

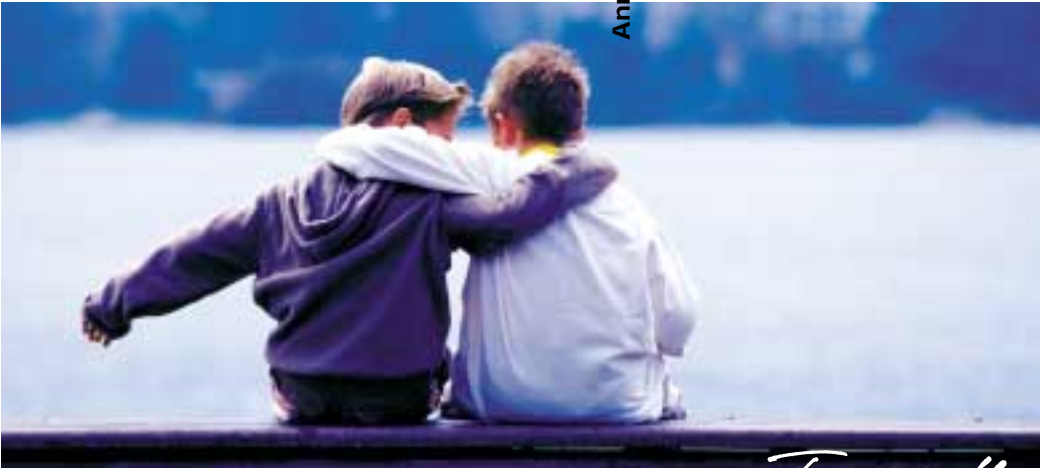
Swiss Life



Rentenanstalt



Annual Report 2000



*Trust - the basis
of good partnership*

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KEY FIGURES

Swiss Life/Rentenanstalt Group Key Figures	in million CHF (if not noted otherwise)		
	2000	1999 (restated)	Change in %
Gross written premiums, policy fees, other related income and insurance deposits	19 318	18 021	+ 7.2
Gross written premiums, policy fees and other related income	14 652	14 783	– 0.9
Net written premiums, policy fees and other related income	14 179	14 351	– 1.2
Net investment income including trading account income	6 286	5 495	+ 14.4
Net realised and unrealised gains/losses	4 134	1 494	+ 176.7
Operating income, gross	1 339	954	+ 40.4
Operating income before tax and minority interests	1 308	821	+ 59.3
Net profit	924	447	+ 106.7
Assets under management	214 404	189 345	+ 13.2
Disclosed equity	7 665	8 161	– 6.1
Total core capital for capital adequacy purposes	13 258	15 691	– 15.5
Members of staff (number)	12 481	11 119	+ 12.2

CHAIRMEN'S STATEMENT



CHAIRMEN'S STATEMENT

Swiss Life/Rentenanstalt can look back on a very successful financial year in 2000. Annual profit more than doubled and the financial result increased substantially. Premiums rose to CHF 19.3 billion. More than half of all premiums were generated abroad.

For Swiss Life/Rentenanstalt, 2000 was an eventful and exceptional business year. At CHF 924 million, the company more than doubled its net profit. The financial result increased by 49% to CHF 10.4 billion. Along with a very favourable technical performance, financial income thus made a substantial contribution to an excellent overall annual result.

The Group is increasingly international. At 52% of overall premium volume, the foreign business share surpassed that of Swiss operations for the first time in the history of Swiss Life/Rentenanstalt. Thus an important strategic goal was achieved. Another important event was the acquisition of Schweizerische Treuhandgesellschaft, which joined the Swiss Life/Rentenanstalt Group on January 1st, 2001.

Swiss Life/Rentenanstalt's financial sector now includes all functions required for efficient risk management of the entire balance sheet. This is especially important in the fields of Group actuarial science, asset and liability management and capital management. Moreover, we have a number of specialised asset management units since last year.

Swiss Life/Rentenanstalt's share price rose by 46.2% in 2000. This created value for our shareholders in the wake of a very convincing performance by Swiss Life/Rentenanstalt. The surge in our share price focused attention on a company that has succeeded in greatly increasing its profit and more than doubling the volume of assets under management since its transition to a public limited company in 1997. Standard & Poor's confirmed its AA- rating in the financial year 2000 and rated the company's outlook as «stable».

Swiss Life/Rentenanstalt's Board of Directors and Corporate Executive Board had aimed at increasing transparency of the results. For this reason,



the present Annual Report 2000 has been drawn up in accordance with IAS (International Accounting Standards) for the very first time. Furthermore, Swiss Life/Rentenanstalt also published its embedded value for the years 1999 and 2000 for the first time. Thus, we are giving the market the possibility of gaining an in-depth view of our Group and have also created better comparability with other companies.

Our management and employees in Switzerland and abroad have achieved much in the past year thanks to their great commitment to the company. The Board of Directors and Corporate Executive Board express their sincere thanks. We also wish to thank our clients for the confidence they have shown in our company. And we can assure our shareholders that we will do all in our power to fulfil their expectations.

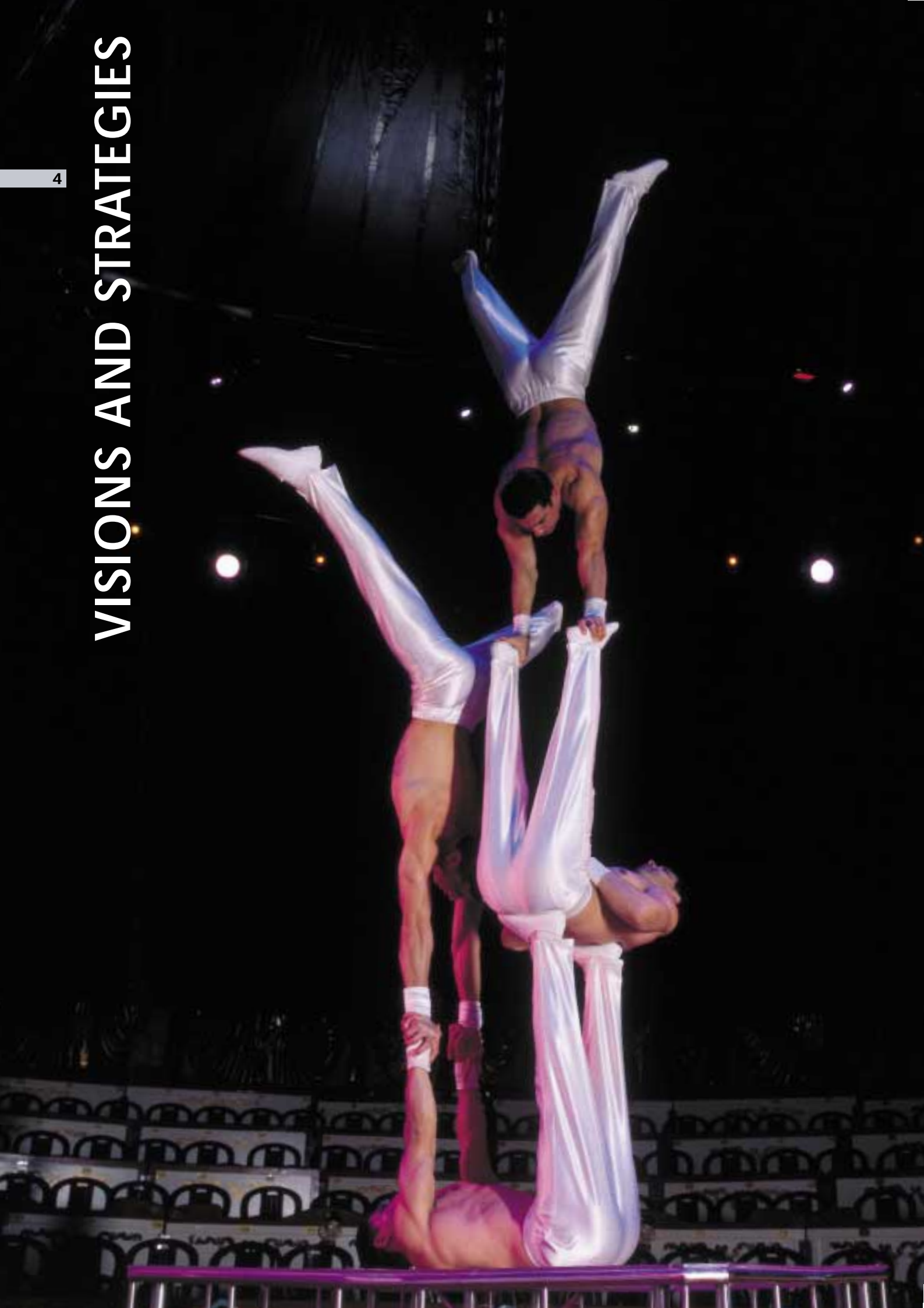
A handwritten signature in dark ink, appearing to read 'Andres F. Leuenberger'.

Andres F.
Leuenberger
Chairman of the
Board of Directors

A handwritten signature in dark ink, appearing to read 'Manfred Zobl'.

Manfred Zobl
President of the
Corporate
Executive Board

VISIONS AND STRATEGIES



VISIONS AND STRATEGIES

Swiss Life/Rentenanstalt continued to realise a strategic vision of expanding its purely insurance-related core activity to include the entire long-term savings sector. The Group now includes under one roof the required specialised companies needed to offer clients solutions in the fields of insurance, banking, trust and asset management.

Acquired on January 1st, 2000, Schweizerische Treuhandgesellschaft (STG) is Swiss Life/Rentenanstalt's latest acquisition. STG gives the Group access to an attractive client segment and also provides additional professional know-how in the field of financial planning. The Group's position as a leading financial services provider has been strengthened substantially by this acquisition as well as that of Banca del Gottardo in 1999 and the founding of Swiss Life Asset Management in March 2000.

Financial services under one roof

Long-established and new companies are so-called «factories» which provide services and products for the entire long-term savings sector. This includes four areas:

- life and non-life insurance units for all insurance services,
- Banca del Gottardo for all banking services,
- Schweizerische Treuhandgesellschaft (STG) for trust services and private banking,
- Swiss Life Asset Management (SLAM) for asset management.

The goal is to support long-term savings clients in building up, expanding and securing their assets. Through its own and various other partner companies, Swiss Life/Rentenanstalt is currently in a position to offer clients almost all types of bancassurance services. The Group has a range of distribution channels: traditional field service agents, phone and Internet sales, distribution via banks, brokers and asset managers.

Additional sources of income

Expansion of business operations to the entire long-term savings market produces both markedly higher and more diversified earnings. Swiss Life/Rentenanstalt is well on course with its strategic target of expanding other prof-

itable sources of income alongside the insurance business.

Accelerates internationalisation

Since the company's transformation in mid 1997 from a mutual to a public limited company, the Group has become increasingly international. The growing significance of foreign business operations is reflected in the origin of insurance premiums. In 1998, around 65% of premiums were generated in Switzerland. At the end of 2000, this figure had fallen below 50%. Thus, the Group has reached its strategic goal of becoming less dependent on the domestic market without giving up its strong home base.

Future growth opportunities

Swiss Life/Rentenanstalt sets out to manage its future in an active and committed way. The Group still sees the greatest opportunities for growth abroad. The plan is to concentrate on Europe. While continuing to strengthen its core life insurance business, the Group also focuses on private banking and asset management. These two sectors offer interesting prospects for growth through a targeted approach.

ORGANISATION



ORGANISATION



Corporate Executive Board

From left to right: Markus Weisskopf, Hannes A. Meyer, Manfred Zobl, Roland Chlapowski, Ernst Schneebeli (standing), Dominique P. Morax, Karl Mühlebach

Andres F. Leuenberger took over as Chairman of the Board of Directors from Ernst Rüesch in June 2000. Ernst Rüesch was appointed Honorary Chairman in recognition of his many years of service to the company.

Three members of the Board of Directors stepped down at the general meeting having reached retirement age. On the Corporate Executive Board, European business operations will be consolidated under a joint management headed by Hans-Rudolf Strickler as of June 1st, 2001.

Board of Directors

Andres F. Leuenberger is Swiss Life/Rentenanstalt's new Chairman of the Board of Directors. Apart from mandates as Vice President of the Board of Directors of Roche Holding AG and Givaudan AG, he is President of economiesuisse. In addition, he is a member of the Advisory Council of the Swiss National Bank. He is also on the Board of Directors of Swissair-Group, Messe Basel and Metallwaren-Holding Zug AG.

Ernst Rüesch, who retired for age reasons at the general meeting on June 8, 2000, was appointed Honorary Chairman in recognition of his considerable services to Swiss Life/Rentenanstalt.

Shareholders also appointed Gerold Bühner, financial specialist and National Councillor from Schaffhausen, to Swiss Life/Rentenanstalt's Board of Directors. Having reached the age limit, Heinz Allenspach, Jean-Jacques Cevey and Argante Righetti retired at the general

meeting. The general meeting renewed the mandates of Christine Beerli-Kopp, Albert Eggli, Georges Muller and Rino Rossi.

Corporate Executive Board

European business operations will be consolidated under a joint management. This «European Division» will be headed by Hans-Rudolf Strickler as of June 1st, 2001. The two current heads of Europe I and Europe II, Ernst Schneebeli and Markus Weisskopf, will retire after respectively 30 and 25 years of service to the company. The Board of Directors thanks them for their commitment to the company.

BOARD OF DIRECTORS

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Board of Directors

Ernst Rüesch

Former member of the Council of States,
former State Councillor, St. Gall
Chairman until 6/8/2000
Honorary Chairman

Andres F. Leuenberger

Vice Chairman of the Board of
Directors of Roche Holding AG,
Chairman of economiesuisse, Riehen
Chairman since 6/9/2000
Term of office until 2001

Rino Rossi

President and Delegate of the Board
of Directors of V-Zug AG, Zug
First Vice Chairman
Term of office until 2003

Ulrich Oppikofer

Seltisberg
Second Vice Chairman
Term of office until 2002

Heinz Allenspach

Former National Councillor, Fällanden
Resigned as per 6/8/2000

Christine Beerli-Kopp

Lawyer, member of the Council of
States, Bienne
Term of office until 2003

Gerold Bühler

Financial and economics consultant,
National Councillor, Thayngen
Member since 6/8/2000
Term of office until 2003

Jean-Jacques Cevey

Former National Councillor, Montreux
Resigned as per 6/8/2000

Pierre de Chastonay

Lawyer, Notary Public,
former National Councillor, Sierre
Term of office until 2002

Gilbert Coutau

Economics consultant, former member
of the Council of States, President of
the Geneva Chamber of Commerce
and Industry, Geneva
Term of office until 2002

Albert Egli

Former National Councillor,
Winterthur
Term of office until 2003

Maria Luisa Garzoni-Barberi

Garzoni SA, General contractors,
Lugano
Term of office until 2001

Riccardo Jagmetti

Former member of the Council of
States, Zurich
Term of office until 2001

Josef Kühne

Farmer, former National Councillor,
President of Swiss Milk Producers SMP,
Benken SG
Term of office until 2002

Georges Muller

Chairman of the Board of Directors
of «La Suisse», Lausanne
Term of office until 2003

Erwin Reinhardt

Lawyer, Chairman of the Board
of Directors of Sihl + Eika Papier AG,
Muri BE
Term of office until 2001

Argante Righetti

Lawyer, former State Councillor,
Bellinzona
Resigned as per 6/8/2000

Board of Directors' Committee

Andres F. Leuenberger

Chairman since 6/9/2000

Ernst Rüesch

Chairman
Resigned as per 6/8/2000

Rino Rossi

First Vice Chairman

Ulrich Oppikofer

Second Vice Chairman

Pierre de Chastonay

Riccardo Jagmetti

Erwin Reinhardt

Finance Committee

Andres F. Leuenberger

Chairman since 6/9/2000

Ernst Rüesch

Chairman
Resigned as per 6/8/2000

Heinz Allenspach

Resigned as per 6/8/2000

Gerold Bühler

Since 6/9/2000

Dominique P. Morax

Rino Rossi

Ernst Schneebeli

Manfred Zobl

CORPORATE EXECUTIVE BOARD

Corporate Executive Board

Manfred Zobl

Chairman of the Corporate Executive Board, President, CEO
1946, at Swiss Life/Rentenanstalt Group since 1992

Roland Chlapowski

Co-President
1951, at Swiss Life/Rentenanstalt Group since 1995

Hannes Anton Meyer

Co-President
1943, at Swiss Life/Rentenanstalt Group since 1985

Dominique P. Morax

Co-President, CFO
1948, at Swiss Life/Rentenanstalt Group since 1997

Karl Mühlebach

Co-President
1943, at Swiss Life/Rentenanstalt Group since 1970

Ernst Schneeblei

Co-President,
until May 31, 2001
1945, at Swiss Life/Rentenanstalt Group since 1972

Hans-Rudolf Strickler

Co-President,
since June 1, 2001
1947, at Swiss Life/Rentenanstalt Group since 2001

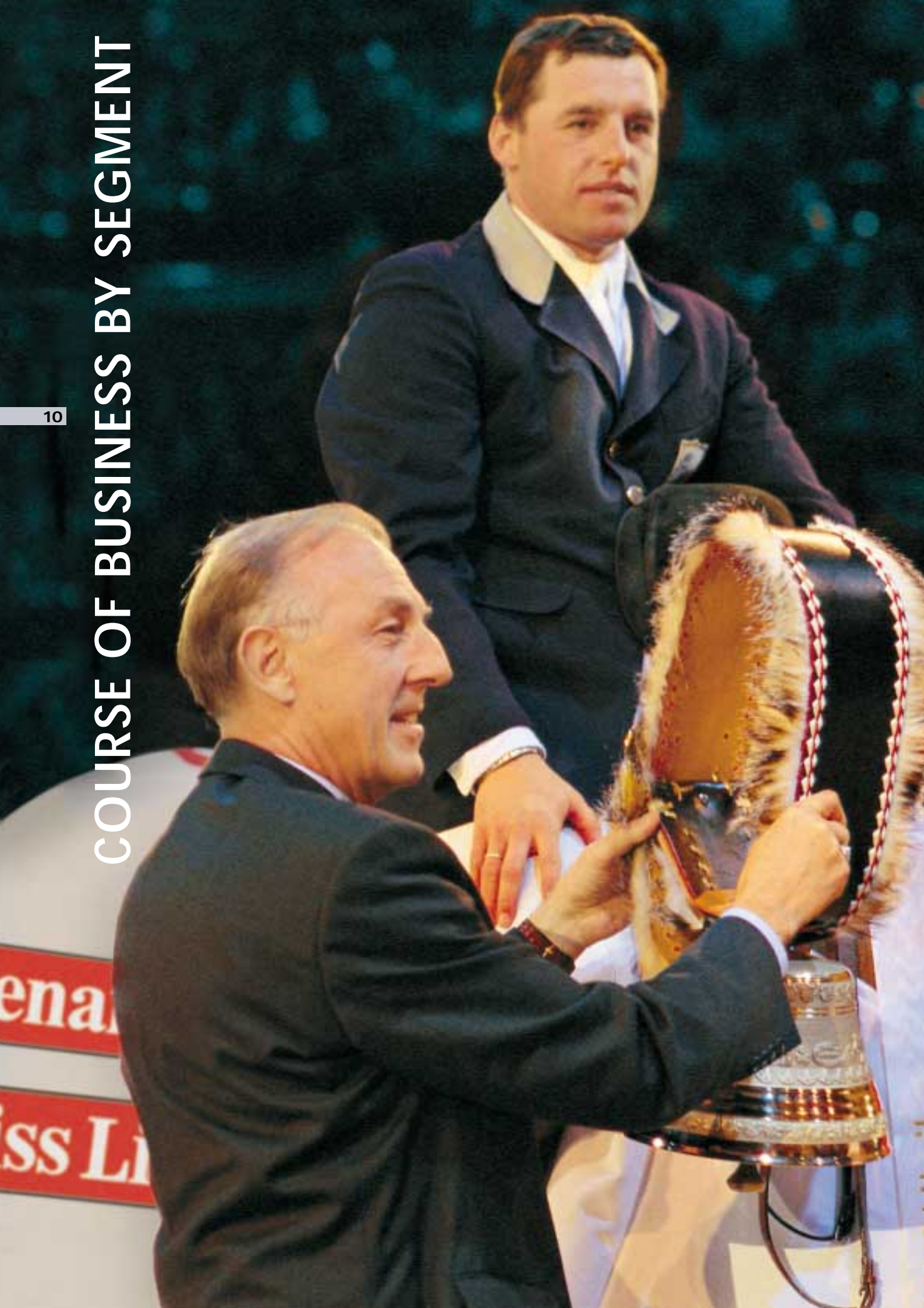
Markus Weisskopf

Co-President,
until May 31, 2001
1944, at Swiss Life/Rentenanstalt Group since 1977

Group Auditors and Statutory Auditors

PricewaterhouseCoopers

COURSE OF BUSINESS BY SEGMENT



BUSINESS BY SECTOR

The Board of Directors and Corporate Executive Board have acted to increase the transparency of the company's financial results. Financial accounts for the year 2000 were drawn up in accordance with IAS (International Accounting Standards). This has made it easier to compare Swiss Life/Rentenanstalt to other companies in the industry.

The figures of the previous year were adjusted to the new accounting practice and are comparable to 2000. However, this does not apply to 1998 and previous financial years. For this reason, the present annual report abstains from comparisons that reach beyond 1999. With regard to premium income, all statements relate to premiums including policyholder investment contracts. Under IAS, the latter are only recorded in the balance sheet, but not booked via the statement of income. Segment information is provided in the financial report on pages 18 to 21. Segment Result I contains internally paid dividends and write offs for goodwill which are subtracted in the Elimination column. In other words, the results of the individual sectors are listed as gross amounts. In Segment Result II, both sales between the sectors and internal dividends are eliminated. As various subholdings are included in the sector «others», because of the elimination of dividends, negative results may occur in Segment II, although these companies may report profits on a local level.

Life

The life insurance sector expanded strongly in the year under review. Premiums including policyholder investment contracts increased by 7.7% to more than CHF 17.1 billion. Two-digit growth would have been recorded if it had not been for a negative influence from new conversion rates. Assets under management rose by more than CHF 7 billion to CHF 142 billion.

Premiums

Premiums including policyholder investment contracts increased by 7.7% to CHF 17.1 billion. At the same exchange rates, growth would have amounted to more than 10%. Policyholder investment contracts rose by 44.1% to CHF 4.7 billion. The share of such contracts was approximately 27% in 2000 compared to 20% in 1999. Private individual and group insurance developed differently. Whereas group insurance recorded a plus of 3%, premium income stemming from individual insurance fell by 9%. This fall resulted primarily from a decrease in single premium business. The slump was especially felt at Swiss Life Direct, a specialist in this sector. Overall single premiums decreased by about 10%. On the other hand, a major trend toward new forms of saving was recorded. This is evident particularly in a strong growth in policyholder investment contracts.

Insurance benefits

Insurance benefits paid in individual insurance rose by almost 29%. Whereas risk benefits developed as expected, pure endowment sums increased sharply. A product in Swiss business operations negatively affected the corresponding key figure for the sector as a whole. Benefits upon expiration of an insurance product called «Sprint 2000», which was launched in the anniversary year 1982, became payable for the main part during 2000.

At around 15%, insurance benefits for group insurance also increased strongly. Pure endowment sums, service terminations and vested benefits showed a strong rise, resulting from an increase in personnel fluctuations and contract cancellations. The latter reflects not only a higher volatility in business volume, but also company restructuring or reorganisation of long-term savings solutions.

Risk result

The risk profile of each insurance activity is regularly supervised. If fluctuations are no longer within a tolerable range, a detailed analysis is carried out. The outcome of such an analysis may require measures with regard to tariffs or a re-examination of risk. The risk result in 2000 was above that of the previous year. However, it can still be described as extremely gratifying.

Expenses

Overall expenses rose by 23%. This strong increase mainly resulted from developments in Switzerland and France. The life insurance subsidiary ERISA in France was consolidated for the first time for the full 12 months compared to a six-month consolidation in 1999. Taking account of all extraordinary influences in the year under review, the rise in expenses at 8.8% was insignificantly higher than the increase in premium income.

Non-Life

The non-life sector recorded a slight rise in premiums (+3.6%). In this sector, the Swiss Life/Rentenanstalt Group is primarily active in the accident and health insurance business (47%). The remaining share is attributable to motor vehicle insurance (17%), fire and property insurance (12%) and other activities (including assumed reinsurance) with around 24%.

Premiums

The most important key figures were affected by our non-life companies in Switzerland and France. Non-life premiums increased by 3.6% in line with expectations. As in the life sector, the ERISA subsidiary was consolidated for the entire year for the first time.

Insurance benefits

Insurance benefits rose somewhat more strongly than the volume of premiums. The claims ratio increased to 73.9% from 70.9% as a result of damages from natural forces at the end of the year.

Expenses

Expenses rose by only 2.5%. The cost factor fell slightly to 30.2% from 30.4%.



Private Banking and Investment Management

The investment management sector comprises investment consultancy and asset management for institutional clients. Managed assets include assets corresponding to liabilities on the insurance side. Funds from institutional clients are cared for increasingly in the form of asset management mandates.

The private banking sector serves wealthy private clients. In the past, investment consultancy and asset management were the main activities. Today, however, private banking clients also expect comprehensive financial, tax and long-term savings services from one provider.

Swiss Life/Rentenanstalt's change in strategy from a pure insurance company to a financial services provider at the beginning of 1999 has affected the development of investment management and private banking activities. The new strategy was in fact responsible for the creation of a private banking unit. A targeted entry into the business fields of private banking and the expansion of investment management activities has allowed the Group to diversify its income flow and business risks while increasing the quality of profits. Activities in these businesses are to be expanded in a disciplined way with the goal of becoming one of the leading, independent providers in the area of long-term savings and risk protection. New acquisition channels are being opened for this purpose; and, as a result, managed assets will continue to grow. In the two years since the new strategy was formulated, Swiss Life/Rentenanstalt clearly has shown its willingness to realise this intention. The core competencies of distribution/asset gathering and the actual management of assets were strengthened. The acquisitions of Banca del Gottardo, Lloyd Continental and UTO Albis in 1999 and STG at the beginning of 2000 are to be seen against this background. Moreover, the financial sector was focused and its structures adjusted to the new strategy. Several specialised, legally independent asset management units were created with the goal of consolidating product and market-specific know-how in flexible and close-to-the-market units.

Financial markets 2000

2000 will go down in economic history as a special year. The global economy grew at a rate that had not been seen in over ten years. However, a review of the financial markets shows mixed developments. Prior to the critical turn of the millennium 1999/2000, central banks provided a generous amount of liquidity. However, the new era commenced without great difficulties so that this liquidity primarily flowed into investments for new technologies on the corporate side. At the same time, demand soared for shares of companies providing new technologies or building up their business models to make use of these new possibilities. Share price increases created assets that mainly led to American households further raising their spending on consumer goods. This development ended abruptly in spring 2000. An increase in economic growth had occurred around the globe. As a result, companies were confronted with higher expenses in the form of increasing oil prices, rising wages and higher credit costs. However, in recent years market deregulation and new forms of distribution had led to stronger global competition so increased corporate costs could not be passed on to customers. Accordingly, profit expectations for certain technology sectors had to be revised. As a result, share prices in these sectors were subject to massive corrections in the second half of the year. Against this background, the Swiss Stock Exchange performed well with the Swiss Market Index gaining an annual 7.5%. In view of the spreading pessimism concerning the outlook for corporate profits, bonds from first-class debtors became investors' primary choice. Average return on Swiss federal bonds remained almost unchanged at approximately 3.5%. This figure, however, does not reflect an interim rise in

yields to more than 4% nor a price rally in the second half of the year on fixed interest securities. The currency market was affected by a lack of confidence in Europe's new single currency. It was only at the end of the year that the Euro against the American dollar was able to somewhat recover thanks to a positive economic outlook for Europe. These financial market developments also influenced economic growth as a whole. Following a first semester with solid economic growth, expansion, particularly in the US, slowed significantly during the last few months of the year.

Investment management sector

Attaining a critical mass in the areas of settlement and distribution is becoming increasingly important for institutional asset managers. One of the reasons for this is a rise in the volatility of financial markets. This volatility has led to increased demand from clients for complex risk-management tools. Higher volatility also requires an increase in allocation to capital reserves so as to absorb market shocks. A further reason is recent developments in technology that provide clients with easier access to stock exchange related news on companies and markets. As a result, providers of investment consultancy and asset management services must invest in the latest IT systems continuously in order to offer clients real added value. A trend towards expanding insurance operations has continued in the wake of which an over-capacity is slowly building up in this sector. On the other hand, this trend also encourages alliances within the sector. New investment products are being more readily accepted on both the market and the regulatory side. As a result, pressure is rising to offer clients a comprehensive range of modern investment products, all from one provider. In today's market environment, the range of products in the field of traditional investment vehicles is increasingly supplemented by non-traditional investments, such as hedge funds or private equity. Apart from the variety of products, advantages also include the ability to cover specific client needs by means of structured products.

Through the targeted build-up and expansion of its investment vehicles, Swiss Life/Rentenanstalt is currently in the position to satisfy the most diverse client needs.

Investment operations with tradable securities are carried out by Swiss Life Asset Management AG, which celebrated its first anniversary on March 1st, 2001. The company emerged from the former «Vermögensverwaltungs AG», one of Swiss Life/Rentenanstalt's wholly owned subsidiaries. The securities departments at the individual branch offices and subsidiaries used to be included in insurance activities. According to the new strategy, these departments are now established as independent companies. Swiss Life Asset Management has become an international organisation. At the end of 2000, it operated in Zurich, London and Munich. Further subsidiaries are to be established in the near future. Swiss Life Asset Management in Zurich alone managed assets of CHF 56.9 billion at the end of 2000.



Swiss Life/Rentenanstalt is able to satisfy investment requirements in the fields of real estate and mortgages with the responsibility for this centred at head office. Swiss Life/Rentenanstalt is not only one of the largest private owners of real estate in Switzerland, but also the largest real estate manager through its 100% subsidiary LIVIT AG.

Swiss Life/Rentenanstalt now holds a dominant position in the field of non-traditional investments. Swiss Life Hedge Fund Partners was founded in 1998 as a joint venture between RMF Investment Group and Swiss Life/Rentenanstalt. The company managed assets for Swiss Life/Rentenanstalt and third parties of almost CHF 4.5 billion at the end of 2000.

Swiss Life/Rentenanstalt has invested in private equity since 1997. Within the framework of hiving off various investment areas, the company carries out equity financing in non-listed companies via its newly founded subsidiary Swiss Life Private Equity Partners AG. The company is one of the most important European participants in the private equity sector with more than CHF 1.2 billion in present investments or available for future investments.

Performance in 2000

Apart from the management of investment funds stemming from insurance operations, funds for third parties are also managed. These third-party funds are reported off the balance sheet. They increased by a good 7% to CHF 14.9 billion compared to 1999.

The investment management sector recorded a profit of CHF 65 million in 2000. Earnings rose by CHF 139 million, or 185%, compared to the previous year. Expenses also increased sharply, reflecting the fact that this business activity is still being established and that various newly founded companies were included for the first time in the 2000 figures. The number of employees rose to 524 compared to 358 in the previous year.

Net profit from investments shown on the balance sheet totalled CHF 9.5 million in 2000. This result was made possible by gratifying price increases and positive currency influences.

Private banking sector

Private banking covers investment consultancy services and asset management for private clients. As at the end of 1999, total global assets in these categories were estimated at around USD 24 trillion. Prospects for growth are very promising and there have never been so many potential clients. Surveys have shown that there are 6 million people world-wide, who have assets in excess of USD 1 million. In addition, the number of high net worth individuals with substantial wealth continues to rise.

However, trends also show that private banking is in the midst of major change. Assets to be handed down from one generation to another will increase greatly. As a result, the profile of high net worth clients will be transformed. In investing their assets, earlier generations tended to place great importance on discretion and security. Today, discretion must be self-understood.

Clients increasingly show better and more in-depth knowledge of the asset management sector. Private banks throughout the whole world are beginning to cater to generations that are much more willing to take risks and who are also more performance-oriented than their parents. As clients are better informed than in the past, more complex products are in demand. As the investment product range expands, clients have more need for comprehensive investment consultancy services. Apart from actual asset management, these services also include tax optimisation, long-term savings planning and estate planning.

In the recent past, Swiss Life/Rentenanstalt has linked up with well-known companies active in private banking. They include Banca del Gottardo and Schweizerische Treuhandgesellschaft (STG), acquired in 1999 and 2000 respectively, the French Société Suisse Banque and SOFIDEP.

By acquiring Banca del Gottardo, domiciled in Lugano, Swiss Life/Rentenanstalt clearly showed an intention of expanding its pure insurance business to include the broader long-term savings market through activities in the banking sector. Banca del Gottardo provides its international clientele with a broad range of banking products, and it has acknowledged core competencies in the field of private banking.

STG joined the Swiss Life/Rentenanstalt Group on January 1st, 2000 and serves a small but sophisticated group of clients. Services include comprehensive, inter-disciplinary consultations with clients where their overall private, professional and entrepreneurial situation is taken into account. The company's services do not end with the consultation as STG consultants continue to care for and attend to client needs.

Performance in 2000

Swiss Life/Rentenanstalt managed Group-wide assets of CHF 214.4 billion at the end of 2000. This was an increase of about CHF 25 billion, or 13.2%, compared to the previous year. From total assets reported, CHF 53.7 billion were attributable to the private banking sector. This is an increase of 43.9% compared to 1999. This marked rise came primarily from STG which was consolidated for the first time in 2000. The Banca del Gottardo Group was also able to increase its managed assets by a substantial CHF 6.4 billion.

Shares recorded the greatest growth among managed assets. They rose by 46.3% to CHF 4.8 billion compared to the previous year. A large portion of this stock, namely CHF 3.2 billion, was attributable to STG's share portfolio.

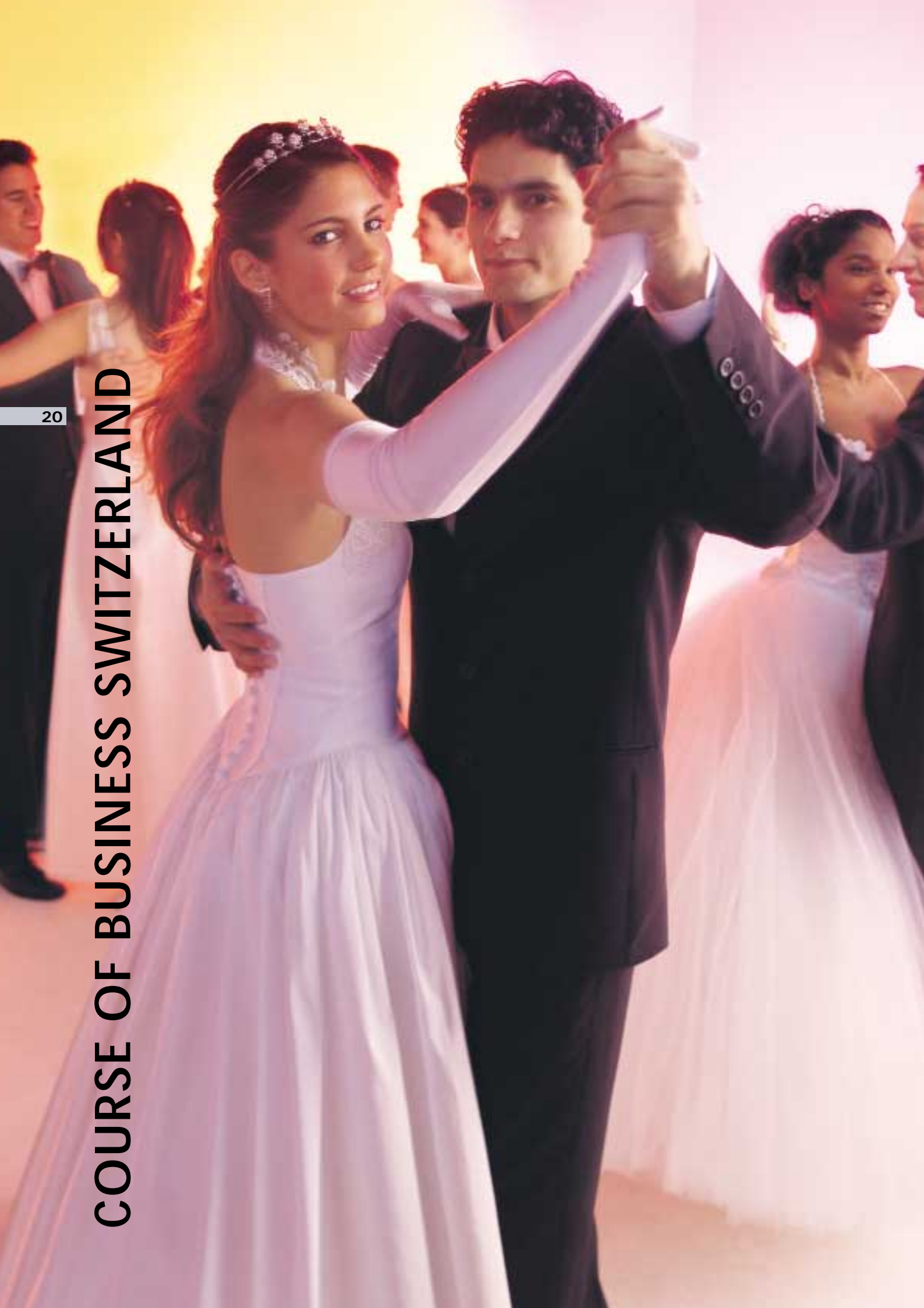
In 2000, the profit contribution from private banking to the Group increased by CHF 68 million, or 54.4%. Earnings amounted to CHF 1.1 billion in 2000, a rise of 89.8% compared to the 1999 financial year. Operating expenses increased 49% to CHF 498.9 million from CHF 338.9 million. This development was the result of the first consolidation of STG, investments in the company's infrastructure and an increase in the number of employees. 1 248 individuals were employed at the end of 1999, while 1 950 persons worked for this sector at the end of 2000 – 362 of these for STG.

Others

The «others» sector contains all Group companies that cannot be attributed to the four main sectors. They are primarily participation and consultancy companies. In an initial phase, both Redsaf Bank and Propeller in Great Britain, which is charged with caring for expatriates, are included in this sector.

The «others» sector is not meaningful in terms of sales. Nevertheless, the various consultancy companies fulfil an important function in the range of services that the Group provides for its clients.

Segment Result II is negative. It is the outcome of contribution to net profit after settlement of internal sales and dividends but without taking account of write offs for goodwill. This is the result of two factors: the cancellation of dividends required by consolidation; and expenses in connection with the establishment of Redsaf Bank and Propeller.



COURSE OF BUSINESS SWITZERLAND

BUSINESS IN SWITZERLAND

The three companies operating in the Swiss market – Swiss Life/Rentenanstalt, «La Suisse» and Swiss Life Direct – reported gratifying overall results, despite a decrease in premium income.

Premium income developed very differently in the individual divisions and insurance sectors.

In individual insurance, premium volume was affected by two factors: the introduction of a stamp duty in the single premium sector and a rise in alternative savings forms such as investment funds. This trend was met by the launch of unit-linked insurance products, which were sold very successfully. Based on the company's new strategy, the product range was expanded in 2000 to include pure, non-insurance-linked fund products.

Market competition led to a greater willingness on the part of corporations to change their group insurance (occupational employee benefits). Only the most efficient client services can deal with commercially and administratively time-consuming contract transfers. Measures implemented during 2000 to meet this challenge are already bearing fruit.

Following a comprehensive reorganisation of Swiss business operations during the autumn of 1999, the year under review saw the approval of a new corporate and marketing strategy. This reorganisation serves a variety of targeted client segments, makes use of company-internal synergies and gains additional clients in the Swiss long-term savings market. Three trademarks are being used to reach targets. Swiss Life/Rentenanstalt is *the* long-term savings specialist for private individuals and companies. «La Suisse» is a provider of all-branch protection. Profitline is a direct provider of insurance, pension and savings products.

The organisational restructuring of the Swiss Division was implemented successfully. The new strategy is a long-term process, but a number of measures are realised already. There are various examples: centralisation of group sickness

benefits with «La Suisse»; coordination of marketing activities; and project consolidation, particularly within the IT area. This new market strategy will lead not only to increased efficiency in consultancy and sales in the medium-term, but also to an optimisation of costs and an increase in professionalism in the areas of client services and administration.

	2000	1999
Inflation	1.50%	0.80%
Unemployment	2.00%	2.70%
Return on government bond issues	3.46%	3.51%
GDP	3.40%	1.70%

Swiss Life/Rentenanstalt

Swiss Life/Rentenanstalt, the Group's parent company, achieved a total premium volume of CHF 7.9 billion in 2000, compared to CHF 8.3 billion in 1999. Regular premiums increased, whereas single premiums declined.

Total premiums at Swiss Life/Rentenanstalt stood at CHF 7 906 million in 2000. This represented a decrease of 4.9% compared to the previous year. Whereas regular premiums were slightly above the level recorded in 1999, single premiums fell as they had in the previous year.

A decline in individual insurance premiums was particularly pronounced. The introduction of a stamp duty on single premium insurance for private individuals continues to have a negative effect. As a result of the tax, saving through insurance faces increasing competition from other investment vehicles, especially investment funds. Funds are becoming increasingly important. In the group insurance sector, regular premiums rose, while single premiums fell, reflecting the same development as with individual insurance.

Insurance benefits

Benefits paid showed a major increase of around 20% in 2000.

A rise of 38% in benefits paid for individual insurance was caused primarily by extraordinary endowment sums. Namely an insurance product called «Sprint 2000» that was launched in the anniversary year 1982 and became largely due for payment last year. Surrenders of individual policies rose markedly in 2000 after a decrease in the previous year. Benefits paid on group insurance increased by 18% influenced primarily by service terminations and termination of portable credit policies. These developments came as the result of an improved labour market that led not only to higher fluctuations in personnel but also to an increase of re-entries into the job market. Benefits also rose distinctly as a result of contract cancellations. The reasons for this were greater movement of insurance in force and a continually-increasing growth in remitted savings.

The risk profile improved compared to 1999, particularly in the area of disability insurance.

Operating expenses

The parent company's operating expenses amounted to CHF 852 million. This was an increase of around 16% compared to the previous year.

Expenses in the insurance area rose only slightly, despite high costs for information technology projects and restructuring. However, expenses in business activities outside the actual insurance field experienced a major increase. Of primary importance was the full amortisation of development costs for the financial services platform www.redsafe.com and costs for the adoption of International Accounting Standards (IAS). Personnel expenses rose as a result of payments for early retirement.

Distribution

Changing market demands have a direct effect on distribution. A general trend towards bancassurance long-term savings' solutions increases the competition faced by life insurance from alternative savings and investment products. This development requires a new orientation in distribution that covers both group business and sales of investment funds and financial products. As a result, substantial investments have been made in the education of employees to become financial planners.

For the specialists in the group business area, a new professional profile was created in 2000 called «Employee Benefits Consultant». At the same time, measures were taken to support professional training and team selling. In addition, a new information technology-based consulting tool «AssuRama» was made available. Thanks to the efforts put into this new approach, productivity of agents in the corporate business area was greatly increased.

In the private individual sector, fund-linked life insurance – first introduced in 1999 – already was responsible for around half of all new life insurance business in 2000. The strength of fund-linked life insurance growth compensated to a great extent for a reduction in the sale of classical insurance products.

In order to take advantage of the trend toward financial products, «Swiss Life Managed Portfolio» was developed and introduced shortly before the end of last year. With this product, Swiss Life/Rentenanstalt offers in addition to its extensive range of insurance services a purely financial savings' solution. It offers investment funds from third-party suppliers (Best in Class). Developed in cooperation with Banca del Gottardo, «Swiss Life Managed Portfolio» provides a savings' solution between classical portfolio management and an investment fund.

New products broaden the consultancy range of the company's field service. The current education of sales staff to financial planners has as its goal a competent and comprehensive advisory service for private clients in all areas of long-term savings and at all stages of their lives. To support a high professional standard, two projects were launched: a fully-integrated, Internet-based learning platform for virtual E-learning and a modern tool covering all consultancy needs of private clients.

Outside agents are also important in the distribution of advisory services. Swiss Life/Rentenanstalt carefully looks after relationships with professional agents and supports them at the head office and regional service centres through teams of specialists. Two agency forums in 2000 promoted cooperation with this important distribution channel.

Private individual business

Total premiums in the private individual sector fell to CHF 2 214 million, 13.9% down from the previous year. The reasons for this development included a stamp duty on single premium insurance, reduction of the technical interest rate to 2¹/₂% and increased savings going into stocks and funds.

The volume of benefits paid for death and disability was as expected. However, the sum paid for endowments showed a considerable rise of CHF 421 million. As mentioned before, this extraordinary development was caused by the expiration of «Sprint 2000», an anniversary product launched in 1982. After a reduction in 1999, premium surrenders evidenced once again a major increase at 23.6%.

The insurance industry comes under Switzerland's money laundering law since 1999. Application of guidelines regarding care in acceptance of funds as laid down by the Swiss Insurance Association did not cause any noteworthy problems.

Group business

Premium income

Premiums in direct group life insurance stood at CHF 5 473 million. Despite a reduction in single premiums, this was practically at the level of the previous year. Regular premiums rose by 3.8% thanks to new business and wage adjustments.

Insurance benefits

In 2000, benefit payments in direct group insurance increased by around 18%. This continued a trend seen in recent years. The rise was particularly marked with endowment sums. Service terminations and surrender of portable credit policies climbed as a result of employee fluctuations. Also of note were increased contract terminations. This latter development reflected on the one hand greater volatility of insurance in force and on the other corporate restructuring or a reorganisation of pension solutions.

Group sickness benefits insurance

Premiums in group sickness benefits insurance at CHF 138.7 million fell somewhat from the previous year's level. This decline must be seen against the background of a large new contract in 1999. Insurance benefits rose slightly at 1.5%. Therefore, claims were a little above those of 1999, but remained at a satisfactory level. In 2000, the claims' application process was simplified and further improvements made in the organisational structure.

Client service and administration

In the course of 2000, further units moved into the new administration centre Binz in Zurich that was completed at the end of 1999. Thereby, group business was concentrated at one locality, with the exception of the decentralised client services in western Switzerland and the Ticino.

In the area of small- and medium-sized companies, contracts of up to 300 insured individuals are taken care of. A wide range of modular and standardised insurance products are available to these clients.

Large national and international clients as well as professional associations are included in the business unit targeting large companies. This unit is specialised in providing individual solutions for large clients.

In the forefront of administration innovation was AMARTA, a comprehensive information technology project for contract administration. This project should ensure that new demands on administration (for example the imminent BVG revision) are met and help keep costs under control. In addition, AMARTA will assist in satisfying clients' appetite for new forms of insurance. It is expected that this new system, which required considerable investment, will be operating from 2002.

Swiss Life Direct and Profitline

The direct distribution channel Profitline grew rapidly in 2000 with CHF 476 million in new money flowing into investment funds. Lump sum insurances, the majority of which are financed by single premiums, declined. Taking premiums and new money in investment funds together, there was a growth of around 45% to reach CHF 625 million. The Internet-based investment fund channel launched in April received a prize for innovation in Switzerland.

At Swiss Life Direct, the expansion of alternative distribution channels was at the centre of attention. A distribution cooperation with Zürcher Kantonalbank that was launched in April in the long-term savings area has proved very successful. Business coming from outside agents grew particularly in the second half of the year. This was due to exploitation of synergies with the parent company and the building up of a team of consultants. However, an unsatisfactory performance in single premiums requires a new look at this area of Swiss Life Direct's activities within the total strategy of Swiss Life/Rentenanstalt.

«La Suisse»

The «La Suisse» Group reported another successful year in 2000. Premiums stood at CHF 927.2 million. Insurance benefits were well within the Group's targets. Important projects were realised within the company.

Gross premiums in 2000 for life and non-life insurance amounted to CHF 927.2 million. This represented a decline of 2.3%.

Life insurance premiums totalled CHF 677.6 million. Although regular premiums rose by 4.8%, single premiums experienced a marked reduction. Insurance benefits rose by 14% as the result primarily of higher endowments. The risk profile of «La Suisse» improved in both the areas of death and disability insurance.

Gross premiums in the non-life area rose by 4% to reach CHF 249.6 million. Benefits paid were well within budget. Claims ratio exceeded the previous year's figure only slightly despite unfavourable storm damage at the end of the year.

Ambitious goals have been set for the «La Suisse» Group in the context of Swiss Life/Rentenanstalt's strategic targets. «La Suisse» is an insurer bent on satisfying the needs of families. It is also an insurer that serves small- and medium-sized companies, as well as their owner or top management. In both these areas, «La Suisse» strives to lead in fulfilling client needs in regard to quality, costs and performance. In order to reach this ambitious target, at the end of 1998 «La Suisse» gave itself 500 days to create optimal conditions for business operations after the turn of the millennium. Goals have been attained through the simplification and state-of-the-art modernisation of the way in which «La Suisse» operates. Since the beginning of 2001, «La Suisse» has a new information technology platform which supports the realisation of new concepts.

Synergies between Swiss Life/Rentenanstalt were further utilised in 2000. The areas of sickness and accident insurance were centralised. Within the context of the project «Move together», employees in these fields were concentrated in the

three centres of Zurich, Lausanne and Lugano. This brought about an improvement in client service as well as full use of synergies within the Group.

In sales, cooperation was strengthened between «La Suisse» and its parent Swiss Life/Rentenanstalt. The success of this cooperation was evidenced in the continual growth in new non-life business generated by the field service. «La Suisse» provides complementary services that contribute to Swiss Life/Rentenanstalt achieving its strategic goal of providing clients with a comprehensive range of products.

Banca del Gottardo

Total earnings at Banca del Gottardo exceeded expectations at CHF 594 million. Consolidated net profit increased by 11.1% to CHF 159.4 million. Net profit has practically doubled in the last three years. Some 200 new jobs were created in 2000.

The Banca del Gottardo Group's total earnings in 2000 reached CHF 594 million, an increase of 14.2% over the previous year. This result was well above expectations. Net profit rose by 11.1% to CHF 159.4 million, almost double what it was three years ago.

The most important business areas were extremely successful. Income from commissions grew by 15.8%, considerably above expectations. This result is influenced in particular by asset management commissions that climbed 34.6%. Net interest income increased by 26.1% to CHF 170.8 million. Reasons for this performance included the restrictive monetary policy of the major central banks and Banca del Gottardo's prudent financial structure. However, income from trading fell by 27.8% compared to the previous year due principally to only moderate opportunities on international stock markets. In this respect, the second half of the year dampened good results seen in the first quarter. On the other hand, full-year income from foreign currency trading rose by 3.4% compared to 1999.

As expected, expenses increased by 20.7%, primarily due to the strategic expansion of the Group. This included investments in a modern infrastructure and a build up in personnel. In 2000, 200 new jobs were created. Despite a substantial increase in costs, gross profit at the Banca del Gottardo Group was up 8.3% to CHF 293.2 million.

Group assets rose by 6.9% to CHF 13.6 billion in 2000 compared to the previous year. The share of consolidated equity (before distribution of profits) was CHF 1.06 billion. Despite an increase of 4.6%, return on equity also rose, moving from 15% to 15.4%.

With its takeover of West LB (Switzerland), Banca del Gottardo made an important move in the market north of the Alps. Representative offices were

opened in Prague and Buenos Aires, adding to the banking Group's geographical reach. To strengthen the Group's position in its major market of southern European, measures were taken in regard to the activities of Banca del Gottardo Italia. The primary intention is to build up domestic private banking in Italy. To better market investment funds, Banque du Gothard (Luxembourg) SA was founded in Luxembourg.

Schweizerische Treuhandgesellschaft

The Schweizerische Treuhandgesellschaft (STG), which was taken over by Swiss Life/Rentenanstalt at the beginning of 2000, reported earnings of CHF 110 million for the year. STG has portfolio assets under management in excess of CHF 10 billion. STG has its own offices in a number of foreign financial centres.

STG earnings rose in 2000 by 21% to CHF 110 million, up from CHF 91 million in 1999. At the end of 2000, around 340 people were employed in the six centres of Basel, Bern, Lausanne, Lugano, Geneva and Zurich. These are 30 more than in the previous year. STG, founded in 1906, provides a comprehensive range of portfolio management and advisory services primarily to domestic and foreign private individuals and also other investors. In total, STG has more than CHF 10 billion under management. Included in services are financial consulting, consisting mainly of tax and legal advice, as well as company administration, real estate services and art consultancy. Other services come from trust and accounting activities; for example, bookkeeping and fiduciary services.

As a trader in securities, the subsidiary STG Asset Management AG (STGAM) comes under the Swiss stock exchange law and therefore the supervision of the Federal Banking Commission. The volume of the STG Group's portfolio consultancy business, primarily for private persons, amounts to around CHF 7 billion. STGAM has management contracts for around 70% of this volume.



COURSE OF BUSINESS EUROPE



BUSINESS IN EUROPE

The year 2000 was a very successful financial year in Europe. Premium income increased by a total of more than 20%, helping Swiss Life/Rentenanstalt attain its strategic goal of generating more than 50% of premium income outside of Switzerland by the year 2000.

Strong premium growth in Europe resulted primarily from the following factors. The bancassurance company ERISA-VIE in France was consolidated for the first time for the full 12 months compared to a six-month consolidation in 1999. A veritable boom (+13% in premium income) took place in The Netherlands after it was announced that life insurance would be subject to taxation as of 2001. This followed a similar development in Germany a year before. Premiums at Swiss Life (UK) rose by more than 40% thanks to the successful distribution and performance of «Managed Funds». Premiums in Spain increased by about 110%. This substantial rise was due in particular to so-called «Exteriorización», in other words the legally prescribed withdrawal of company-internal pension reserves for investment in insurance or bank products. European branch offices and subsidiaries reported strong premium growth, particularly with regard to pure savings premiums and single premiums in the group insurance sector.

Substantially higher income from financial investments was generated in the European Division despite increasingly difficult capital markets in 2000. Contributions from European countries to the Group's earnings from financial investments rose strongly.

The year 2000 was a year of consolidation for Swiss Life/Rentenanstalt's European Division. Accordingly, the Swiss Life Group's structure in France was reorganised and simplified following numerous acquisitions in past years.

Swiss Life (España), the dynamic and growing subsidiary in Spain, celebrated its 25th anniversary with many representatives of the country's economic and political elite present at the celebration. Swiss Life (España) has worked hard in past years to attain a leading position as a provider of group life insurance and

pension fund products to international corporate clients. The branch office in The Netherlands will celebrate its 100th anniversary in May 2001.

A conversion of financial accounts to IAS was implemented successfully in all countries in the year 2000. Companies in the EU member states now concentrate intensely on the conversion of their currencies to the Euro on January 1st, 2002. A number of E-business projects are underway in different countries. The potential offered by synergies within the Group companies are being exploited thanks to the support of an E-Business Competence Centre at head office in Zurich. E-business projects are also an integral part of a consistent building up of a multi-channel distribution system. Another important step in this direction was the affirmation of the bancassurance cooperation with CCF/HSBC in France.

In view of the extremely promising outlook for the long-term savings market in Europe, particularly in Germany, Italy and Spain, Swiss Life/Rentenanstalt is in an excellent position for the coming years.

Germany

Swiss Life/Rentenanstalt's branch office in Germany recorded a substantial increase in earnings in 2000. The life insurance sector is expected to continue growing as a result of the current reform of retirement pension systems in Germany.

GDP growth in Germany at 3.1% was higher in 2000 than in the past ten years. This contributed to a decrease in the unemployment rate to around 9.6%. At the same time, the German government launched a tax reform last year which will provide both private individuals and the economy considerable tax relief in the long-term. Moreover, Germany is currently working on a fundamental reform of its retirement pension system. Plans include the introduction of capital-cover private benefits («Riester-Pension») that will be promoted by the state. In addition, occupational employee benefits will be expanded and new pension funds introduced. This will allow the broad public to make greater use of the capital markets in formulating their own retirement plans. Therefore, a massive demand for private long-term savings and pension fund solutions is to be expected. Swiss Life's branch office in Germany is ready to face the challenge posed by this trend towards long-term savings.

Insurance market

Business developments in the life insurance industry were distorted by special factors during 1999/2000. Newly-concluded contracts experienced a veritable boom in 1999 based on the imminent taxation of life insurance policies. Premature conclusions formed the greatest portion of this boom. As a result, contributions from new business in the year 2000, compared to the year before, decreased significantly in the entire sector.

2000 financial year in Germany

Running contributions again surpassed the market average. Single premiums, however, recorded a significant decrease compared to the rest of the sector. A reason for this was, among others, busi-

ness policy measures to take into account the fact that single premiums are currently not very profitable, although they do generate premium volume. Thanks to high investment income, both policyholder dividends and the annual result increased significantly.

Swiss Life/Rentenanstalt's branch office in Germany is building on a multi-channel distribution strategy. This strategy links transaction and communication processes between companies, clients and distribution channels. The goal is to strengthen existing distribution channels and also establish new ones. Great efforts were made in E-business. E-business should support all distribution channels and accelerate business processes while gaining new clients on its own platform.

Based on legal provisions, all of the German branch office's tariffs were converted on July 1st, 2000 to the new assumed rate of interest of 3.25%. The second half-year focused on fund-oriented products. The third tranche of Swiss Life Europe Pension was sold in its entirety. The commencement of a fund-linked pension insurance called Swiss Life Temperament on November 1st, 2000, was just as successful. Swiss Life Temperament has already received best marks from acknowledged German rating agencies.

	2000	1999
Inflation	2.10%	0.60%
Unemployment	9.60%	10.50%
Return on government bond issues	4.87%	5.36%
GDP	3.10%	1.40%
Exchange rate EUR	1.5216	1.6036

France



The Swiss Life (France) Group contributed almost one quarter of total Group premiums in 2000. The entire Group was restructured so as to simplify an organisation, which had become increasingly complex as a result of numerous acquisitions in France in the past years.

Economic growth in France continued in 2000. GDP increased by 3.2%. The state deficit continued to decrease. Inflation was only 1.8% and unemployment fell below the 10% mark again for the first time. Based on a strong increase in oil prices, France's foreign trade balance was negative for the first time since 1994. Both imports and exports increased strongly. Investments stabilised on a high level of 6–7% and long-term interest rates fell to around 5%.

Insurance market

Premium income in the French insurance market rose by 14% in 2000. This rise was due to excellent overall economic conditions. Life insurance even increased by 21%, reaching a total volume of CHF 137.4 billion. The reasons for this development are liquidity resulting from banking products (PEP) that have become due, a positive development of unit-linked products, as well as a stable situation in the taxation of insurance products.

Premium income from accident and health insurance grew mainly as a result of an increase in the private individual sector by 3.4% to CHF 14.2 billion. The rise in property insurance was also 3.4% to a total volume of CHF 48.1 billion.

2000 financial year in France

The Swiss Life (France) Group earned premium income of almost CHF 5 billion in the financial year 2000. Premium income was divided as follows: 60% from life insurance, 28% from accident and health insurance and 12% from other insurance sectors. The Swiss Life (France) Group managed total assets of more than CHF 21 billion at the end of the year.

The entire Swiss Life Group in France was restructured in 2000. The goal was to simplify the company's organisation, which had become increasingly complex

as a result of numerous acquisitions in France in recent years. The business areas of the Group were divided into five units: life insurance, accident and health insurance, property insurance, financial and banking services as well as Assistance.

As a result of HSBC's acquisition of CCF, Swiss Life/Rentenanstalt's branch office in France, Société suisse vie, became one of the biggest shareholders in HSBC, one of the world's largest financial services companies. The profits gained from this acquisition allowed Société suisse vie to offer a 7.77% participation in profits on all contracts. This was the highest participation in profits in the entire French market in the year 2000. Furthermore, Société suisse vie significantly increased its annual earnings.

	2000	1999
Inflation	1.80%	0.50%
Unemployment	9.70%	11.20%
Return on government bond issues	5.05%	5.48%
GDP	3.20%	3.20%
Exchange rate EUR	1.5216	1.6036

The Netherlands

ZwitserLeven reported a premium volume of about CHF 1.4 billion in 2000. This increase of more than 13% was influenced by a tax reform announced for the year 2001.

GDP in the Netherlands rose by 4% in 2000 for the fourth time in a row. Inflation accelerated slightly from 2.2% in 1999 to 2.3%. Strong economic growth decreased unemployment to 2.7%, impacting an already dry labour market, particularly for service companies.

New tax regulations introduced on January 1st, 2001 diminished tax privileges granted on life insurance policies. Previously a veritable boom ensued with regard to the conclusion of single premium life insurance contracts, particularly in the last quarter of 2000. However, new tax regulations also caused less demand for fixed-interest savings products. The trend is slowly moving toward savings forms in which the saver bears the investment risk. This includes unit-linked and universal life products, which rose by 15%. However, developments at the Amsterdam Stock Exchange were negative in 2000 for the first time in ten years as a result of a negative performance of New Economy securities.

The company's new organisational structure has been in force since September 1st, 2000. ZwitserLeven is now divided into three divisions. Operational processes were separated from commercial ones. The «Marketing & Sales» Division is the «face» of the organisation. It focuses on the market and concentrates in particular on communication with clients and brokers. Processing takes place in the «Operations» Division. The «Information and Communication Technology» Division supports the whole company through a stable and modern IT-infrastructure.

Management's and employees' endeavours to make ZwitserLeven even more efficient and profitable will continue in 2001.

2000 financial year in The Netherlands

Premium income rose more than 13% to over CHF 1.4 billion in 2000. Having attained such a marked increase in earnings, ZwitserLeven looks back on another excellent year.

ZwitserLeven organised a major campaign at the end of 2000 that informed all policyholders with an individual life insurance on the effects of new tax regulations as a result of products being adjusted to new tax provisions and restrictions. An open information policy led to ZwitserLeven profiting from the boom at the end of 2000. Increased demand was managed extremely well thanks to a new organisational structure and new information technology. Its new structure allows ZwitserLeven to react fast and efficiently to changes in the market.

	2000	1999
Inflation	2.30%	2.20%
Unemployment	2.70%	3.30%
Return on government bond issues	4.99%	5.49%
GDP	3.80%	3.90%
Exchange rate EUR	1.5216	1.6036

Belgium



The Swiss Life Group (Belgium) reported total premiums of more than CHF 550 million. Of particular note is that individual life insurance is playing an increasingly important role in the total volume of premiums. Growth in the group insurance sector remained modest as a result of salary trends.

Belgium reported an inflation rate of 2.7% for the year 2000. Long-term interest rates (10 years) fluctuated between 5.9% and 5.3%. GDP grew by a strong 4.1%. The unemployment rate fell to 8.5%. The Belgium government announced tax benefits that will continue into 2004.

Insurance market

Premium income in the entire Belgium insurance industry rose nominally by a total of 24.6% in 2000, reaching a premium volume of almost CHF 32 billion. Life insurance, that makes up 66% of total premiums, grew at a record level. This trend resulted mainly from a boom in the business of unit-linked individual insurance products.

A legislative project to introduce sector-specific mandatory occupational employee benefits (2nd pillar) makes the outlook for life insurance companies in Belgium very promising.

2000 financial year in Belgium

Although total premiums remained unchanged compared to 1999, the Swiss Life (Belgium) Group reported higher profits.

Growth in regular premiums in the life sector corresponded to a general market trend, in both group insurance (+10%) and individual insurance (+12.4%). However, growth in single premiums did not reach the market average.

Sales and Administration were merged into one division. This measure aims at optimising a multi-channel distribution concept. The newly-created unit is headed by a member of the Executive Board. Other units were consolidated in a «Support» Division, also managed by a member of the Executive Board.

Furthermore, the Swiss Life (Belgium) Group is concentrating on the development of an E-business concept for corporate clients. This new instrument will

allow Swiss Life (Belgium) to directly contact potential individual clients at their work stations via their employer.

	2000	1999
Inflation	2.70%	1.10%
Unemployment	8.50%	9.00%
Return on government bond issues	5.28%	5.60%
GDP	4.10%	2.70%
Exchange rate EUR	1.5216	1.6036

Great Britain



Swiss Life (UK) increased premium income through organic growth alone by more than 40% to about CHF 880 million in 2000. The British market continued to consolidate and Swiss Life (UK) remained very successful as a niche player. At the same time, it is also the leading partner for broker organisations regarding the development of the Internet as a distribution channel.

	2000	1999
Inflation	2.10%	2.30%
Unemployment	3.70%	4.30%
Return on government bond issues	4.88%	5.78%
GDP	3.00%	2.30%
Exchange rate GBP	2.4460	2.5742

The consolidation of the insurance industry continued during 2000 and further merger and acquisition activity is in sight for 2001. The Equitable life debacle knocked the industry's reputation yet further and major players are drifting back to the purer risk business as a key area for the future. But also clearly focused niche providers such as Swiss Life (UK) will profit from an increasing demand for risk protection. Awareness of the inadequacy of state benefits is on the rise and was further increased by the creation of stakeholder pension plans.

2000 financial year in Great Britain

Premium income increased by more than 40% to about CHF 880 million in 2000. This is the result of excellent client retention and record levels of new business in both the group and individual protection business. Premiums stemming from group risk business grew 12%, while premiums generated by the individual risk sector rose 46%. Capital support from the parent company together with an A rating by Standard & Poor's enabled Swiss Life (UK) to demonstrate its financial strength.

The broker market continues to be the main thrust of Swiss Life (UK)'s distribution strategy, an approach which has been endorsed as the role and success of direct selling continues to diminish in significance and reputation. Notwithstanding this, the company continues to work closely with a growing number of distribution partners who are looking for product manufacturing and servicing skills to complement their own distribution strength.

As Swiss Life (UK) continues to grow, the part played by technology is becoming increasingly significant and the company is a leading partner with broker networks in the development of Internet selling. The broker community

is using E-commerce in the distribution and also in the servicing relationship with its providers. Swiss Life (UK) will continue to respond to these demands whilst at the same time providing an appropriate level of personal support as necessary.

The growth of Swiss Life (UK) has resulted in the need to relocate its main administration centre to the Docklands area of Liverpool. At the heart of the city's plans for regeneration, the new premises have been selected as a prime location to help attract and retain quality people to the company.

The Spanish life insurance industry experienced above-average growth in 2000. This was the result primarily of «Exteriorización». Swiss Life (España) increased premiums by about 110%.

Swiss Life (Luxembourg) celebrated its 15th anniversary last year. 2000 was an extremely successful year for this subsidiary. Gross premiums rose by more than 60% to CHF 155 million.

Spain

	2000	1999
Inflation	3.50%	2.30%
Unemployment	14.20%	15.90%
Return on government bond issues	5.18%	5.56%
GDP	4.10%	4.00%
Exchange rate EUR	1.5216	1.6036

Luxembourg

	2000	1999
Inflation	3.80%	1.00%
Unemployment	2.20%	2.30%
Return on government bond issues*		
GDP	7.00%	5.00%
Exchange rate EUR	1.5216	1.6036

* no government bond issues outstanding

Spain

Economic growth in Spain was extremely strong in 2000 with a rise in GDP of 4.1%. At the same time, unemployment decreased from 15.9% to 14.2%. However, at 3.5%, inflation was significantly higher than in 1999.

The life insurance industry in Spain was affected positively by so-called «Exteriorización», the legally prescribed withdrawal of company-internal pension reserves for investment in insurance or bank products. This directly influenced second-pillar related business activities, Swiss Life (España)'s speciality.

As a result, the Spanish subsidiary reported an excellent financial year. Single premiums increased by 250%, including many premiums connected to further payments in the future. Regular premiums rose by 14%. Strong growth was boosted by measures taken to rationalise the company with an equal amount of employees. In order to achieve further growth, Swiss Life (España)'s shareholders' equity was increased by CHF 28 million.

25th anniversary of Swiss Life (España)

Swiss Life (España) celebrated its 25th anniversary by hosting a number of festivities in Madrid and Barcelona. Many representatives of the country's economic and political elite, members of Swiss Life/Rentenanstalt's Board of Directors and Corporate Executive Board, clients and employees were present at the celebration.

Luxembourg

Nominal GDP growth was 7% in 2000. This was the highest growth recorded by the Luxembourg economy since 1985. The largest share of this growth (60%) was attributable to the following three sectors: transportation/communication, finance (banks and insurance companies) and real estate/consulting. The rate of inflation rose to 3.8%, one of the highest in Europe. At the same time, however, employment increased by 5.5%, resulting in the jobless rate falling to 2.2% from 2.3%.

2000 financial year in Luxembourg

Swiss Life (Luxembourg)'s financial result was extremely gratifying. Gross premiums increased by 60% to CHF 155 million. Earnings also rose by 20%. Swiss Life (Luxembourg) developed a new strategy in 2000. It is currently working on making individual and group insurance operations more international. At the same time, the company is further expanding the local group insurance sector. Sales and administration are to be supported increasingly by Internet technology.

Italy

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Swiss Life (Italia) recorded premiums of CHF 21 million in the group insurance sector, its most important market segment. The growth rate was more than 6%. The introduction of a three-pillar-system in Italy offers great potential for growth in the future. Since February 2001, Ettore Molinaro, the subsidiary's new CEO, has responsibility for the further expansion of business operations in Italy.

GDP growth in Italy at 2.8% was slightly below the European average of 3.4% in 2000. Inflation increased to 2.6% as a result primarily of higher oil prices. Tax rates were reduced last year, albeit slightly, for the lowest income groups. Further reductions are planned for 2002 and 2003.

Insurance market

The Italian life insurance industry continued its dynamic trend during 2000. However, growth was slightly below that of 1999. The so-called three-pillar-system was implemented on January 1st, 2001. This legislative measure allows individuals to deduct a premium contribution of up to 12% of income from taxes (CHF 7858 at maximum) via the 2nd or 3rd pillars. As a result of this new regulation, the Italian life insurance sector sees major growth potential. At 32.7%, social insurance contributions in Italy are extremely high in international comparison. It is expected that these contributions will be reduced so that the population can make greater use of the 2nd or 3rd pillars in their long-term savings' plans. It is still unclear whether this will happen within the framework of a reform planned for 2001.

Moreover, a tax of 2.5% imposed on life insurance premiums was abolished in January 2001.

2000 financial year in Italy

Swiss Life (Italia) recorded premiums of CHF 21 million in the group insurance sector, its most significant market segment. This represented a growth rate of over 6%. This result was achieved despite a continuing trend of decreasing risk insurance tariffs. As in 1999, this trend had a negative effect on the volume of risk premiums, but not on the risk profile. Premium volume of individual life insurance was below the previous year's level.

Change in management

Ettore Molinaro, 43, has headed Swiss Life (Italia) since February 2001. Ettore Molinaro used to be CEO of Norwich Union Assicurazioni & Norwich Union Vita in Milan. He succeeds Italo Maffei, who retired at the end of 2000. Swiss Life/Rentenanstalt's Board of Directors and Corporate Executive Board thank Mr. Maffei for all his achievements in building up the company's Italian subsidiary.

	2000	1999
Inflation	2.60%	1.70%
Unemployment	10.60%	11.40%
Return on government bond issues	5.28%	5.58%
GDP	2.80%	1.40%
Exchange rate EUR	1.5216	1.6036

BUSINESS IN THE «INTERNATIONAL DIVISION»

In the year of its 40th anniversary, the Swiss Life Network again expanded its leading position in the world. Three new potent partners in Argentina, Indonesia and Mexico have joined the network.

The Swiss Life Network is the world leader in providing tailor-made employee benefit solutions for multinationals. It includes almost 50 leading local life insurance companies in over 40 countries around the globe.

With the aim of serving its clients more individually and extensively, the Swiss Life Network has transformed its range of standard products into a modular system of innovative solutions. The Swiss Life Network is committed to allowing every multinational client to design its own international pooling programme. Its unique modular systems let international clients select the combination of options that best suit a company's specific needs and risk profile.

To support its new flexibility, the Swiss Life Network has developed new multiple media channels which include a new Internet site, www.swisslife-network.com, new modular information systems and a new interactive sales presentation kit which enables account executives to be more proactive than ever before. The goal is to provide more transparency for clients not only in the products they can choose from, but also in the way the company communicates with them.

In order to support its clients all over the world, the Swiss Life Network has welcomed three new partners to its network: in Argentina Hartford Seguros de Vida S.A., in Indonesia Manulife Indonesia and in Mexico Seguros Inbursa. Hartford Seguros de Vida S.A. belongs to the Galicia-Hartford Group which was established in 1994 as a result of a merger between Banco Galicia and Hartford Life International. Manulife

Indonesia was established in 1985 and is a subsidiary of Manulife Financial Canada, one of the largest and oldest financial services companies in North America. Seguros Inbursa is the only insurance company in Mexico with an AAA rating by Standard and Poor's. Increasingly, clients have come to expect comprehensive solutions for employees to be sent abroad, also known as expatriates. The Swiss Life Network also offers global services in this sector, contributing to a carefree stay of expatriates in their host country.

China

With China's accession to the WTO now imminent, Swiss Life/Rentenanstalt's strategic approach to the world's most populous country enters into a decisive phase. After long and intense negotiations, China and Switzerland reached a bilateral agreement in September 2000, and Swiss Life/Rentenanstalt expects to receive a license to write life insurance in China within a short period after China's WTO accession.

For some time now, Swiss Life/Rentenanstalt has actively participated in its development as a sponsor for various projects, mainly in the areas of insurance and economic development in China. Last year's activities were highlighted by the first two investments in IT-related companies by the CHF 100 million Swiss Life Equity China Fund, which was established in 1999. Additional investments in the areas of construction, energy and telecom equipment are planned for this year.

The Swiss Life Network

Swiss Life, the pioneer of international employee benefits networks, is the leading provider of occupational group insurance products in the international market. Together with over 50 partners in 44 countries, the Swiss Life Network offers the highest level of service and sophisticated products to meet the needs of its demanding multinational clients.

In today's globalised economy, competitiveness is the key to maintaining growth. This also applies to remuneration and employee benefits, decisive factors in attracting and keeping quality staff and highly skilled employees. Furthermore, as governments around the world are shifting an increasing level of financial responsibility for social benefits to employers, corporations are seeking ways to manage those costs yet offer attractive, innovative insurance plans to employees. The Swiss Life Network assists corporations to face these challenges. Its world-wide team of Network Partners strives to support multinational corporations in all areas of occupational employee benefits. The Network is formed of companies belonging to the Swiss Life Group and leading local life insurers in countries where Swiss Life is not directly active.

The Swiss Life Network provides international clients with cost-effective, flexible employee benefit solutions and services. Swiss Life's international insurance programmes include detailed analyses of plans placed with insurers in the Network, which enable clients to manage their employee benefit costs effectively. In addition, significant savings are paid out to clients in the form of international dividends, a system pioneered by Swiss Life in the 60's and known as international experience rating. Last but not least, Swiss Life offers innovative captive, self-insured solutions, as well as a range of expatriate programmes to cover the increasing number of mobile employees.

True to its mission to accompany clients world-wide, Swiss Life has established a regional sales office in Sydney, Australia and representative offices in Beijing and Guangzhou, People's Republic of China, for client support in the Asian Pacific region. Clients in the United States may rely on the first-class, timely advice and assistance from independent sales representatives located across the USA.





▲ Direct Operations

Head Office and Network Center

Switzerland	Swiss Life/Rentenanstalt
Belgium	Swiss Life (Belgium)
France	Société suisse (France)
Germany	Schweizerische Rentenanstalt (Swiss Life)
Great Britain	Swiss Life (UK)
Italy	Swiss Life (Italia)
Luxembourg	Swiss Life (Luxembourg)
Spain	Swiss Life (España)
The Netherlands	Zwitserleven (Swiss Life)

■ Regional Representative Offices and Sales Offices

Australia	Swiss Life International Services Asia Pacific
China	Swiss Life Beijing Representative Office Swiss Life Guangzhou Representative Office

* Health insurance company for international clients of the Swiss Life Network

● Network Partners

Argentina	Hartford Seguros de Vida
Australia	Hannover Life Re
Austria	Wiener Städtische
Brazil	Icatu Hartford
Canada	Canada Life
Chile	Euroamérica Seguros
Colombia	Seguros Bolívar
Czech Republic	Kooperativa
Denmark	Danica Pension, PFA Pension, IHI*
Finland	Ilmarinen, Suomi Group
Greece	Aspis Pronia
Guatemala	Seguros de Occidente
Hong Kong	CMG Asia
Hungary	Union Biztosító
Indonesia	Manulife Indonesia
Ireland	Irish Life
Japan	Meiji Life, Yasuda Life
Korea	Korea Life
Malaysia	Hong Leong
Mexico	Seguros Inbursa
New Zealand	Hannover Life Re
Norway	Vital Forsikring ASA
Panama	Aseguradora Mundial
Philippines	First Guarantee Life
Poland	PZU Life
Portugal	Império
Russia	Rosgosstrakh
Singapore	NTUC Income
Slovakia	Kooperativa
South Africa	Momentum Employee Benefits
Switzerland	«La Suisse»
Taiwan	Kuo Hua Life
Thailand	Bangkok Life
USA	Hartford Life, Swiss International Services, Inc.
Venezuela	Seguros Comerciales Bolívar



THE SWISS LIFE/RENTENANSTALT SHARE

With a price increase of 46.2%, Swiss Life/Rentenanstalt was one of the top performers on the Swiss Stock Exchange last year. A rise in the market value of almost 50% reflects the growing interest and confidence among investors. A convincing performance statement forms the basis: the ability to create substantial and lasting added value by consequently realising the corporate strategy.

Compared to the Swiss Market Index which improved 7.5%, Swiss Life/Rentenanstalt ranked fourth among the largest public limited companies with a plus of 46.2%. This figure was only surpassed by three securities that were newly included in the SMI. One main reason for this gratifying price development was the presentation of the once again very positive 1999 financial statement as well as the first half-year 2000 figures which were well above expectations. The stock price stabilised on a high level during the second half of the year. Market capitalisation as per the end of 2000 reached CHF 15.9 billion. Three shareholders reported interests in

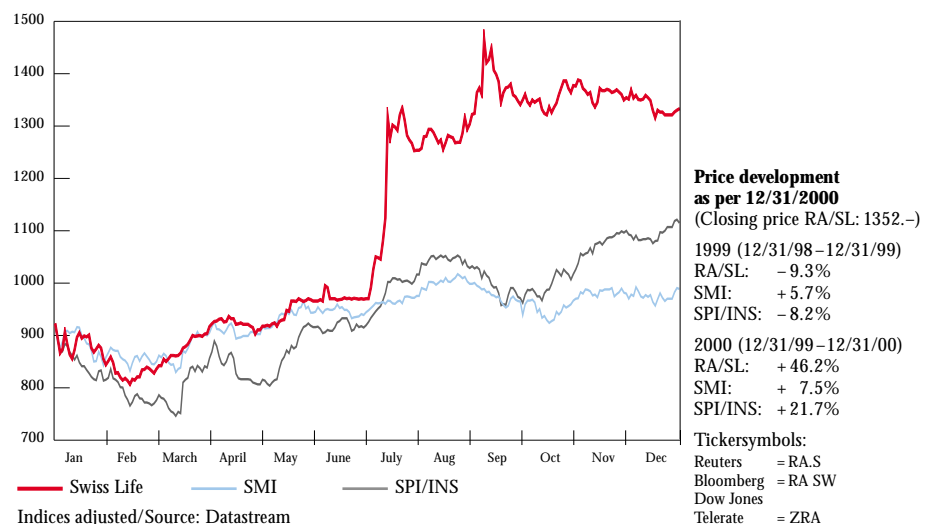
Swiss Life/Rentenanstalt which surpassed the 5% mark subject to notification. The Italian insurance company La Fondiaria purchased a parcel of shares in the amount of about 10%. Credit Suisse increased its long-time stake to more than 5%. Novartis' pension fund reported a holding of over 5%. However, the share of Swiss Life/Rentenanstalt's Collective BVG Foundation fell below the 5% mark.

Major shareholders

- La Fondiaria: 10.0% holding
- Credit Suisse: 5.6% holding
- Novartis' pension fund: 5.7% holding

Share Statistics	Amounts in CHF (if not noted otherwise)	
	12/31/2000	12/31/1999
Number of shares (weighted average)	11 336 876	11 469 817
Profit ¹ per share	82	39
Shareholders' equity ¹ per share	676	712
Stock exchange price ²	1 352	925
Market capitalisation	15 881 944 000	10 865 975 000
Security code (SWX)	802 678	802 678
Price/earnings (ratio)	16	24
Price/shareholders' equity (ratio)	2.00	1.30
Dividend ³	18.- ⁴	11.-

¹ consolidated IAS (1999: restatement) ² annual high/low: 1519.- (9/8/2000) / 790.- (2/15/2000) ³ less withholding tax
⁴ an ordinary dividend of CHF 13.-, an extraordinary dividend of CHF 5.-





NATIONAL EXPO.02

The seventh Swiss national exposition under the motto of «ImagiNation» will be taking place from May until October 2002. Swiss Life/Rentenanstalt is not only participating as an official partner of Expo.02, but also with a project entitled «Swiss Love», a «walk-in» film. In this way, the international financial services company is standing up for its roots and thus for the location of Switzerland.

Switzerland is the only country in the world with a long history of national expositions. These events used to reflect a whole generation's spirit of the times and regularly cast a glamour over millions of people. A total of six national expositions have taken place since 1857 and the seventh one – called Expo.02 – will be held from May 15 to October 20, 2002. The Swiss federal council and parliament as the top authorities in Switzerland were the ones to define the themes to be depicted on a national scale in the past. Thus, the theme of 1939, right before the outbreak of World War II, was the unification of Switzerland in face of imminent danger, and in 1964 it was technological progress and its consequences.

The assignment for the makers of next year's national expo was different: they were given a «carte blanche» and the freedom to choose which theme is in line with the spirit of the times. This is why Expo.02, contrary to its predecessors, will not be a performance show that deals with the past. More importance is placed on the future and, for the very first time, human beings as individuals are at the centre of focus. Accordingly, a set of themes revolving around human beings was developed; man and power, man and freedom, his wishes, his desires, his relationship to technology and nature, but also how man sees himself.

Something for every taste

For the first time, a decentralised national exposition will take place in an area on the language border between the German- and French-speaking parts of Switzerland: the three-lake region. Five cantons, four cities, three lakes and two language regions will form the basis for this large national festival. The cities Bienne, Neuchâtel, Morat and Yverdon-les-Bains will turn into Switzerland's cultural stronghold for 159 days. The exhibitions, also called Arteplages, are currently being constructed on a surface of 475 000 m² directly on the shores of the lakes of Bienne, Morat and Neuchâtel. Each Arteplage is dedicated to a certain range of themes, which determines architectural solutions, the contents of the exhibitions and the events. Almost 40 exhibitions are planned, each of which will appeal to a broad public. Equal importance is attached to good entertainment, applied conveyance of knowledge and sociopolitical reflection. Events will include 4 000 productions and 12 000 performances, something for every taste: theatre, dance, classical music, folk music, movies, street theatre, contemporary music, multimedia events and even a circus. Highlights will be the days dedicated to special themes with a cultural, social or economic background, as well as «canton days», on which Swiss cities will present themselves under the motto «Myths and the Present». The opening and closing ceremonies as well as the festivities in connection with the national holiday on August 1st will be equally impressive.

Arteplages and their themes

«Power and Freedom» is the theme at the Arteplage Bienne, and concerns the relationship between the individual and the society. Morat will revolve around «The Moment and Eternity». Neuchâtel will be dedicated to «Nature and Artificiality», terms that are growing increasingly closer in daily life. Yverdon-les-Bains will be concerned with «The Universe and I». It is the most sensual, seductive Arteplage of all, and is dedicated, in the broadest sense, to the relationship of the individual with his social surroundings, but also with himself. Terms such as friendship, identity, well-being are depicted. Apart from these four immobile Arteplages, there is a fifth one in the form of a pirate ship that is mobile and concerned with «Meaning and Movement», a maxim accorded to Jura, a rebellious canton in the past, which critically questions established norms and structures. The overall core theme is entitled: ImagiNation. The national exposition aims at stimulating visitors' imagination and making suggestions for Switzerland's future.

Partner with roots

Swiss Life/Rentenanstalt believes in the importance of another national expo. As an international financial services company, it also stands up for its roots and thus for the location of Switzerland. For this reason, it has committed itself as an official partner since the very first hour and is dedicated to making Expo.02 a huge success and turning Switzerland into a modern and open country. However, the company's commitment goes well beyond the support of an official partner. Swiss Life/Rentenanstalt is also playing a major role in what concerns the content of the first national expo in the new millennium. It is even realising its own project.

Swiss Love – 4 stories × 3

Under the head of Swiss Life/Rentenanstalt, the Arteplage at Yverdon-les-Bains is hosting a cinematic project on relationships and their trials and tribulations under the title of Swiss Love. The basic idea of the movie is to confront people with their own expectations regarding relationships to others, but also to show them the clichés that often form the basis of such expectations. In other words, Swiss Love wants to give impulses for a more open manner in dealing with others, and also encourage changes. This is to take place in a fun, entertaining and playful way that appeals to a broad public. The movie shows the relationships and tells the love stories of four persons in three acts each. All of the stories are linked to each other, taking place at the same location and at the same time.

At the beginning, during the first act, each character is introduced in his surroundings and it is shown how he breaks out of his normal surroundings for personal reasons. In the second act, the protagonists all meet in a mountain resort where their stories continue, meet and intertwine. And in the end, during the third act, a surprising, joint climax takes place.

Swiss Love intends to be more than a classic movie and the subtitle «4 stories × 3» more than an allusion. For this reason, twelve movie theatres will be built, each of which is connected to the others. Visitors are thus able to choose which story they would like to follow and can combine a movie according to their preferences.

However, Swiss Love is not only a movie. With its architecture and scenography, it is an integral experience. This movie will be realised exclusively for Expo.02 – a unique event where new ideas are debated and – although possibly only momentarily – turned into reality.



E-TRANSFORMATION



SWISS LIFE/RENTENANSTALT'S E-TRANSFORMATION

The goal of the E-Business Division created in February 2000 is to provide clients and business partners with more transparency and efficiency. The division supports and promotes E-business projects related to Swiss Life/Rentenanstalt's core business. At the same time, two new companies were established: redsafe.com and Propeller. redsafe.com is the first comprehensive Swiss financial portal. Propeller provides services to expatriates.

Information and communication technology not only leaves its mark in the private, but also in the business sector. A large percentage of traditional infrastructure is no longer able to satisfy today's requirements. Information must be exchanged ever faster, decisions made ever quicker as clients have come to expect the most efficient business processes. All of this requires new methods and instruments.

Technology offers such instruments through many different multimedia information carriers, interactive television and communication tools that are increasingly easy to use and reasonably priced. The Internet deserves particular mention as a valuable means of transportation and distribution in daily business life. Today every type and size of company competes through websites. Companies also increasingly use the Internet to settle business operations. Mobile nets (WAP-compatible mobile telephones and telecommunication-compatible «personal digital assistants») will play an important role in the near future. This again leads to new client needs and to new challenges for companies.

As well as clients, suppliers and business partners will also profit from electronic information and communication advances that lead to completely new business models. These models now are known as E-business. E-business includes the management of client relationships and company resources, as well as the control of internal and external processes. E-business helps to make client and business processes more efficient and transparent for everyone involved.

Swiss Life/Rentenanstalt's E-business strategy

Swiss Life/Rentenanstalt is pursuing an E-business strategy that is not only aimed at using new electronic channels for distribution. The core of Swiss Life/Rentenanstalt's strategy is the creation of E-business-oriented models that focus on the specific requirements of Swiss Life/Rentenanstalt and those of its clients. Despite the Internet's importance, however, it is not the only communication channel linking the company with its clients and partners.

A basic factor in this strategy is the importance of alliances that are built both within and outside of Swiss Life/Rentenanstalt. This satisfies the wish of clients to access all services of a sector via the same distribution channel (e.g. the same website). This concept is called the «one-stop-shop».

Swiss Life/Rentenanstalt's E-business strategy has a dual character. It is aimed at both the core business of long-term savings and at new business models and systems within the company's enlarged financial services sector. In the company's core business, services will be strengthened. Projects outside the core business will develop new markets and client segments.

Through this dual E-business strategy, Swiss Life/Rentenanstalt's Board of Directors aims at strengthening existing client relationships and establishing new ones. All of this will lead to growth in both the long-term savings and investment sectors.

Process of E-transformation underway

Basically, the business units of all divisions are responsible for their own E-business activities in the company's core business. Divisions use new electronic media to speed up procedures and to adjust processes to the new requirements of corporate and private clients. Business units are actively supported in their endeavours by an «E-Business Competence Centre».

One example of such E-transformation within Swiss Life/Rentenanstalt is Profitline. As a phone sales channel, Profitline has operated successfully for some time. It now has a second sales channel in the form of an Internet portal, on which the funds of a variety of providers have been offered very successfully since April 2000. Approximately 15% of all new fund clients begin their business relationship with Profitline via the Internet. While Profitline is aimed at private clients, other projects initiated by Swiss Life/Rentenanstalt target the provision of speedy and transparent services for brokers in Switzerland and Germany. An extranet for brokers ensures the delivery of topical information directly to a broker's work station with the help of Internet technology. A virtual contact centre will ensure quick and well-structured access to product information as well as to contractual and client data. Swiss Life in The Netherlands (Zwitserleven) created a so-called «community»-website; an offer via Internet aimed at a clearly defined group of users. The targeted segment includes pensioners who may choose from travel and leisure offers, but also from long-term savings and investment products tailor-made for this age group.

Swiss Life/Rentenanstalt's intention of pushing the E-transformation process forward is seen also in the number of websites available for the Group and individual business units.

redsafe.com – the integrated financial portal (www.redsafe.com)



The feature of this unique financial portal in Switzerland is its comprehensive and integrated range of financial products and services. Clients of redsafe.com will have the option of settling their entire financial business on a single platform. This ranges from bank business, such as managing an account and payments, to securities trading and investment funds to insurance. redsafe.com is independent and allows its clients to choose from a variety of products from various providers. Thus, redsafe.com will be the first provider in Switzerland to consistently realise the idea of «best-choice» for its clients.

Interactive and comprehensive online consultancy and related services are especially important. This goes well beyond providing price information. It includes a great variety of services: on-line financial data, consultancy tools to determine risk profile and corresponding asset allocation. A central element is the provision of a clear and up-to-date overview of an individual's wealth situation.

A banking license was required for redsafe.com's activities. The Swiss Federal Banking Commission (EBK) granted the license in August 2000. redsafe.com received this license as the first exclusively online bank in Switzerland. Following redsafe.com's launch in Switzerland, it is planned to expand the service to other European countries.



Working abroad with Propeller (www.propelleronline.com)



Economic globalisation also leads to globalisation of jobs. An increasing number of employees work abroad for their companies for a short or long period of time. Propeller, a newly established company of the Swiss Life/Rentenanstalt Group, offers comprehensive services for expatriates, including services that are not part of the company's core business. Services are geared toward individuals responsible for human resources management, as well as individual expatriates, a growing group of generally well-situated employees with promising career opportunities. Propeller offers help in dealing with demands encountered when planning to work abroad. They include applying for visas and work permits, clarification and solutions in regard to insurance and taxation matters, credit cards and banking arrangements, cellular phones, etc. Swiss Life/Rentenanstalt also provides a range of advisory services in its core business of long-term savings and financial investments. This is particularly useful if a stay abroad is only temporary. Propeller clearly illustrates the basic idea behind Swiss Life/Rentenanstalt's E-business strategy. Such a variety of services cannot be provided by one single partner; only alliances with some of the world's best partners can guarantee top quality service. Moreover, Propeller is an excellent tool for establishing completely new client relationships. Propeller was launched in England and Switzerland as host countries in March 2001. It will serve employees from all over the world, who plan to work in one of these host countries. Propeller plans to expand its service to other countries.

E-business – an investment in the future

E-business is a top priority for Swiss Life/Rentenanstalt. A special E-business division has been created. The company is making every effort and substantial investments in this field. Various examples in the recent past have shown that E-business projects tend to be risky owing to their complex nature. Swiss Life/Rentenanstalt is well aware of this fact. Nevertheless, the company is also confident that it will be able to realise the integrated financial portal, redsafe.com, in a suitable time frame and within the planned financial framework. The result of this drive will be an enlargement of the company's client basis as well as a major increase in efficiency in both client services and business processes.

Based on this strategy, it will be possible to make many business processes simpler and less time-consuming. This will be to the advantage of all those involved as they benefit from better, faster and more transparent services. That includes employees, shareholders and clients.

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Important Dates

Annual General Meeting

June 15, 2001 (Hallenstadion Zurich)

Payment of dividend

June 20, 2001

Interim Report

September 26, 2001

Press Conference and Analyst Information
on the Annual Results

April 11, 2002

Swiss Life



Rentenanstalt



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