Investors’ Day 2007

**Key strategic thrusts and market initiatives**

Bruno Pfister, CEO International
Zurich, 4 December 2007

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**Agenda**

1. Achievements and new targets               Rolf Dörig
2. Capital management                        Thomas Müller
3. **Key thrusts and market initiatives**     Bruno Pfister
4. Investments                               Patrick Frost
5. Wrap-up                                   Rolf Dörig
Key strategic thrusts to capture opportunities and reach our financial targets

1. Focus on retirement needs
   - Address needs of corporate and individual customers, before and after retirement
   - Offer innovative products and solutions of enhanced profitability
   - Distribute through optimised market-specific channel mix

2. Focus on growth opportunities
   - Expand cross-border businesses
   - Realise inorganic opportunities in existing markets
   - Tap into new high-growth markets

3. Focus on functional excellence
   - Adapt Group governance, combining market proximity and best practice transfer
   - Realise economies of scale and skills
   - Strengthen performance management and active capital management

4. Foster employee commitment
   - Instil improved customer orientation, innovation and performance culture
   - Manage skills systematically: build on strengths and close gaps
   - Be a respected and recommended employer and partner

Large potential emerging from trends in pensions markets

Changing needs of corporates
- Changing social responsibility
- Increasingly global companies
- Increasing pressure from capital markets
- Relaxing legal constraints on pension plans
  - Larger tax deduction (e.g. Germany)
  - Increased individual choice (e.g. Switzerland)

Changing needs of individuals
- Baby-boomers entering the retirement market
- High increase in 45-65 and 65+ population
- Differing retirement needs in accumulation, transition, and decumulation phase
- 45-65 population likely to switch financial providers
- More flexible withdrawal and payment schemes required, specifically in 65+ segment

Increasing sophistication required
Increased opportunity for innovative solutions
Initiatives to attract new customer segments and tap into additional value pools

1. Focus on retirement needs

- Golden Life initiative in Switzerland to target 65+ segment with specific marketing approach, focused sales team and targeted new products
- Initiatives to retain run-off money in Germany and Switzerland

2. Focus on affluent clients and HNWIs

- Strengthen access to HNWI segment through financial planning team in Switzerland; being developed in Germany
- In France, HNWI segment top priority with targeted marketing approach in context of private insurance strategy

3. Focus on medium and large corporates

- Establish dedicated sales forces and expertise for large corporates in Switzerland and Germany
- Capture money-in-motion opportunity arising from maturing pension benefits across the Group

Golden Life initiative launched to target 65+ segment

- Golden Life: Financial coaching of retired and pre-retired people in consulting centres
- Three locations planned in first phase

Asset retention
- Retain run-off money from individual life
- Retain lump-sum payments from group contracts (cross-selling)

Focused distribution
- Upgrade agencies to consulting centres
- Consulting for an appropriate fee
- Financial coaches with access to financial planners and private bankers

Targeted products
- Annuities
- Unit- and index-linked insurance
- Care insurance
- Funds
- Fixed deposit account
- Savings account (AccountPlus)
Initiatives to develop innovative products with enhanced profitability

Innovative unit-linked products in pipeline
- Series of capital-protected unit-linked products (GMxB-type) launched since 2005
- Extended multi-support concept with individualised and automated investment features (e.g. lock-in, profit realisation, switch)

Build on biometric risk coverage
- Develop care insurance solutions for aged people in Switzerland
- Expand offering of risk riders on savings products

Developments in group pension solutions
- Reposition and further develop offering for large corporates
- Implement unit-linked type solution for non-mandatory part of Swiss group life solutions

Shift in business mix

New business mix Swiss Life Group

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2012 target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-traditional</td>
<td>25%</td>
<td>40%</td>
<td>70-80%</td>
</tr>
<tr>
<td>Traditional</td>
<td>75%</td>
<td>60%</td>
<td>20-30%</td>
</tr>
</tbody>
</table>

Develop new solutions and push existing non-traditional products:
- Variable annuities (new)
- Unit- and index-linked products
- Private placement life insurance
- New group life solutions
1 Focus on retirement needs

Continuous increase of non-traditional business

A number of unit-linked and variable annuity products already in place in core countries

Switzerland
- Vitality
- G100/90
- GP100
- Index

France
- Retraite Sélection
- Envergue
- Stratégique Plus
- Stratégique Net

Germany
- Europa Rente
- Rester FRV
- Synchro

Example:
New business production 1) non-traditional individual life Switzerland

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>19-</td>
<td>59</td>
<td>67</td>
<td>61</td>
<td>118</td>
<td>115</td>
<td>395</td>
</tr>
</tbody>
</table>

Investment products
- Swiss Life managed portfolio
- Swiss Life premium funds
- 3a account
- AccountPlus

Insurance products
- Unit- and index-linked
- Variable annuities

1) New business production: single premiums plus periodic premiums times duration
2) Forecast

2 Focus on retirement needs

Initiatives to increase distribution capacity and enhance channel effectiveness

Expand distribution partnerships
- Public offer for AWD
- Enter new and intensify existing cooperations with IFA networks and banks

Enhance productivity in tied agent distribution
- More systematic and advice-oriented sales approach implemented to comprehensively address customer needs
- Training for beginners shortened and more focused on sales

Develop private insurance channels
- Strategic priority in France
Private insurance strategy in France

Privileged access to HNWI segment
- Swiss Life Banque sales force cooperates closely with our salaried sales force
- Well established relationships with private banking partners
- Strong network of IFAs

Dedicated product and service offer
- Full range of HNWI solutions, including banking and insurance products
- Open architecture to match needs of distribution channels

Differentiation through premium brand
- Swiss Life France with #1 life insurance brand in affluent client segment
- 'Swissness' of brand as additional asset

All initiatives in France expected to generate CHF 2.5 to 3 bn billion premiums, in addition to market growth

In the past, Swiss Life grew above market in all countries – pace to be accelerated
2003-2006 CAGR

<table>
<thead>
<tr>
<th>Market growth</th>
<th>Swiss Life growth</th>
<th>Priorities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Switzerland</td>
<td>-3%</td>
<td>1%</td>
</tr>
<tr>
<td>France</td>
<td>17%</td>
<td>24%</td>
</tr>
<tr>
<td>Germany</td>
<td>5%</td>
<td>6%</td>
</tr>
</tbody>
</table>

| Cross-border | n.a.             | 132%       | Expand cross-border businesses |
| High-growth markets | 18% | n.a. | Partner with AWD to accelerate international growth |

1) Excl. Erisa
2) Adjusted for extraordinary large deals in NL
Strategic priorities for growth

Expand cross-border businesses
- Build on successful offshore PPL\(^1\) business
- PULSE\(^2\) project to build international product platform
- Reposition Swiss Life Network

Accelerate growth in existing markets
- Capitalise on retirement opportunities
- Replicate successful products while minimising costs through scalable platforms
- Explore inorganic moves

Tap into new, high-growth regions
- Build on relationships and local knowledge from cross-border business
- Establish joint ventures with strong regional distribution partners in significant growth markets

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1) Private Placement Life Insurance
2) Pan-European Unit Linked Strategic Enterprise

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Swiss Life to accelerate momentum in Private Placement Life Insurance market

**CHF million**

<table>
<thead>
<tr>
<th>Activity / Milestones</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009 - 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luxembourg – set up new hub</td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Liechtenstein – set up new hub</td>
<td></td>
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<tr>
<td>Acquisition and integration CapitalLeben</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Start Singapore hub, consolidate units</td>
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**Market scope**
- Belgium, Germany, France, Luxembourg
- Italy, Spain, Sweden
- Asia, Austria, Czech Republic, Norway, Switzerland, United Kingdom, United States

**Target by 2012:** GWP CHF 8 - 10 bn, and Assets under Control: CHF 40 - 45 bn
Swiss Life to leverage current attractive position and access additional value pools

Personal financial assets
CH + FR + DE, CHF 1 000 bn, CAGR in percent

<table>
<thead>
<tr>
<th>1998</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>0.2</td>
</tr>
<tr>
<td>Securities</td>
<td>8.7</td>
</tr>
<tr>
<td>Deposits</td>
<td>3.4</td>
</tr>
<tr>
<td>Mutual funds</td>
<td>1.2</td>
</tr>
<tr>
<td>Life insurance</td>
<td>1.7</td>
</tr>
<tr>
<td>Pensions</td>
<td>0.9</td>
</tr>
</tbody>
</table>

Source: McKinsey

Traditional banking products insufficiently meet real pensions needs of ageing population
Swiss Life well positioned in strongly growing life and pensions markets
Build on current strength
Significant potential for innovative life solutions

2 Focus on growth opportunities

Variable annuities best of both worlds

<table>
<thead>
<tr>
<th>Requirements</th>
<th>Covered by traditional life insurance</th>
<th>Covered by banking products</th>
<th>Covered by variable annuities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participate in capital market performance</td>
<td>☐</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>Financial guarantees</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>Biometric risk cover 2)</td>
<td>☑</td>
<td>(☒)</td>
<td>☑</td>
</tr>
<tr>
<td>Modular choice of riders</td>
<td>(☐)</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>Disciplined accumulation</td>
<td>☑</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>Flexibility of payments and withdrawals</td>
<td>☐</td>
<td>☑</td>
<td>(☒)</td>
</tr>
<tr>
<td>Tax privileges</td>
<td>☑</td>
<td>(☒)</td>
<td>☑</td>
</tr>
<tr>
<td>Inheritance solutions</td>
<td>☑</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>Transparency</td>
<td>☐</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>Low capital consumption</td>
<td>☐</td>
<td>☑</td>
<td>(☒)</td>
</tr>
</tbody>
</table>

1) During accumulation and payout phase
2) Death, disability, longevity
Boost variable annuities through new pan-European business platform

1 HY 2008 2 HY 2008 1 HY 2009 2 HY 2009

- Set up PULSE factory
- Start sales of 1st GMxB
- Adapt PULSE for Switzerland, prepare launch
- Start sales of 1st GMxB
- Set up PULSE branch, prepare launch
- Start sales of 2nd GMxB
- Roll out PULSE to new markets
- 2nd GMxB

CHF 4 bn gross written premiums by 2012

AWD provides growth platform in existing and new markets

Increased distribution capacity in core markets - Increased new business production by 50% to 70% in Germany and by up to 20% in Switzerland until 2012

Access to new markets - Austria - CEE

Enlarged customer base - Access to 1.9 million additional customers - Customer interaction with structured advice

Improved market intelligence - Broad product insight across the markets - Customer needs - Unique selling propositions

Additional value creation - Substantial synergy potential in Switzerland and Germany - Additional IFRS post-tax profit of CHF 50 m by 2012

Focus on growth opportunities
Significant opportunities to improve effectiveness and efficiency

<table>
<thead>
<tr>
<th>“Effectiveness”</th>
<th>“Efficiency”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Best practice sharing</td>
<td>Process redesign</td>
</tr>
<tr>
<td>Capability enhancement</td>
<td>Systems improvement</td>
</tr>
</tbody>
</table>

- Distribution
- Product Mgmt
- IT/Ops
- IM/AM
- Finance/Risk

- Additional efficiency gains of CHF 50 to 100 million until 2012

Performance ultimately driven by talent development throughout the organisation

**Strong leadership influence**

**Strategic priorities**

- Instil substantially improved performance culture
  - Top quartile and profitable growth mentality
  - Customer orientation, innovation
  - Aligned incentive system

- Manage skills more systematically
  - Define key skills to support new strategy
  - Actively train/coach/acquire employees
  - Strengthen consequence management

- Become a respected and recommended employer and partner
  - Attract, develop and retain talents

Maintain employee commitment target of 80 index points
Strategic initiatives lead to significant increase of top and bottom line

GWP, CHF bn

<table>
<thead>
<tr>
<th></th>
<th>EU</th>
<th>CH</th>
</tr>
</thead>
<tbody>
<tr>
<td>FC 2007</td>
<td>24</td>
<td>33</td>
</tr>
<tr>
<td>Continuing operations 2007 1)</td>
<td>~24</td>
<td>67%</td>
</tr>
<tr>
<td>Growth with market</td>
<td>60%</td>
<td>40%</td>
</tr>
<tr>
<td>Focus on retirement needs 2)</td>
<td>3 to 4</td>
<td>9 to 12</td>
</tr>
<tr>
<td>Focus on growth opportunities 3)</td>
<td>3 to 4</td>
<td>&gt; 36</td>
</tr>
<tr>
<td>Total 2012 expected</td>
<td>75%</td>
<td>25%</td>
</tr>
</tbody>
</table>

Additional IFRS profit of CHF 150-250 m by 2012

1) Excl. Zwitserleven, Belgium, Edina
2) Private insurer (France), Golden Life (Switzerland)
3) PPLI, PULSE

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### Financial calendar
- **Results 2007**: 27 March 2008
- **Annual General Meeting 2008**: 8 May 2008
- **Half-Year Results 2008**: 28 August 2008

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