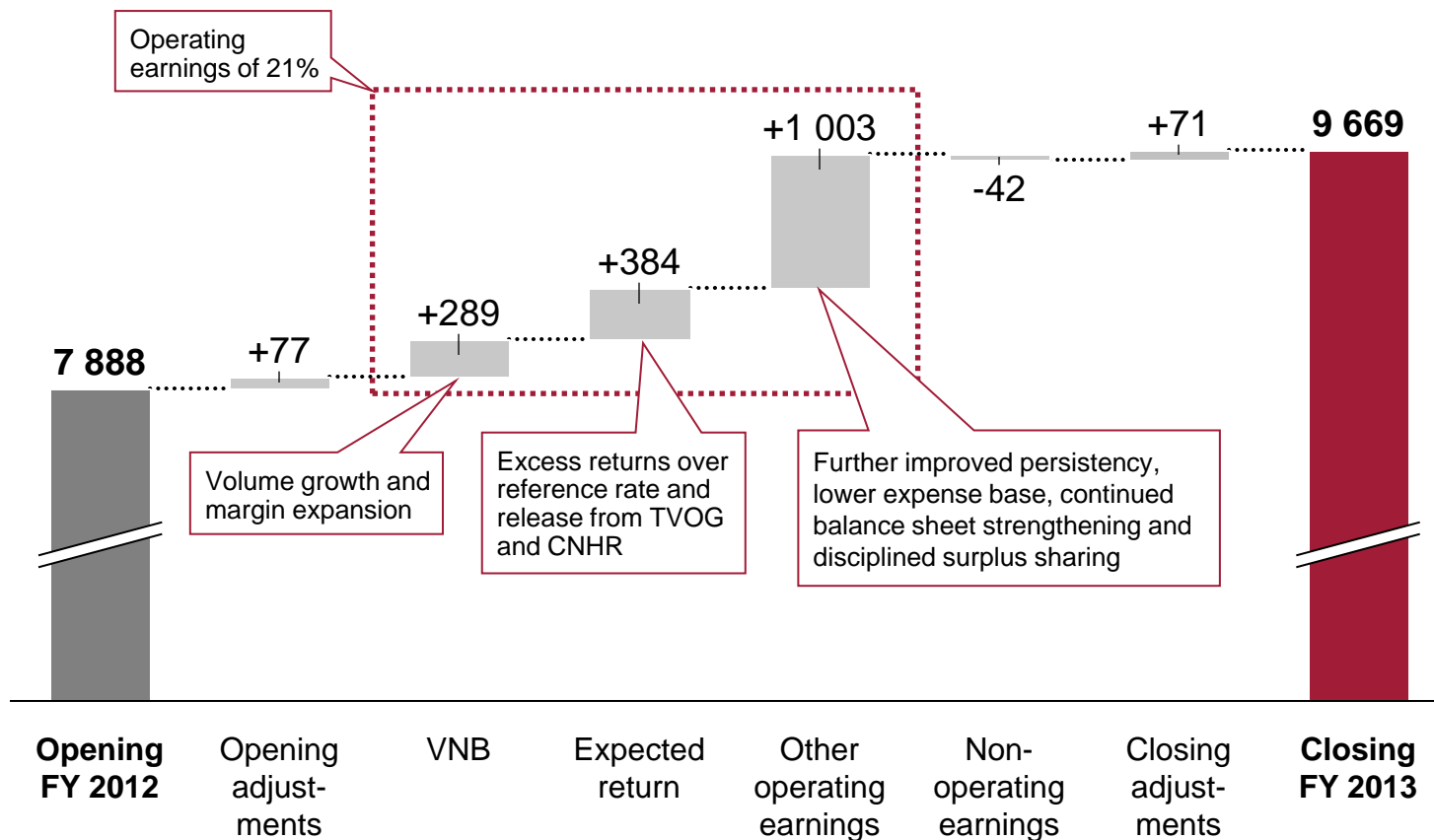
- Group MCEV increased by 18%
- Value of covered business up 23% as a result of strong operating earnings of CHF 1.7 bn
- Value of non-covered business: Operating earnings offset by dividends and transfers
- MCEV per share²⁾: CHF 357 from CHF 302 (FY12)

1) Non-covered business consists mainly of Swiss Life Holding and owned IFAs

2) Based on 31.9 m shares outstanding at 31.12.2013

MCEV covered business

CHF million, MCEV covered business



Swiss Life 2015: Increase earnings and improve resilience through disciplined execution



SwissLife



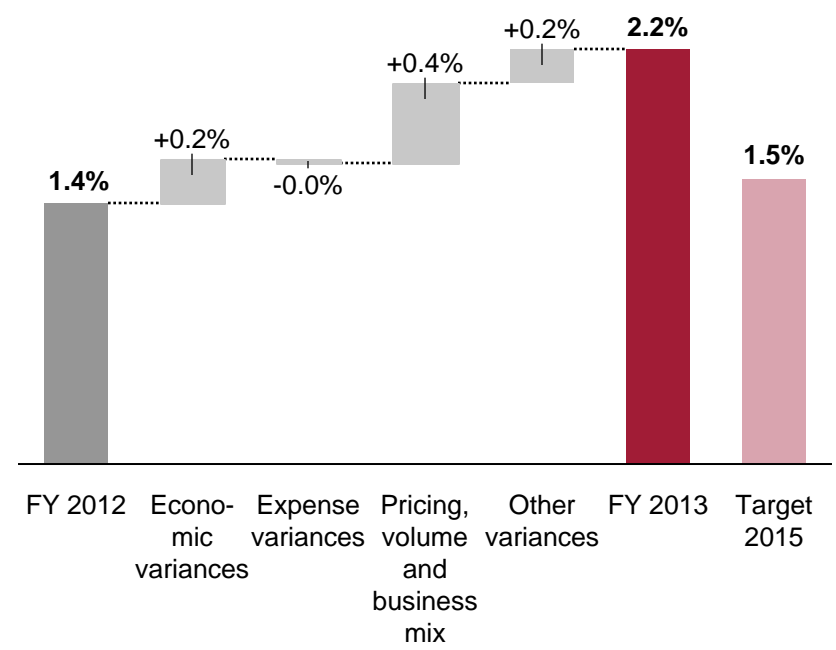


Wide range of customer centricity measures

Ambition	Measures
Know your customer	<ul style="list-style-type: none"> ▪ Customer Centricity Framework implemented ▪ Strategic customer segmentation launched ▪ Introduction of new Customer Relationship Management systems
Design innovative and value-creating bundles of products and services	<ul style="list-style-type: none"> ▪ Customer focus groups involved in new product and service development ▪ Switzerland: Self-service online portal for corporate customers launched ▪ Germany: Improved service guarantees for Swiss Life Select customers ▪ International: Chase de Vere successfully positioned in fee-based advisory
Enlarge customer engagement	<ul style="list-style-type: none"> ▪ Direct customer feedback initiated ▪ France: Front and back offices addressing HNWI and affluent customers merged
Build a customer centric culture and vision	<ul style="list-style-type: none"> ▪ Brand Personality simplified and focused ▪ Involvement programme for all employees launched emphasizing Swiss Life's customer centricity ▪ Self-assessment of customer centricity made part of employee survey

Continued pricing discipline and margin management

New business margin development
(VNB as % of PVNBP)



PVNBP	11 276	12 929
APE	1 100	1 184
VNB	158	289
NBM (APE)	14.4%	24.4%

Economic variances

- Higher interest rates

Expense variances

- Lower admin expenses offset by structural re-assessments

Pricing, volume and business mix

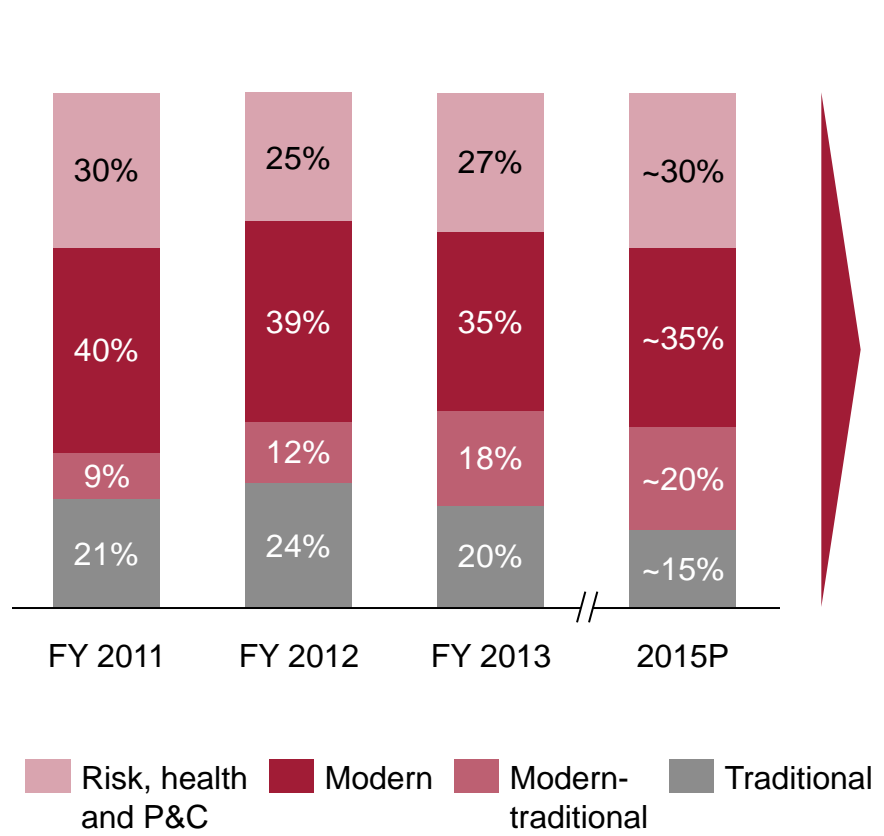
- CH: Continued pricing discipline, new modern-traditional products in individual life and real estate funds in group life
- FR: Strong UL business in life and scale effects more than offset margin pressure in health driven by ANI
- DE: Increasing risk business, targeted de-emphasis of products and disciplined approach towards guarantee levels and surplus sharing
- IN: New business focus on two carriers and cost reductions contain impacts from lower volumes

Other variances

- Driven by persistency improvement in Swiss group life business

New business mix heading towards 2015 target

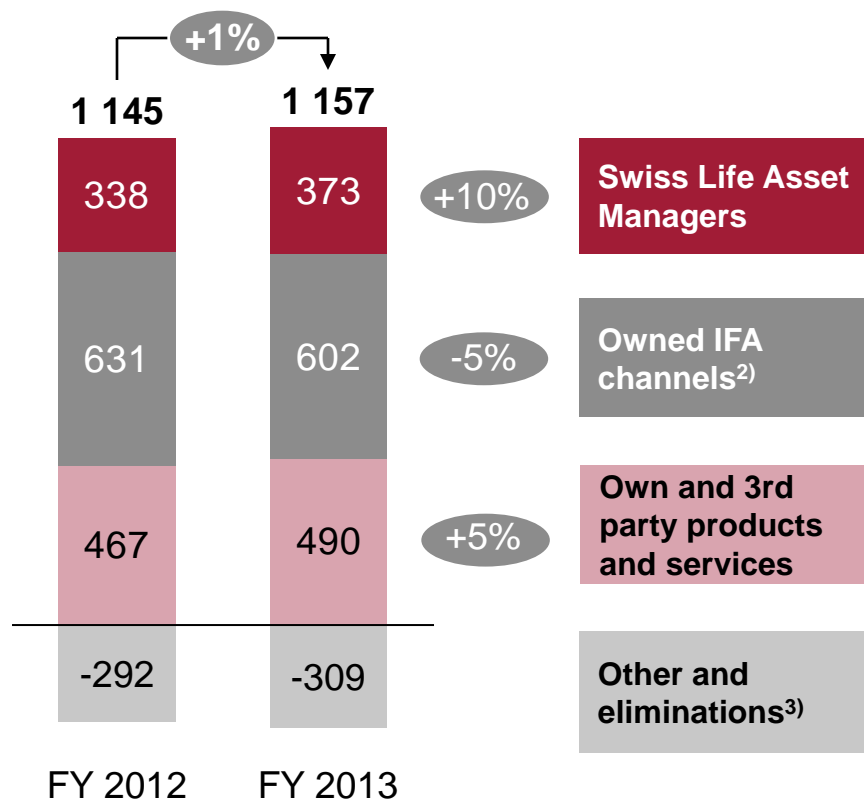
New business production (NBP)



- Risk, health and P&C**
 - FR: Lower sales of individual health in anticipation of ANI
 - DE: Increased production in disability and long-term care
- Modern**
 - CH: Withdrawal of low margin savings product in Q4 2012
 - FR: UL share supported by HNWI positioning and product management strategy
 - IN: HNWI production below previous year
- Modern-traditional**
 - CH: Strong production of a savings product
- Traditional**
 - CH: Shift to modern-traditional after re-pricings in individual life, continued demand for full insurance solutions in group life
 - DE: Lower share of traditional products following stricter underwriting with focus on margins

Asset Managers and unit-linked business supporting fee and commission income

Fee and commission income¹⁾, CHF million



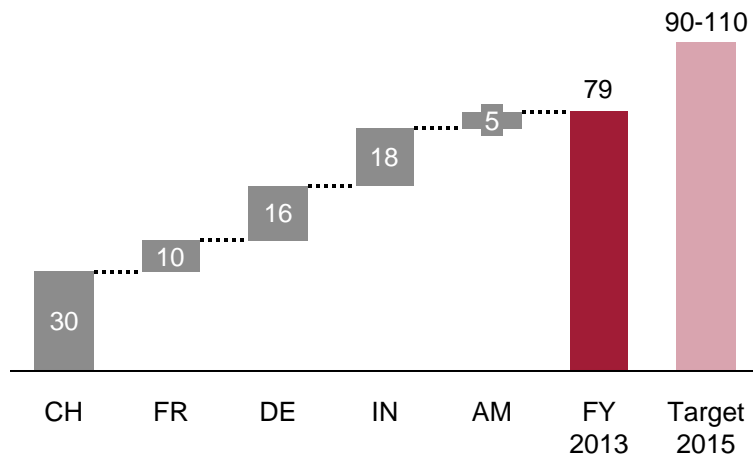
- External customer business: Higher commissions due to increased AuM and new mandates in facility management; insurance mandates: Optimised asset mix
- Lower number of financial advisors in Germany; higher commission income of owned IFAs in other markets
- Strong unit-linked business in France and higher assets under control at HNWI in International

1) Net earned policy fees as well as commission income gross which includes asset management fees
 2) Swiss Life Select, Tecis, Horbach, Proventus, Chase de Vere and Pôle Agami
 3) Eliminations attributable to Swiss Life Asset Managers' insurance mandates and owned IFA channels

About 75% of targeted cost savings implemented

CHF million (project view), vs. cost base FY 2011

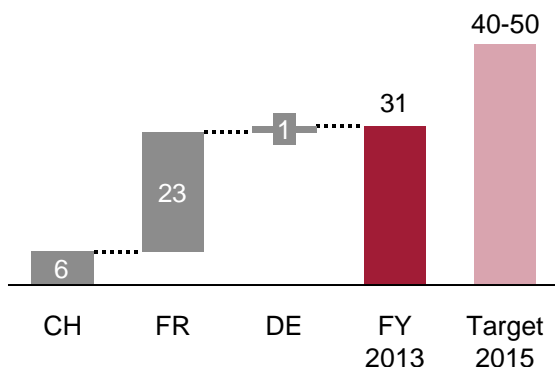
Operating cost savings¹⁾



About 80% of targeted 2015 operating cost savings implemented by FY13

- CH: Staff reduction, mainly in IT
- FR: Process optimisations
- DE: Lower back office expenses, mainly in owned IFAs
- IN: Cost reductions particularly due to two carrier strategy
- AM: Group-wide asset management system implemented
- ▶ Total non-recurring restructuring costs of CHF 100 m incurred by FY 2013 (28% in 2012 and 72% in 2013)

Variable acquisition cost savings¹⁾



Nearly 70% of targeted 2015 variable acquisition cost savings implemented by FY13

- CH: Adjustments in own sales force compensation
- FR: Revised broker commission scheme in health
- DE: Optimisation of sales structure

1) At constant EUR CHF FX rate of 1.20

Further improved efficiency ratios

Adjusted IFRS basis

Adjusted operating expense in % of average technical reserves (excl. deferred PHP)

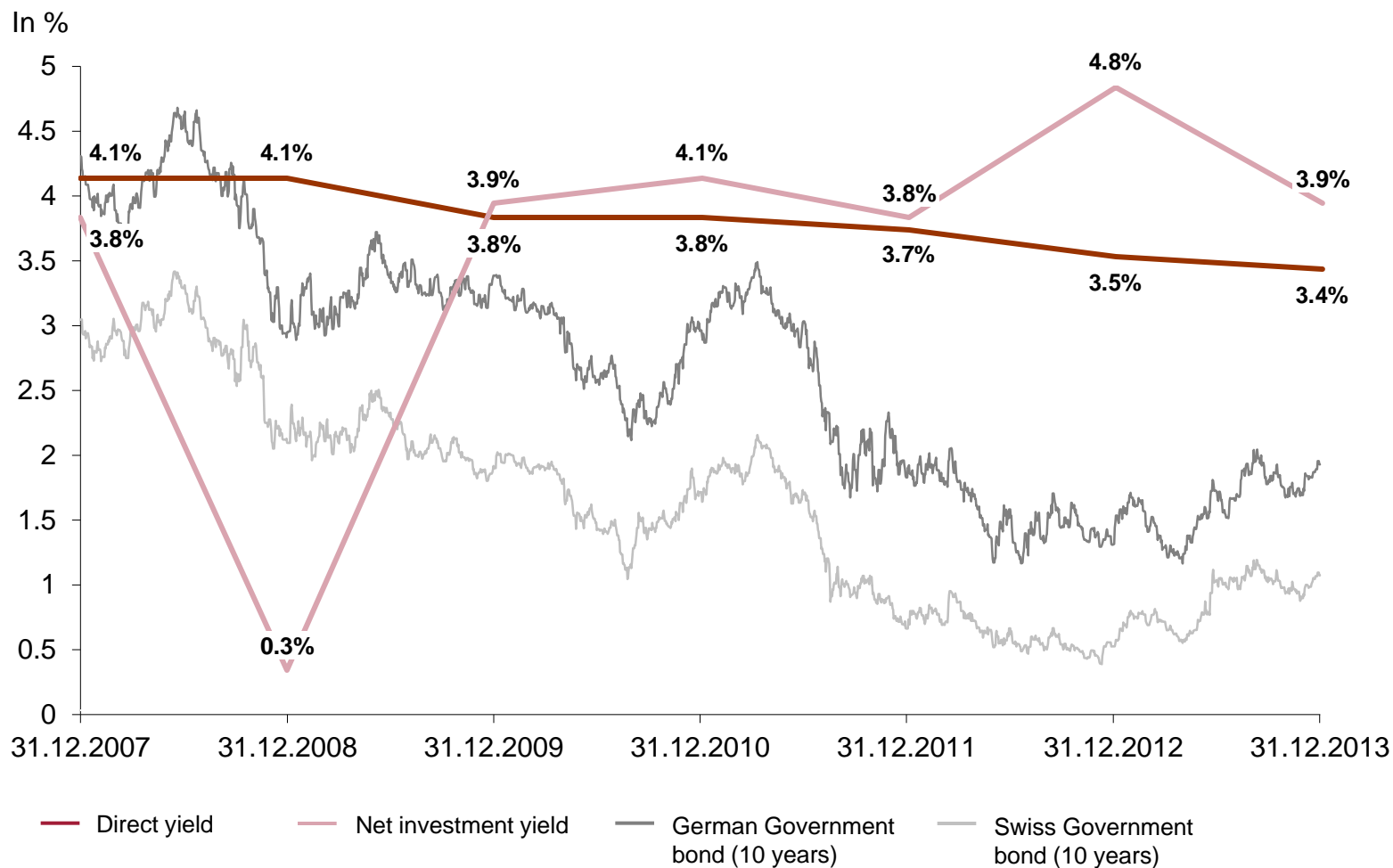
Owned IFAs expense excluded

	FY 2008	FY 2012	FY 2013	Change vs. FY 2012	FY 2015P
Switzerland	0.81%	0.54%	0.50%	-4 bps	
France ¹⁾	1.96%	1.57%	1.49%	-8 bps	
<i>France Life</i>	<i>0.79%</i>	<i>0.67%</i>	<i>0.66%</i>	-1 bps	
Germany	0.88%	0.78%	0.75%	-3 bps	
International	0.91%	0.38%	0.36%	-2 bps	
Total Insurance²⁾	0.99%	0.72%	0.68%	-4 bps	0.63%-0.68%

1) France adjusted for Garantie Assistance in 2012 2) FX adjusted

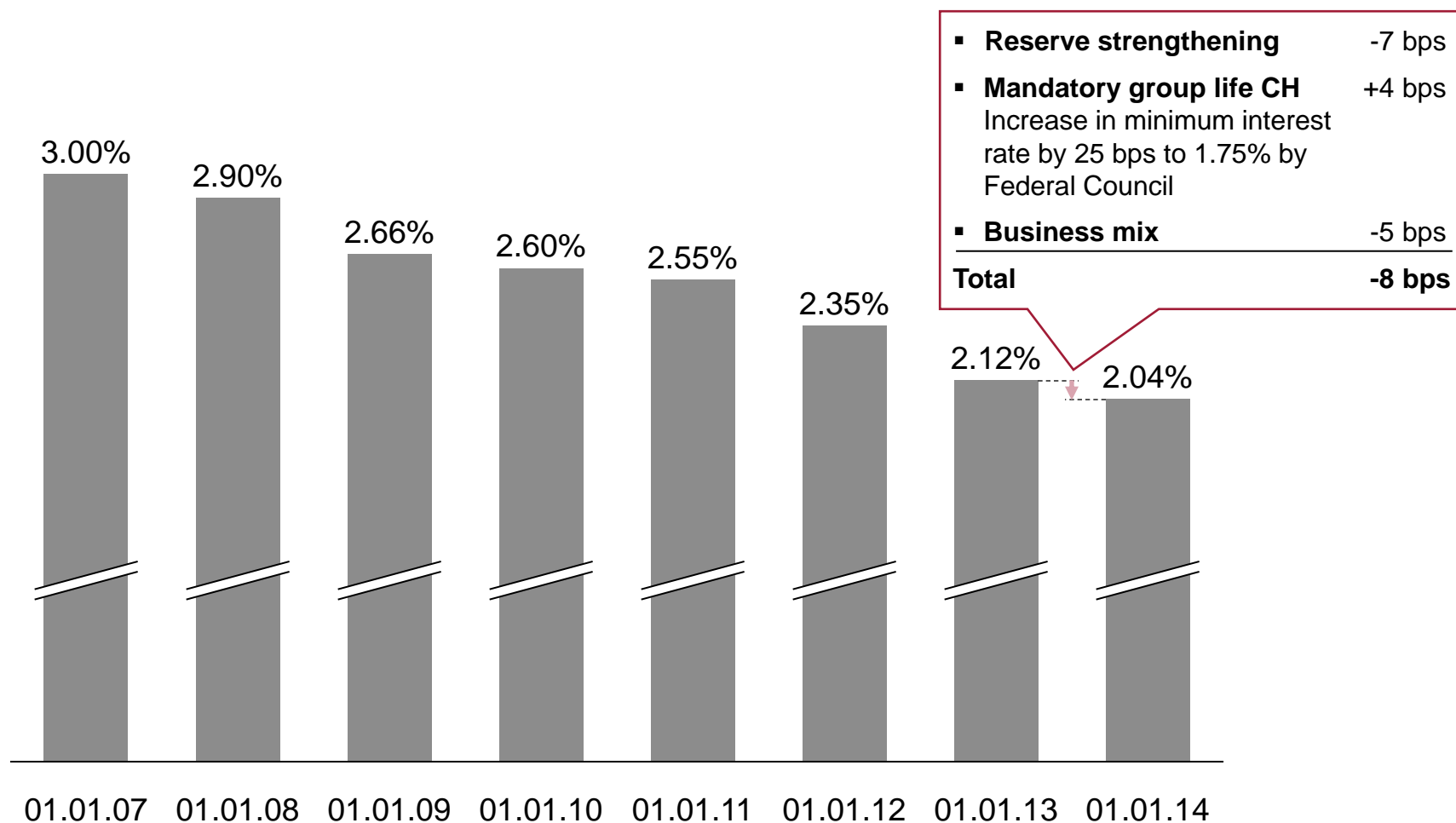
Continued strong returns in a low interest rate environment

Direct yield and net investment yield (IFRS basis)



Development of average technical interest rate

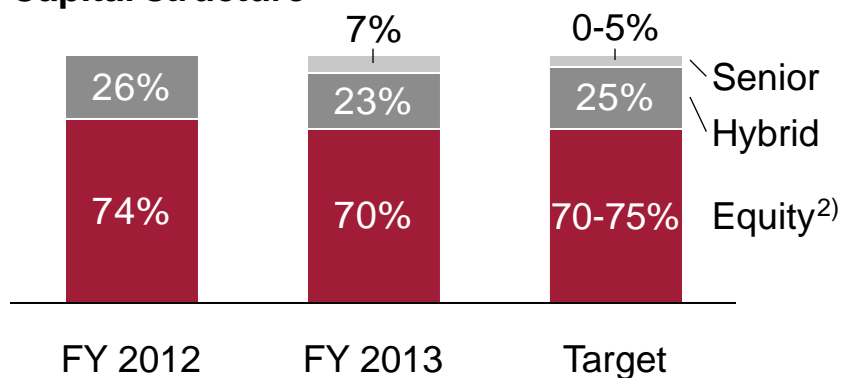
Statutory basis



Well-balanced capital structure and debt maturity profile

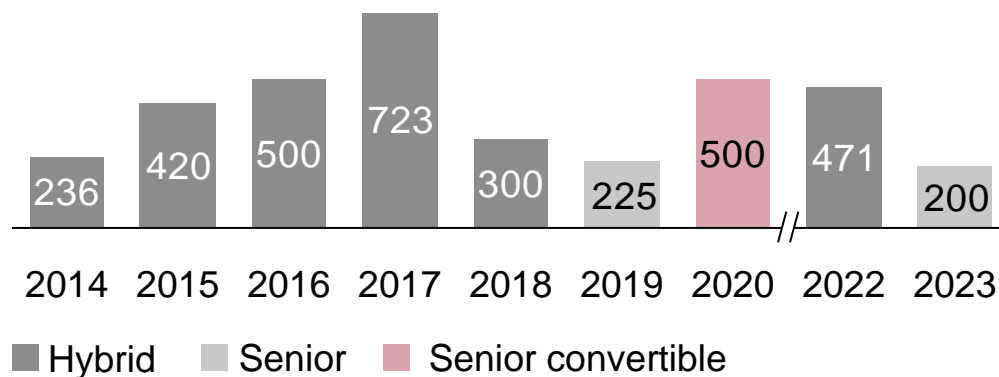
IFRS basis, as per 31.12.2013

Capital structure¹⁾



Maturities (senior) and next optional call dates (hybrid)

Nominal value, CHF million



Capital market transactions in 2013:

- Dual-tranche senior bonds
 - CHF 225 m due 2019 with 1.125% coupon
 - CHF 200 m due 2023 with 1.875% coupon
- CHF 500 m senior convertible bonds due 2020 with 0% coupon

1) Financing debt only; excluding mortgage loans of CHF 174 m 2) Excluding unrealised gains/losses on bonds








Profit by source driven by improved efficiency and fee business result

CHF million (IFRS basis)

	FY 2012 adjusted		FY 2013 adjusted	
Savings result	879	82%	839	69%
Risk result	354	33%	272	22%
Cost result	-314	-29%	-143	-12%
- <i>Thereof admin cost result gross¹⁾</i>	24	+2%	67	+6%
Fee result	122	11%	190	16%
Others & eliminations	35	3%	51	4%
Segment result	1 075	100%	1 208	100%
- Unallocated corporate costs	-61		-65	
Profit from operations	1 014		1 143	

1) Gross = before policyholder participation

Well on track with Swiss Life 2015

Strategic thrust	Target	Status	
<p>Customer promise</p> <p>1 Increase quality and quantity of touch points with customers</p> 	<p>2 Offering</p>	<ul style="list-style-type: none"> ▪ New business margin: >1.5% ▪ New business shift: ~85% of NBP from risk, modern and modern-traditional products 	 
	<p>3 Distribution</p>	<ul style="list-style-type: none"> ▪ Fee and commission income: Increase by 20-25% 	
	<p>4 Efficiency and quality</p>	<ul style="list-style-type: none"> ▪ Cost savings: CHF 130-160 m (project view) ▪ Efficiency: Improve efficiency ratios 	 
	<p>5 Financial strength</p>	<ul style="list-style-type: none"> ▪ Adjusted RoE: 8-10% ▪ Dividend payout ratio: 20-40% 	
	<p>Profit by source:</p> <ul style="list-style-type: none"> ▪ Savings result <50% ▪ Fee and risk result 60-70% ▪ Admin cost result >0% 		

Full-year results 2013
Investors' presentation
Supplementary information

Supplementary information

→ Profit and loss

Balance sheet

Investments

Market consistent embedded value (MCEV)

Contact details and financial calendar

Restatement and reclassification effects in FY 2012 figures

IAS 19 Employee Benefits (revised)

- Net profit from CHF 93 m as at FY 2012 reported to CHF 99 m restated
- Shareholders' equity from CHF 10 253 m as at FY 2012 reported to CHF 10 122 m restated

IAS 28 Investments in Associates and Joint Ventures (revised)

- Share of profit or loss of associates of CHF 8 m as at FY 2012 reclassified into profit from operations and therefore included in segment results

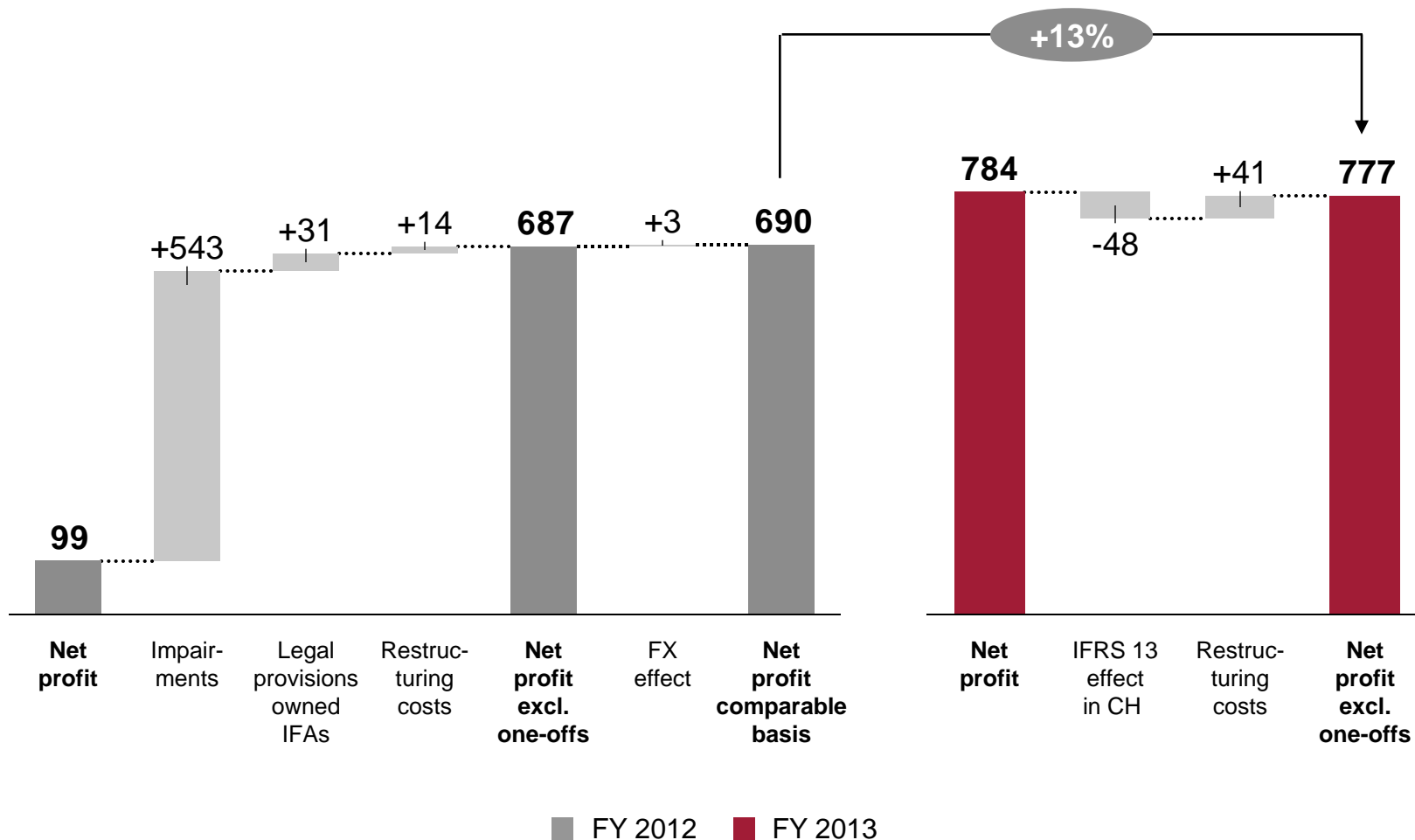
New segment structure

- Swiss Life Select, Tecis, Horbach, Proventus and Chase de Vere (former AWD) allocated to the existing segments Switzerland, Germany and International as a result of managing all production and distribution organisations in each market under one roof
- Change in segment structure with no impact on Swiss Life Group's net profit and shareholders' equity



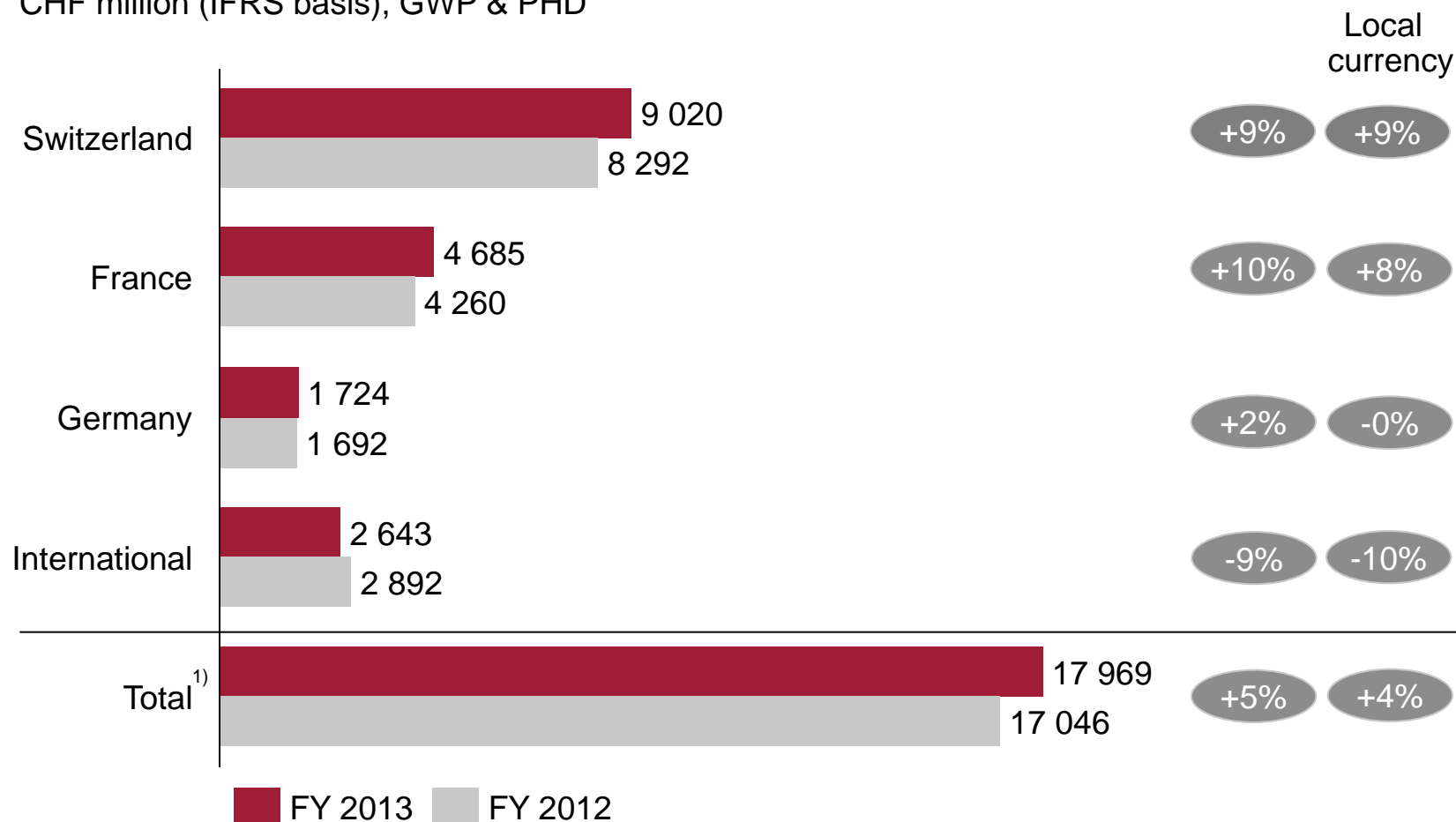
Net profit excluding major one-off effects

CHF million (IFRS basis)



Premium growth

CHF million (IFRS basis), GWP & PHD



1) Total includes intersegment eliminations of CHF -103 m in FY13, CHF -90 m in FY12

Switzerland: Premium development

CHF million (IFRS basis)

	FY 2012	FY 2013	Change
Total life GWP incl. PHD	8 292	9 020	+9%
Single premiums	4 245	4 862	+15%
Periodic premiums	4 047	4 158	+3%
Group life	6 691	7 573	+13%
Single premiums	3 616	4 372	+21%
Periodic premiums	3 075	3 201	+4%
Individual life	1 601	1 447	-10%
Single premiums	629	490	-22%
Periodic premiums	972	957	-2%

Switzerland: Statutory distribution ratio in BVG business

CHF million (statutory basis)

	FY 2010		FY 2011		FY 2012		FY 2013	
Gross revenue	2 041	100%	2 227	100%	2 718	100%	2 387	100%
Total insurance benefits paid (incl. bonuses)	1 896	92.9%	2 049	92.0%	2 537	93.3%	2 206	92.4%
Operating income BVG business	145		178		181		181	
Operating income other group business	20		36		25		16	
Operating income total group business	165		214		206		198	



Details of net investment result

CHF million (IFRS basis), insurance portfolio for own risk FY 2013

	Direct investment income	Impairments	Gains & losses through income statement			Net investment result
			On underlying	On derivatives	Net	
Bonds	3 115		201	71	273	3 388
Equities	39		173	-62	110	150
Loans	314	5	244		244	562
Mortgages	157	12	-10		-10	159
Alternative investments	12	-5	58	-4	54	60
Real estate	652	-4	509		509	1 157
Cash & other	6		19		19	25
Total before FX	4 296	7	1 193	5	1 198	5 501
FX hedging costs & gains/losses			-799	524	-276	-276
Total after FX	4 296	7	393	529	922	5 225
Expense						-276
Net investment result						4 949

Net capital gains/losses on investments of **930**

IFRS 13 Fair Value Measurement

- IFRS 13 explains how to measure fair value for financial reporting. It does not require fair value measurement in addition to those already required or permitted by other IFRSs
- IFRS 13 is effective from 1 January 2013. Any changes from adjustments to valuation techniques are recognised in profit or loss in the period of adoption
- **Application to non-financial assets:**
 - ***Highest and best use***: Market participant's ability to generate economic benefits by using the asset in its *highest and best use* or by selling it to another market participant that would use the asset in its highest and best use
- As a result of these new requirements, the Swiss Life Group adjusted the fair value measurement of certain investment properties taking into account highest and best use

Profit from operations

CHF million (IFRS basis), segment results

Segments	FY 2012	FY 2013	Change
Switzerland	613	716	+17%
France	161	194	+20%
Germany	-190	96	n.m.
International	-334	16	n.m.
Asset Managers	138	166	+21%
Other & eliminations	35	28	-21%
Unallocated corporate costs	-61	-65	+7%
Profit from operations	361	1 149	+218%

Adjusted profit from operations

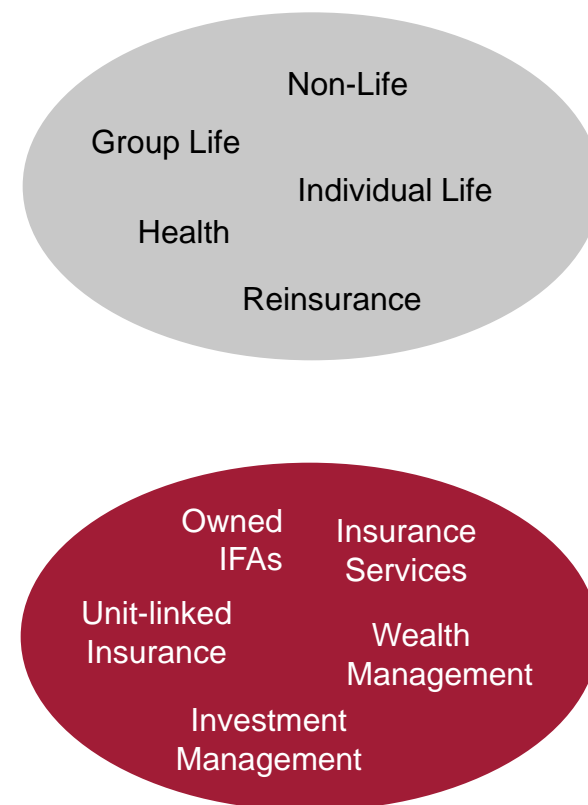
CHF million (IFRS basis), segment results adjusted¹⁾

Segments	FY 2012	FY 2013	Change
Switzerland	660	657	-0%
France	164	194	+18%
Germany	93	124	+34%
International	-15	16	n.m.
Asset Managers	138	166	+21%
Other & eliminations	35	51	+46%
Unallocated corporate costs	-61	-65	-7%
Profit from operations (adjusted)	1 014	1 143	+13%

1) Adjusted for the major one-offs and for EUR/CHF FX effects in FY12

Profit by source: Structure and scope

Savings result	<ul style="list-style-type: none"> + Income from investments¹⁾ + Income from savings premiums – Expense related to savings process – Technical interest²⁾ = Investment spread – Policyholder participation = Net savings result
Risk result (incl. reinsurance)	<ul style="list-style-type: none"> + Income from risk premiums – Expense related to risk³⁾ = Gross risk result – Policyholder participation = Net risk result
Cost result	<ul style="list-style-type: none"> + Income from cost premiums – Expense related to costs = Gross cost result⁴⁾ – Policyholder participation = Net cost result
Fee result	<ul style="list-style-type: none"> + Income related to fee business – Expense related to fee business = Fee result



1) Income from invested insurance assets (incl. also IFRS P&L capital gains & losses and impairments)

2) Interest on insurance liabilities

3) Incurred claims incl. change in reserves

4) Acquisition cost result (incl. net DAC effect) plus administration cost result, both before policyholder participation

Supplementary information

Profit and loss

→ **Balance sheet**

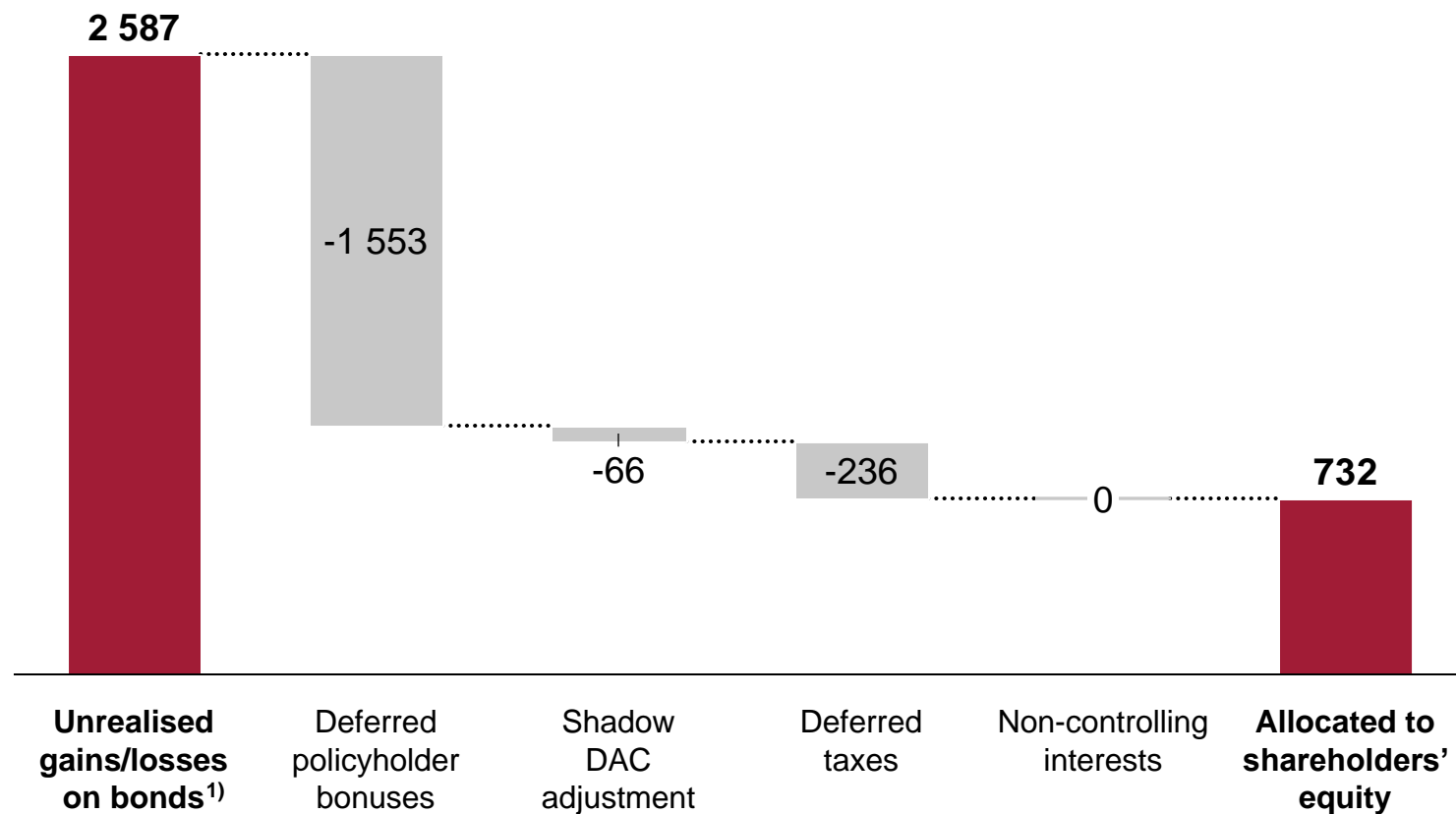
Investments

Market consistent embedded value (MCEV)

Contact details and financial calendar

Allocation of unrealised gains/losses on bonds

CHF million (IFRS basis), as per 31.12.2013



1) Including cash flow hedge reserve

Return on equity calculation

CHF million (IFRS basis)

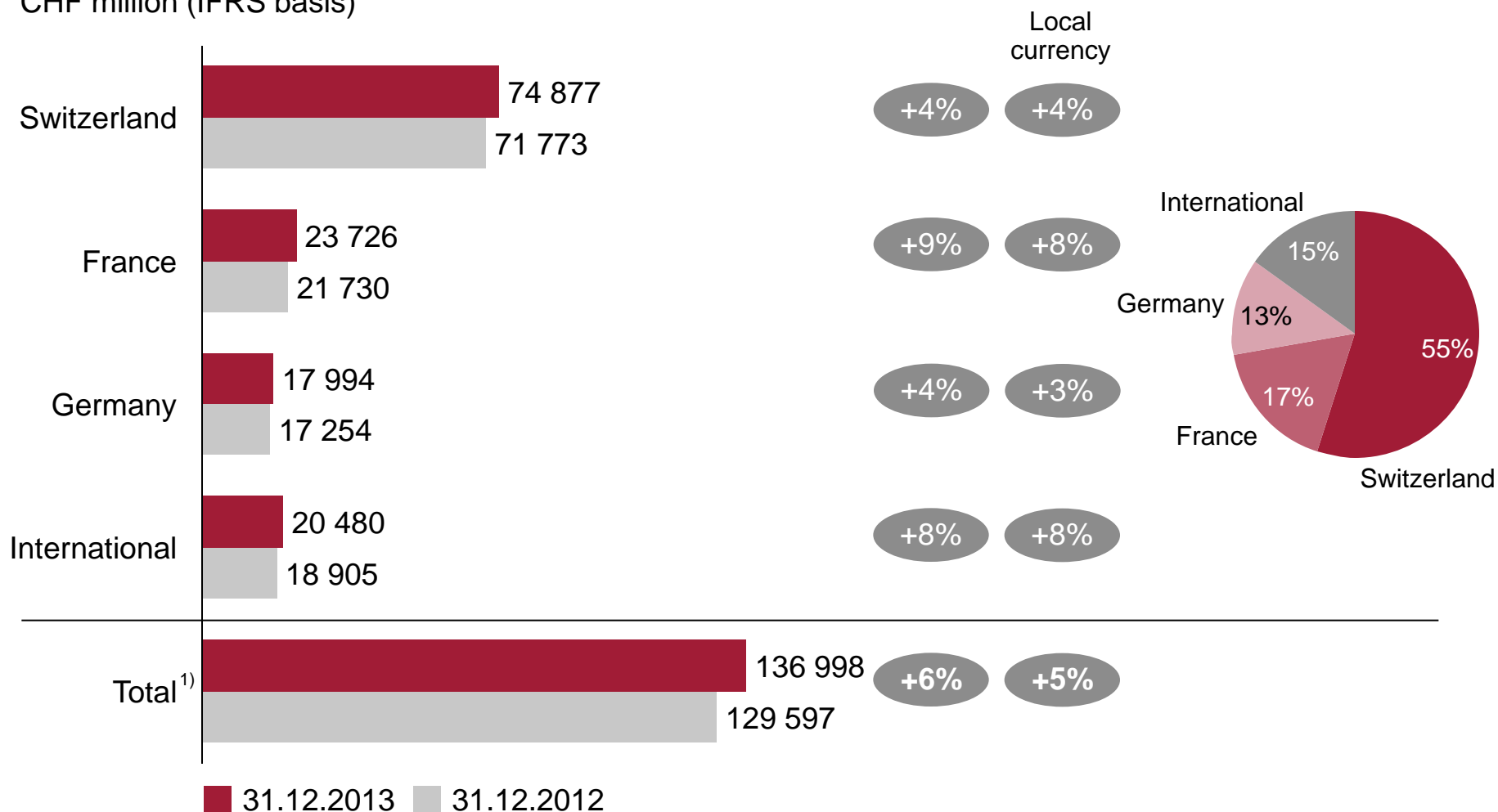
	FY 2012	FY 2013
Shareholders' equity	10 122	8 945
- Unrealised gains/losses on bonds allocated to shareholders' equity	-2 667	-732
Adjusted shareholders' equity	7 455	8 213

FY 2013 RoE calculation

Net profit FY 2013	781
Average adjusted shareholders' equity	7 834
Return on equity	10.0%

Insurance reserves excluding policyholder participation liabilities

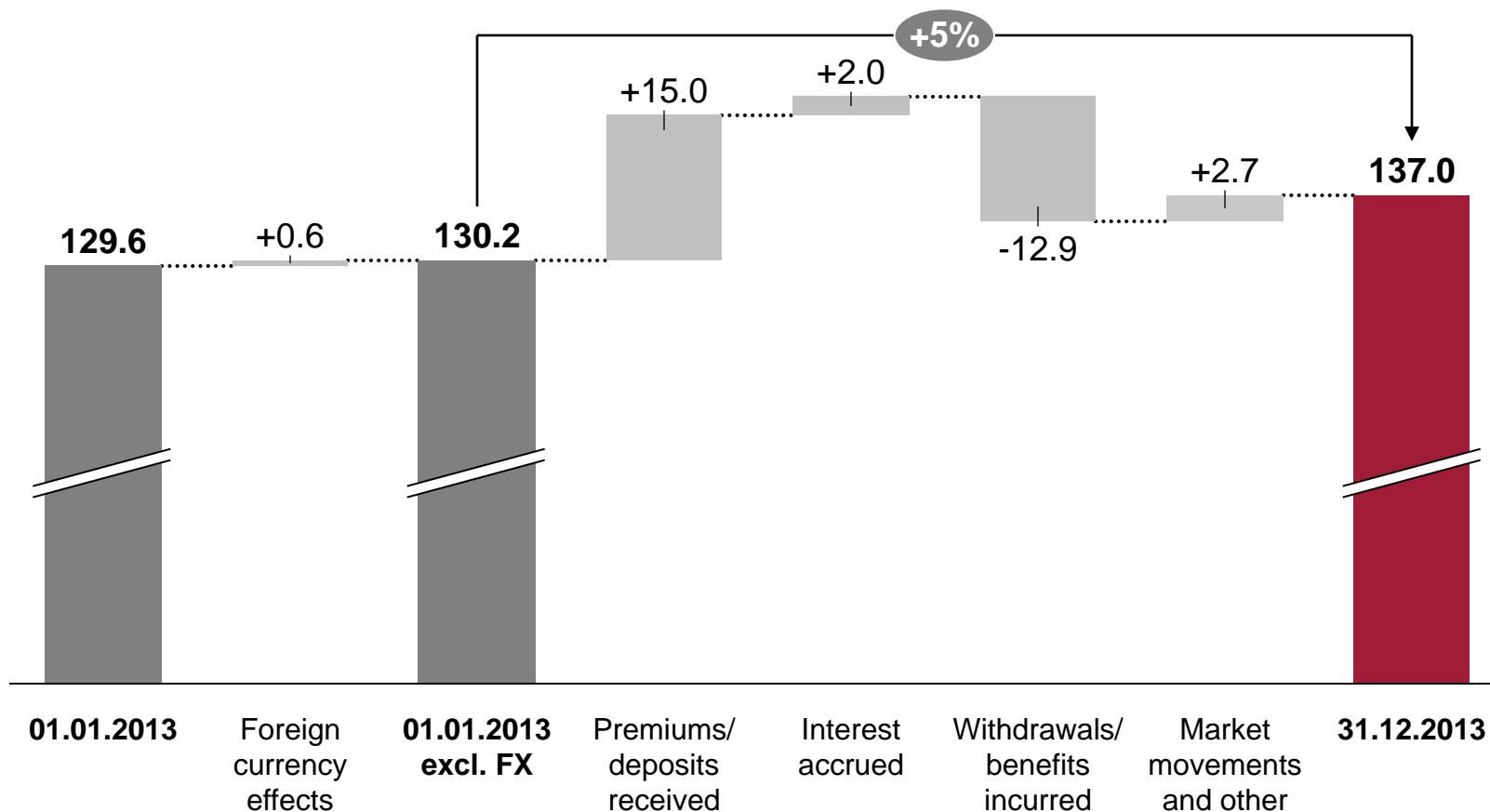
CHF million (IFRS basis)



1) Total includes intersegment eliminations of CHF -79 m in FY13 and CHF -66 m in FY12

Insurance reserves roll-forward 2013 excl. policyholder participation liabilities

CHF billion (IFRS basis)

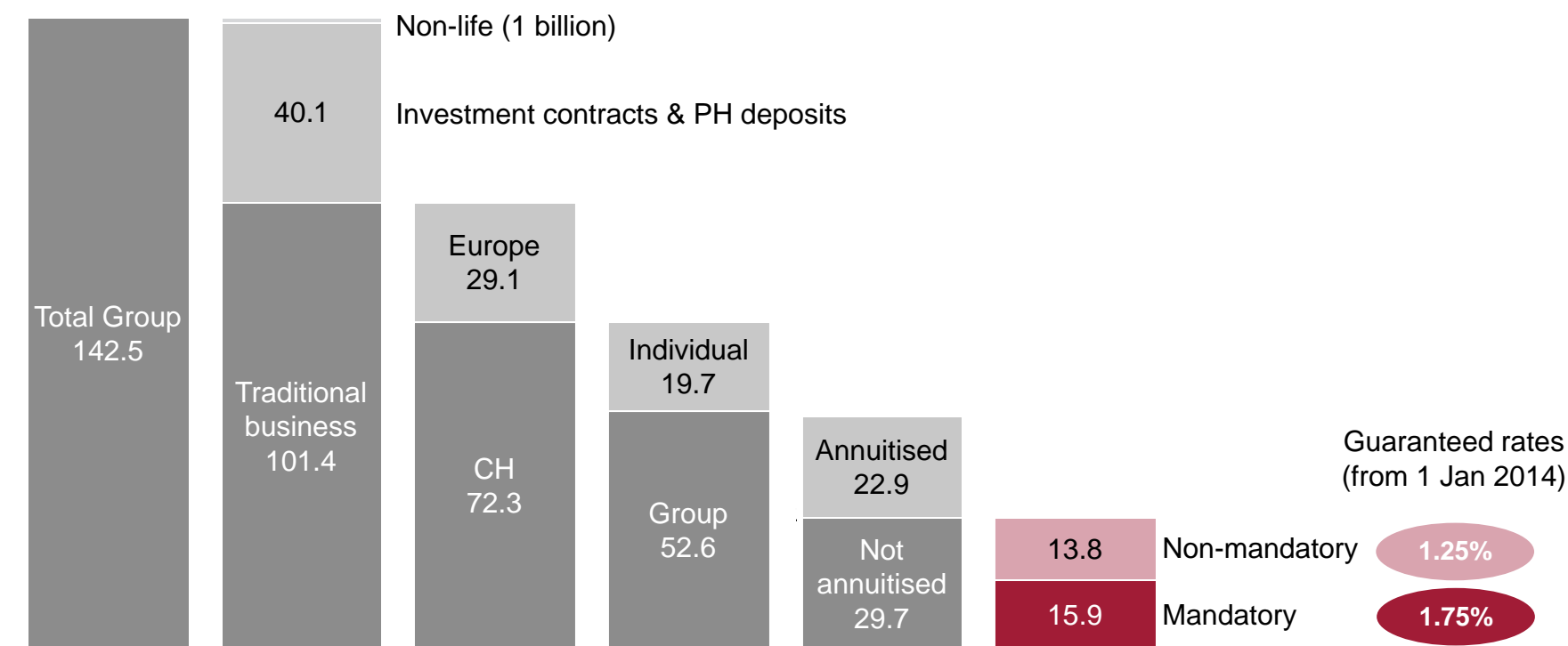


Swiss Life Group reserves subject to BVG minimum interest rates



CHF billion (IFRS basis)

Breakdown of insurance reserves (incl. unit-linked) as per 31.12.2013





Average technical interest rate

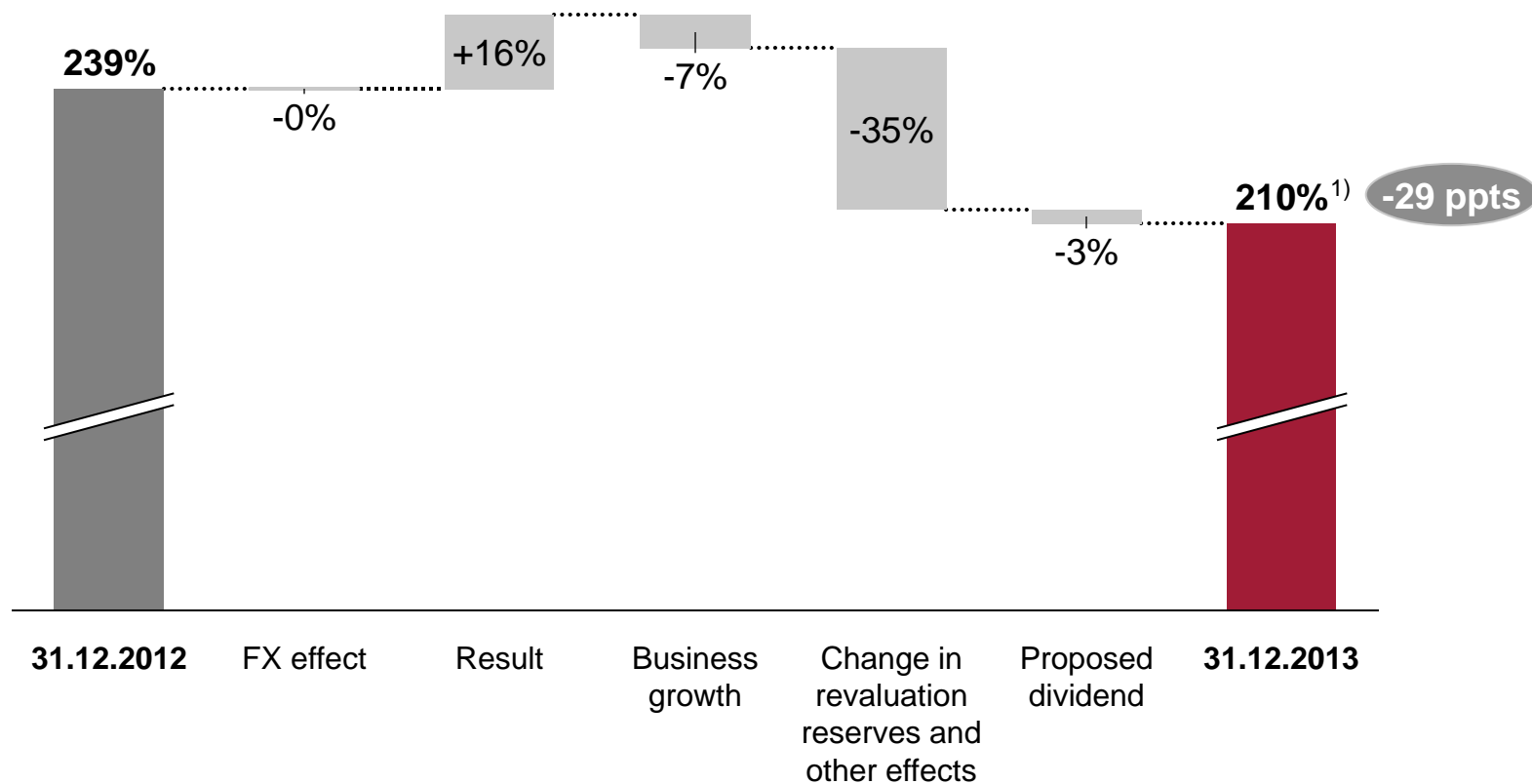
CHF / EUR / USD / GBP million (statutory basis), as per 31.12.2013

	CHF	EUR	USD	GBP
Total reserves	72 294	27 002	130	9
Average technical interest rate	1.82%	2.50%	2.66%	3.30%

Overall: 2.04%
(01.01.2013: 2.12%)

Group solvency

Based on IFRS equity



1) Group solvency excluding unrealised gains/losses on bonds: 196% (186% per FY12)

Group solvency

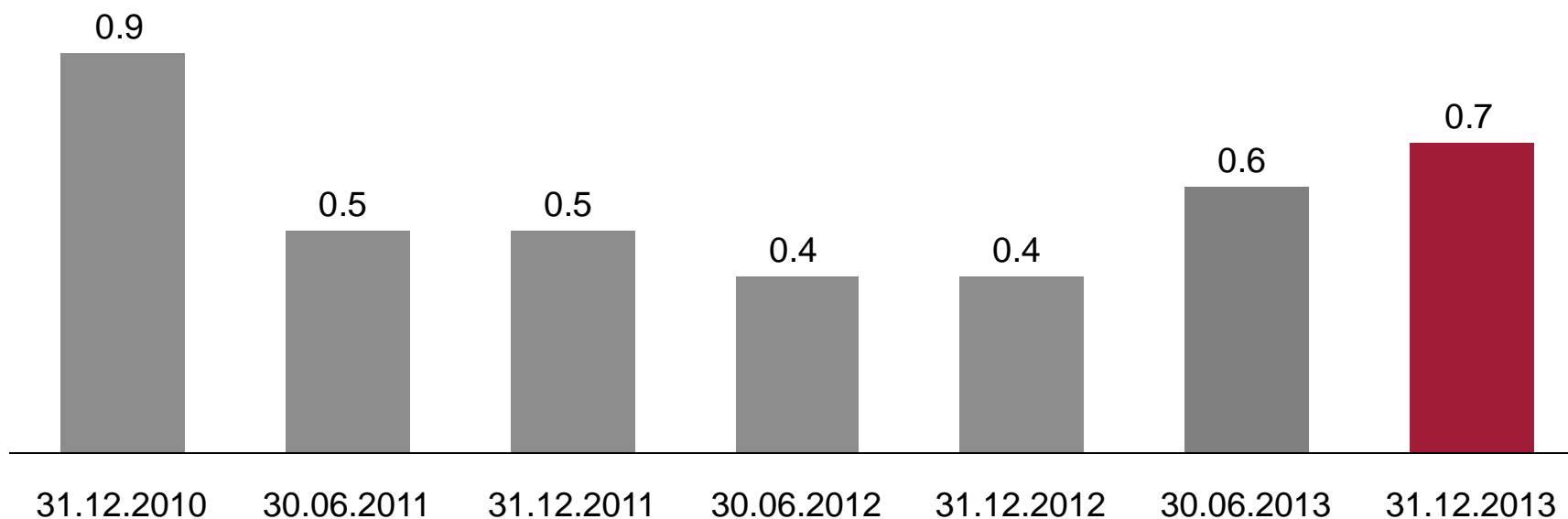
CHF million (IFRS basis)

	31.12.2012	31.12.2013
Available solvency margin		
IFRS equity (incl. non-controlling interests)	10 155	9 018
Eligible part of hybrid capital ¹⁾	2 471	2 587
Unattributed surplus	703	816
Goodwill and other intangible assets	-1 290	-1 319
DAC non-life	-53	-48
Dividend / distribution out of capital contribution reserve	-144	-175
Tax losses	-9	-11
Total available solvency margin	11 833	10 868
Total required solvency margin	4 942	5 175
Solvency ratio	239%	210%

1) Limited to 50% of the required solvency margin

Total weighted duration gap¹⁾

in %



1) Explains the linear change in risk-bearing capital due to a parallel shift of the underlying interest rate curve in percentage of the present value of insurance liabilities

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Business review Asset Managers

Change analysis of assets under management



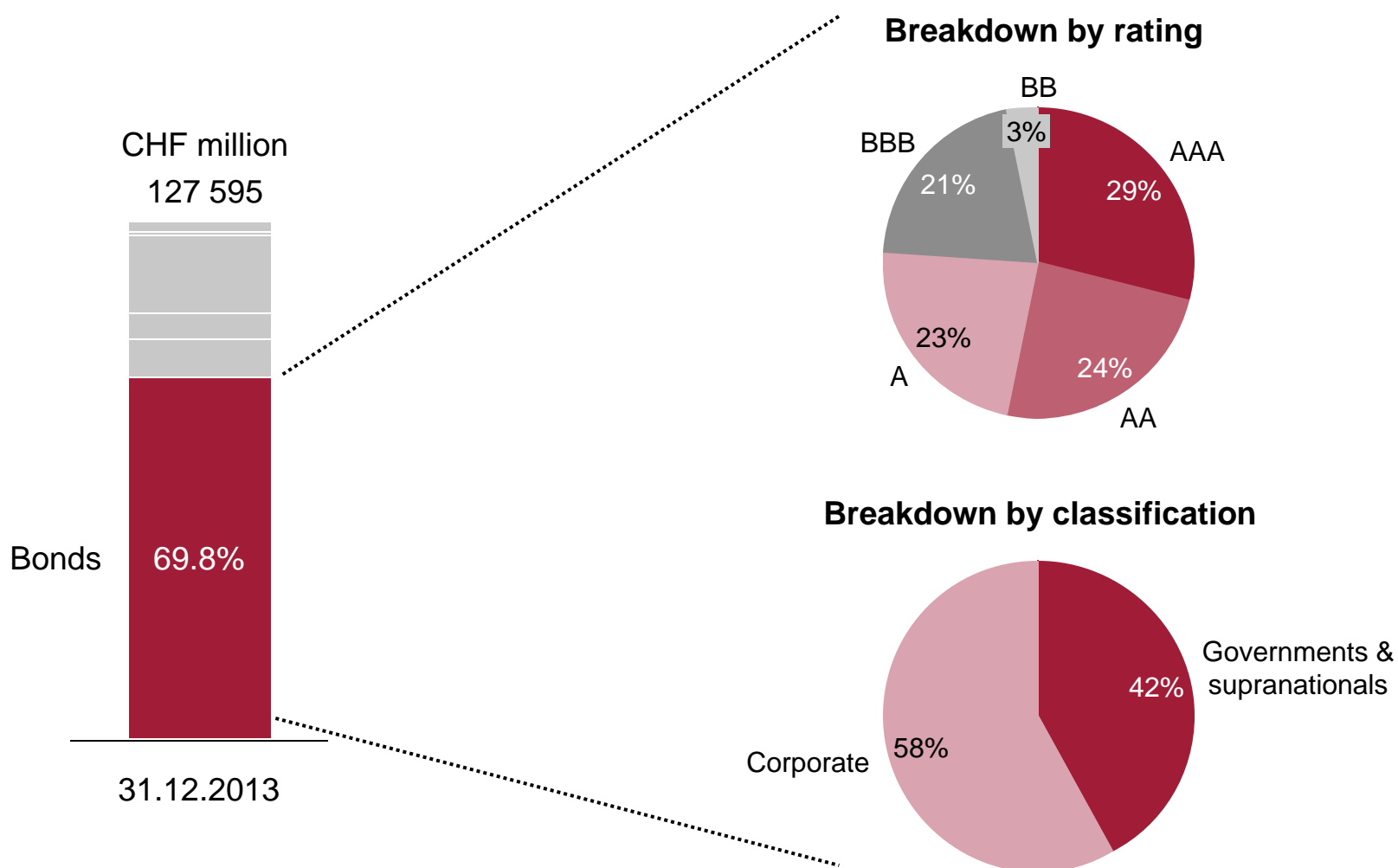
SwissLife

CHF billion (fair value basis)

Assets under Management	FY 2012	FY 2013	Change
Total beginning of period	134.2	148.5	+14.2
Net new assets			
Insurance mandates	-0.3	0.9	+1.1
External customer business	2.4	5.6	+3.2
Market performance	12.5	-1.1	-13.6
Forex	-0.3	0.5	+0.8
Scope changes	-	0.7	+0.7
Total end of period	148.5	155.1	+6.7
Insurance mandates	128.0	127.5	-0.5
External customer business	20.5	27.6	+7.1
o/w collective investments	17.3	22.8	+5.6
o/w institutional mandates	3.2	4.8	+1.6
Double counts	7.5	7.8	+0.3

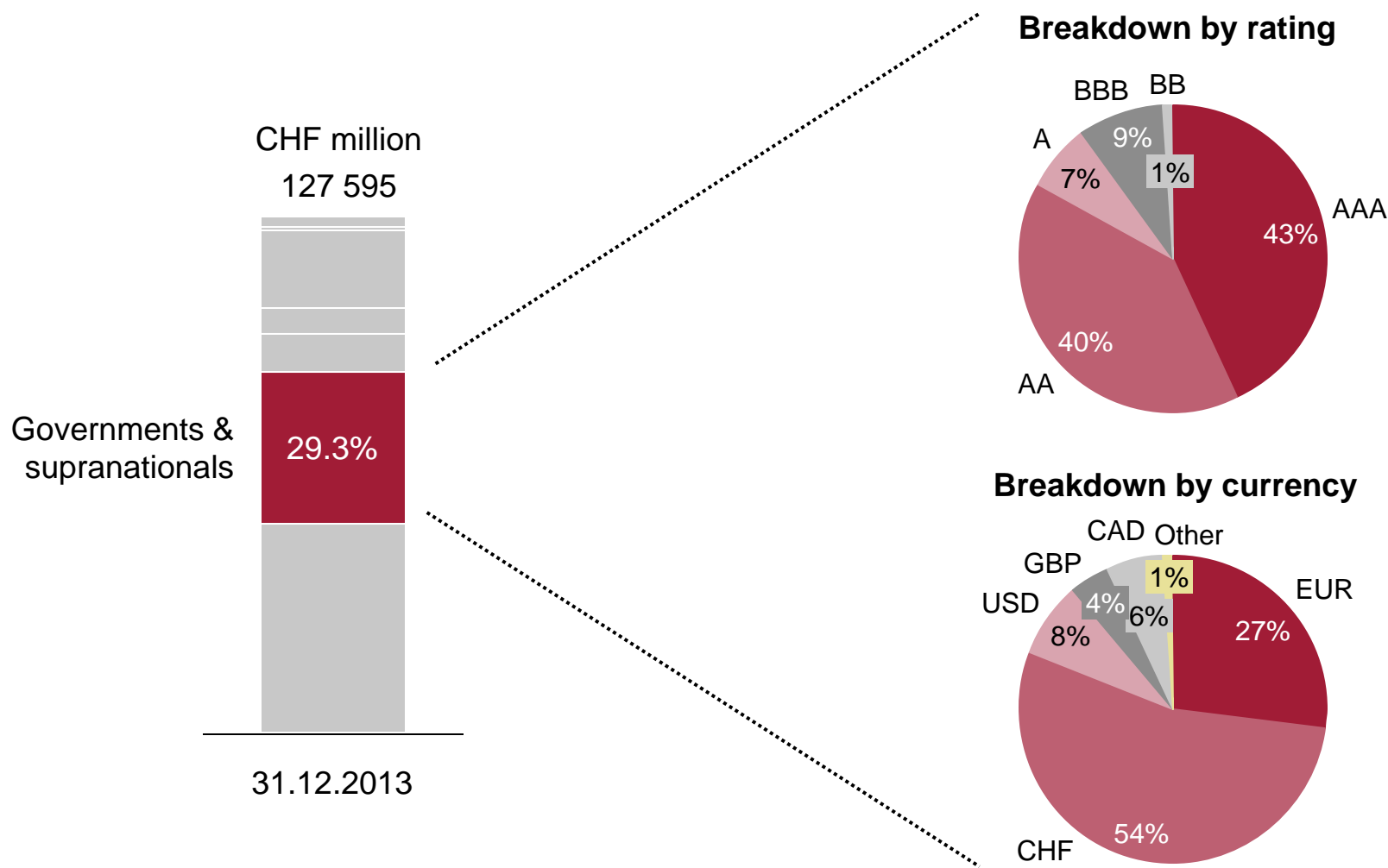
Bond portfolio: Ratings and classification

Insurance portfolio for own risk (fair value basis)



Government and supranational bond portfolio: Ratings and currency

Insurance portfolio for own risk (fair value basis)



Government and supranational bond portfolio: Split by country

Government and supranational bond portfolio (fair value basis), as per 31.12.2013, 29.3% of insurance portfolio for own risk (CHF 37.4 bn)

% of total government and supranational bond portfolio

Switzerland	38%
France	11%
Germany	4%
Netherlands	4%
Belgium	4%
Sovereigns under observation	2%
Supranationals	4%
Other	14%
Europe	81%
Canada	8%
USA	1%
Supranationals	2%
Other	8%
Rest of the world	19%
Total	100%

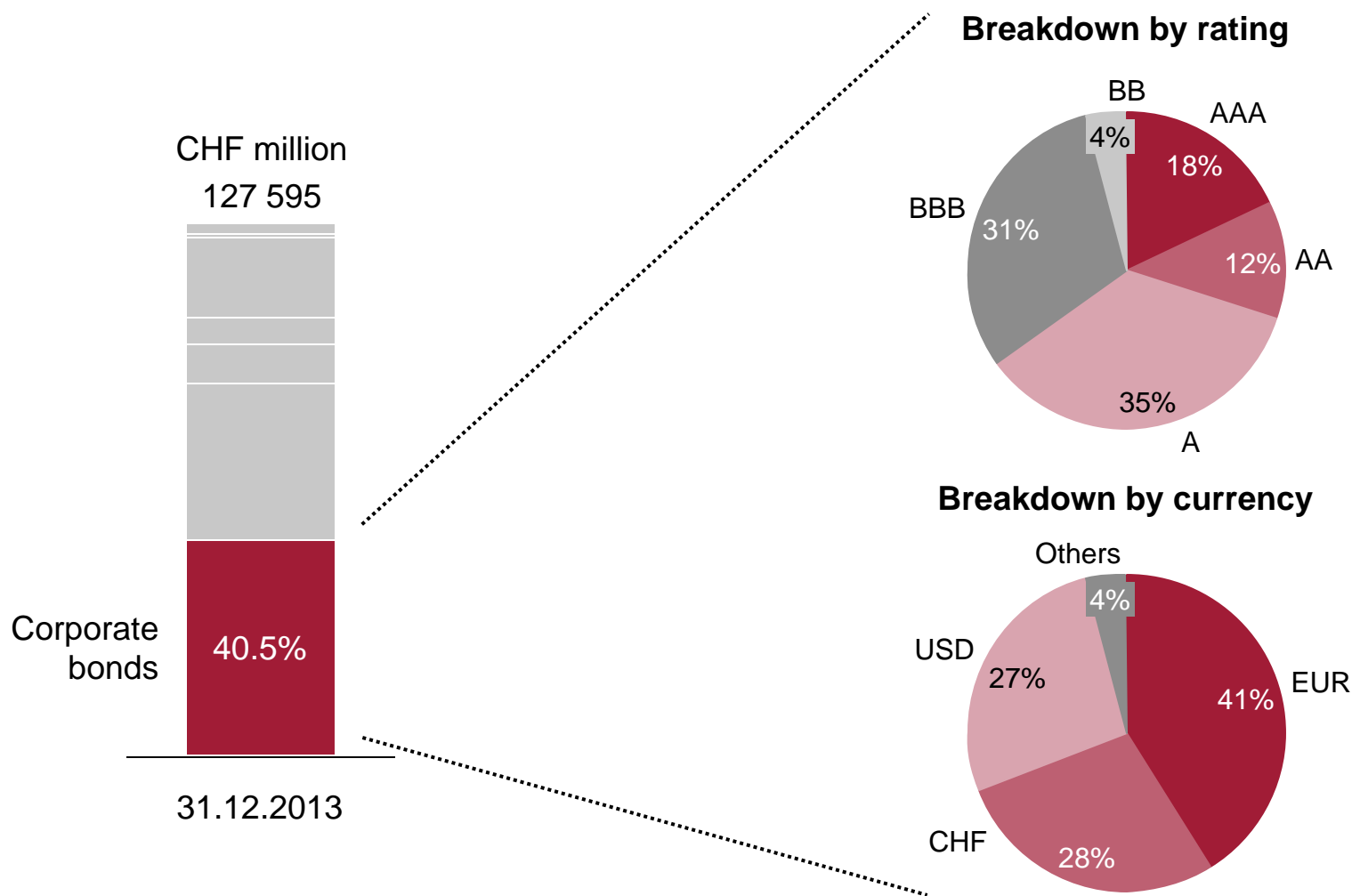
In CHF million¹⁾

	FY 2012	FY 2013	
	FV ²⁾	FV ²⁾	AC ³⁾
Portugal	61	56	62
Italy	173	204	195
Ireland	319	354	318
Greece	0	-	-
Spain	80	121	129
Total	633	735	704

1) Before policyholder/shareholder split and tax 2) Fair value 3) Amortised cost value

Corporate bond portfolio: Ratings and currency

Insurance portfolio for own risk (fair value basis)





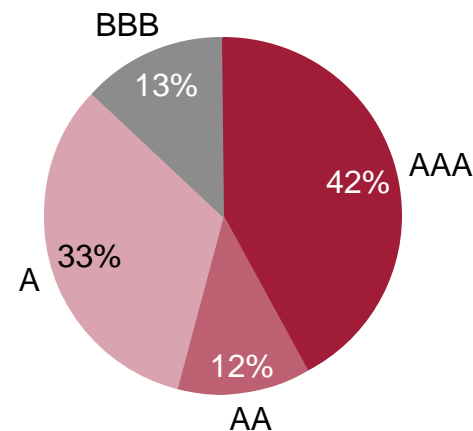
Corporate bond portfolio: Industry split

Corporate bond portfolio (fair value basis), as per 31.12.2013,
40.5% of insurance portfolio for own risk (CHF 51.7 bn)

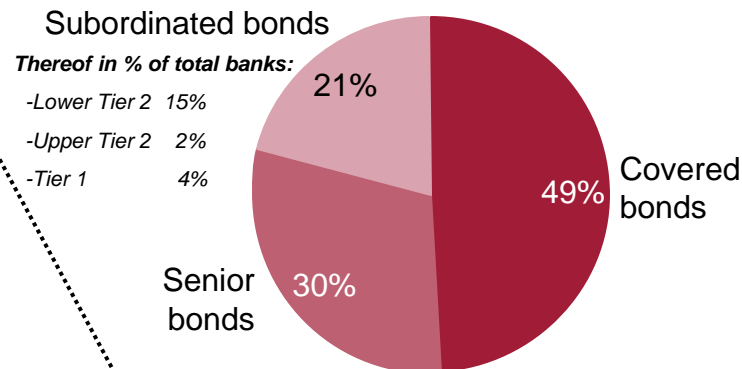
Breakdown by industry

	% of total corporate bond portfolio
Banks	37%
Other financials	5%
Utilities	10%
Industrial	8%
Consumer non-cyclical	7%
Energy	5%
Communication	7%
Consumer discretionary	6%
Health	4%
Other	11%
Total	100%

Breakdown banks by rating



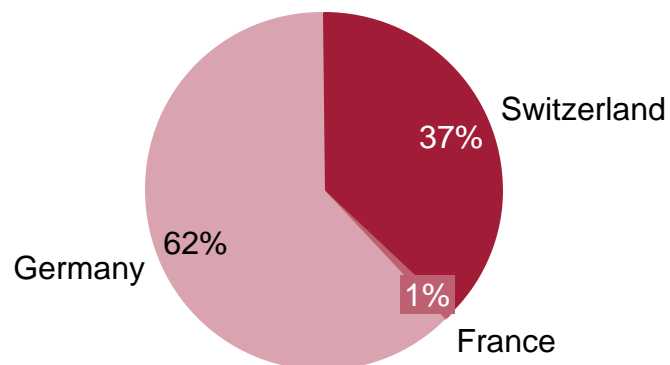
Breakdown banks by structure



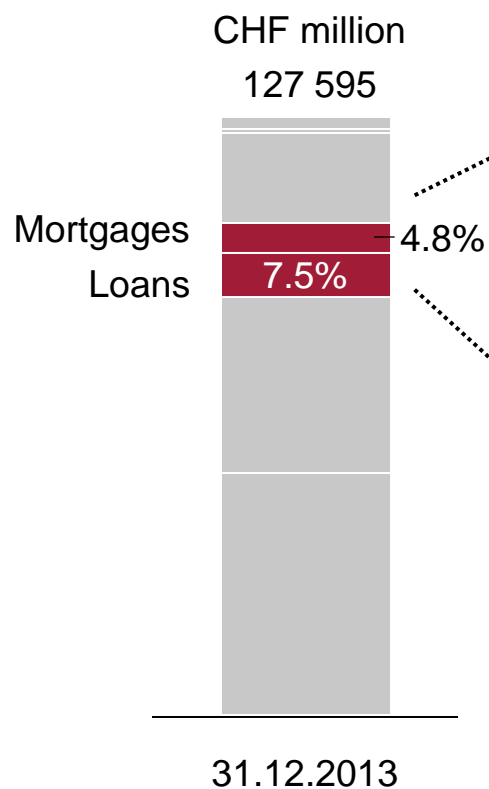
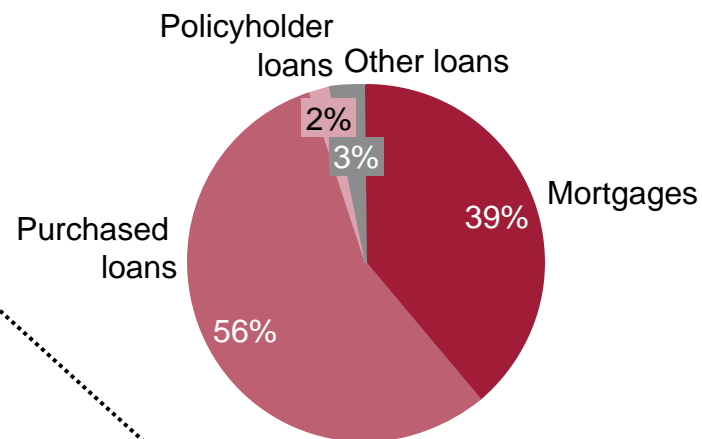
Loan and mortgage portfolio

Insurance portfolio for own risk (fair value basis)

Breakdown by country

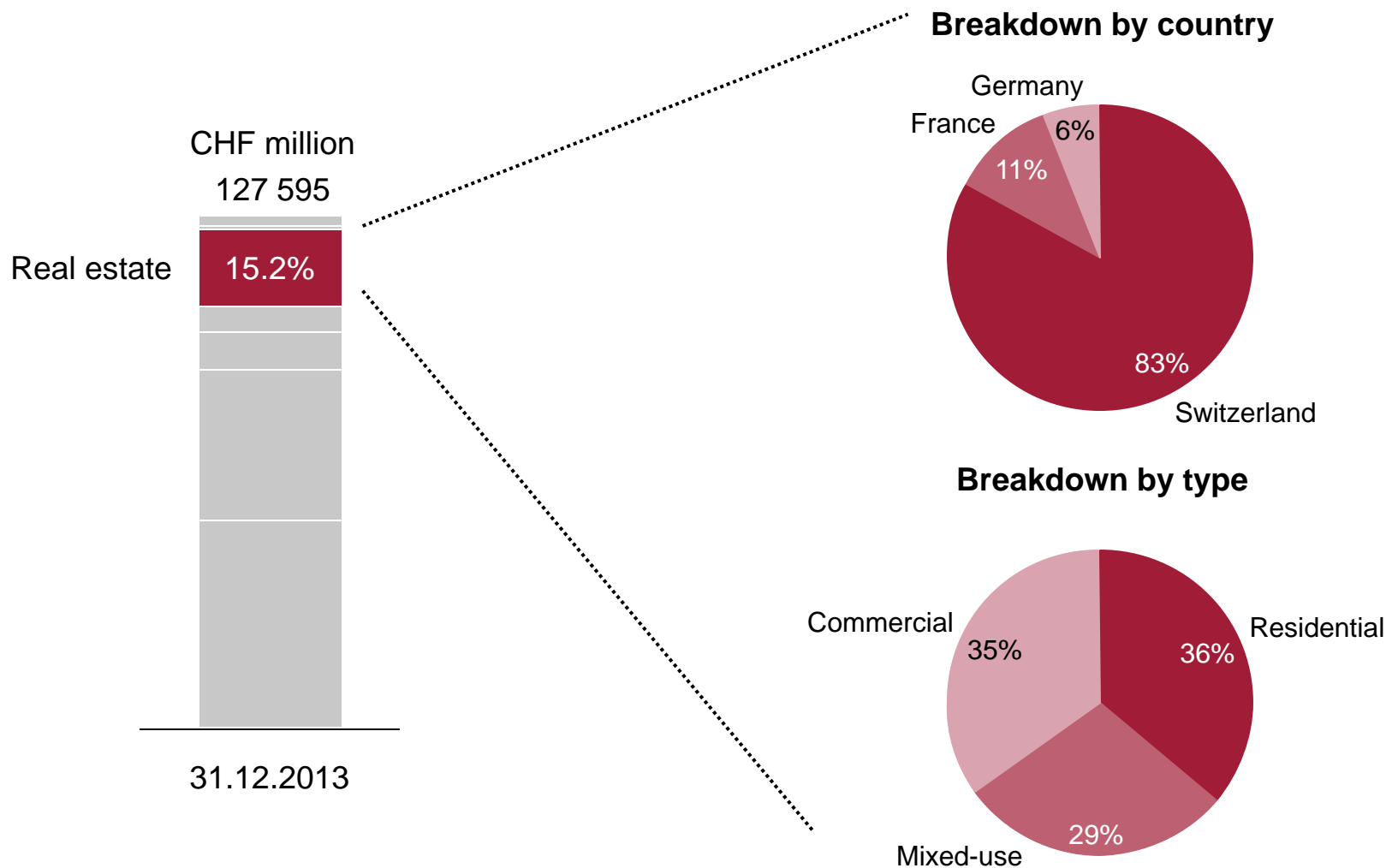


Breakdown by type



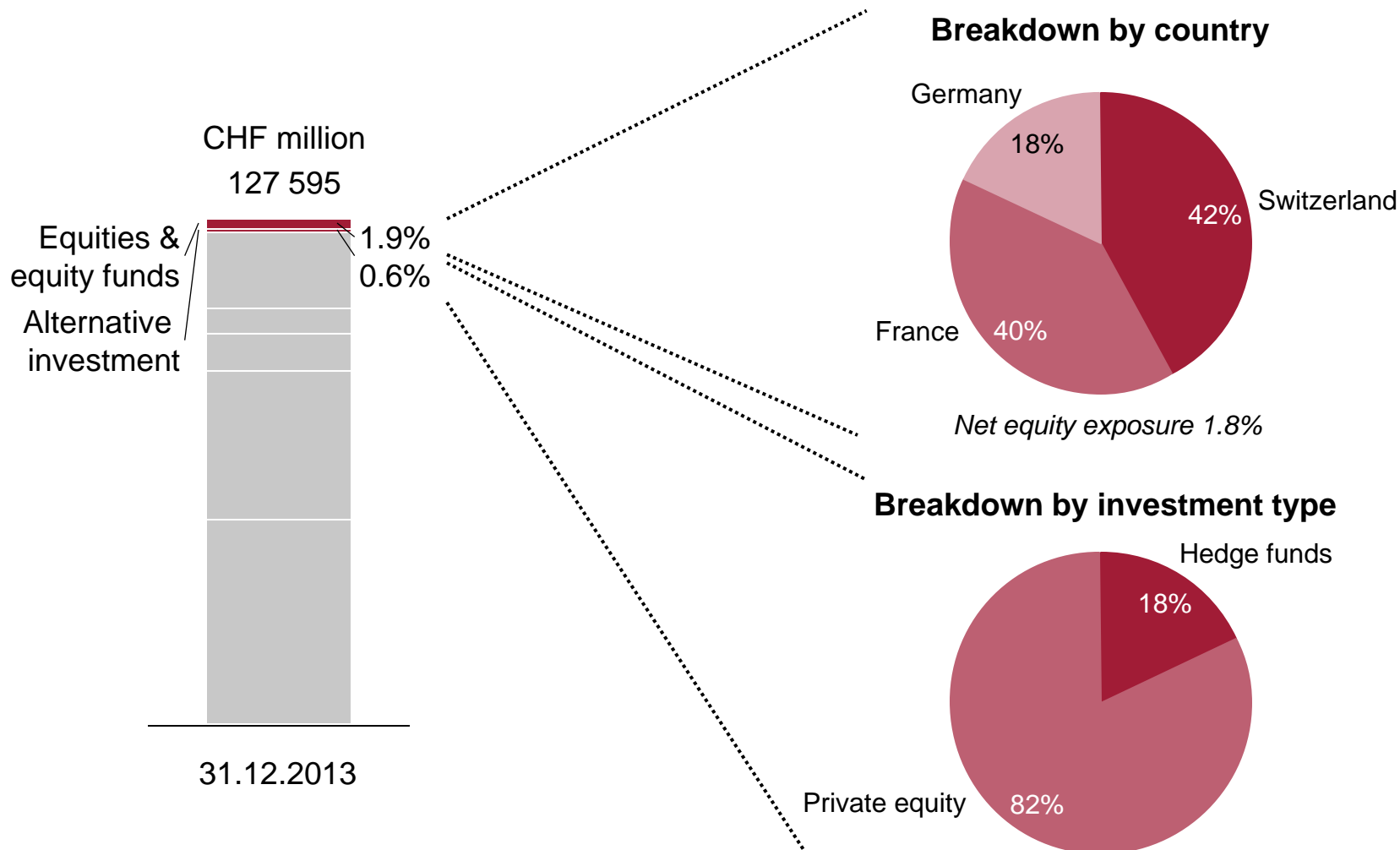
Real estate portfolio

Insurance portfolio for own risk (fair value basis)



Equities and alternative investment portfolio: Gross exposure

Insurance portfolio for own risk (fair value basis)



Forex and interest rates

Foreign currency exchange rates

	31.12.12	30.06.13	31.12.13
EUR	1.2070	1.2304	1.2253
GBP	1.4855	1.4366	1.4721
USD	0.9146	0.9461	0.8886

	01.01.-31.12.12	01.01.-31.12.13
	1.2059	1.2311
	1.4865	1.4503
	0.9378	0.9268

Interest rates¹⁾

	31.12.12	30.06.13	31.12.13
CHF	0.526	1.027	1.073
EUR	1.316	1.728	1.929
GBP	1.828	2.443	3.022
USD	1.757	2.486	3.028

1) 10-year government bond

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→ **Market consistent embedded value (MCEV)**

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Value of new business

CHF million (MCEV), as per FY 2013

	Switzer- land	France	Germany	Interna- tional	Total
Value of new business	172	64	29	23	289
New business strain	-46	-49	-2	-8	-106
VNB before new business strain	218	113	32	32	394
Annual premiums	233	266	62	14	575
Single premiums	1 864	1 725	259	2 241	6 090
Present value of new premiums (PVNBP)	5 791	3 709	1 081	2 348	12 929
Average annual premium multiplier	16.9	7.5	13.2	7.6	11.9
New business annual premium equivalent (APE)	419	439	88	238	1 184
change from FY 2012	+39%	-0%	-3%	-11%	+8%
New business margin (% PVNBP)	3.0%	1.7%	2.7%	1.0%	2.2%
change from FY 2012 in ppts	+1.1	+0.3	+2.1	-0.0	+0.8
New business margin (% APE)	41.0%	14.7%	33.2%	9.8%	24.4%
change from FY 2012 in ppts	+16.3	+3.4	+26.7	-0.6	+10.0



Economic assumptions

As per FY 2013

Swap rates							Forward inflation rates					
Economy	1 year	2 year	5 year	10 year	15 year	30 year	Year 1	Year 2	Year 5	Year 10	Year 15	Year 30
Switzerland	0.06%	0.16%	0.77%	1.64%	2.03%	2.17%	0.2%	-0.3%	0.1%	1.0%	1.1%	1.2%
Euro-zone	0.41%	0.54%	1.26%	2.16%	2.59%	2.73%	1.4%	1.0%	1.4%	2.3%	2.4%	2.1%
USA	0.31%	0.49%	1.77%	3.06%	3.57%	3.90%						

Swaption implied volatilities (tenor: 20 years for EUR and USD, 10 years for CHF)

Economy	1 year option	2 year option	5 year option	10 year option	15 year option	30 year option
Switzerland	25.2%	26.1%	27.9%	29.0%	30.4%	21.8%
Euro-zone	23.7%	24.3%	24.0%	21.7%	20.2%	15.3%
USA	20.5%	20.1%	18.0%	15.2%	14.1%	15.2%

Equity option implied volatilities

Economy	Index	Volatility
Switzerland	SMI	18.7%
Euro-zone	EuroStoxx 50	20.6%
USA	S&P 500	24.5%

Real estate volatilities

Economy	Volatility
Switzerland	8.0%
Euro-zone	13.0%

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→ **Contact details and financial calendar**

Contact details and financial calendar

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Financial calendar

Publication of annual report 2013	17 March 2014
Annual General Meeting 2014	23 April 2014
Interim statement Q1	13 May 2014
Half-year results 2014	13 August 2014

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