Zurich, 27 March 2008

Swiss Life increases net profit by 43% to CHF 1368 million and premium volume by 10% to CHF 24.2 billion

The Swiss Life Group achieved a very good result in 2007 and set the course for a successful future. The net profit of CHF 1368 million is the highest in the history of the company. Swiss Life raised its premium volume by 10% to CHF 24.2 billion. Embedded value advanced by 20% to CHF 12.8 billion, which corresponds to CHF 367 per share. The Board of Directors will propose a CHF 10 increase in the dividend from the previous year's CHF 7 to CHF 17 at the Annual General Meeting.

In its anniversary year, the Swiss Life Group posted the best result of its history despite the turbulence on the financial markets. The net profit of CHF 1368 million represents a 43% increase year on year. After allowing for minority interests, a profit of CHF 1345 million can be allocated to the shareholders of Swiss Life Holding. This translates into (diluted) earnings per share of CHF 39.60 and a return on equity of 18.1%. Adjusted for the profit contribution of CHF 304 million accrued in 2007 from a reserve release following a change in Dutch law, the net profit amounted to CHF 1064 million and the return on equity to 14.3%. Based on these strong results, the Board of Directors will propose a CHF 10 increase in the dividend from CHF 7 to CHF 17 at the Annual General Meeting on 8 May 2008. As in previous years, the profit distribution will take the form of a repayment of par value.

In the words of Group CEO Rolf Dörig: “In 2007, we again made great progress and already achieved our targets originally set for 2008. Thanks to our operational advances and having set the strategic course, we are well positioned for the next growth surge.”

Profit from continuing operations up 11%

The Swiss Life Group achieved an overall profit from operations of CHF 1706 million. Continuing operations posted a profit of CHF 1013 million, up 11%, and a net profit of CHF 726 million, representing a 26% advance against the previous year.

The profit from continuing insurance operations rose by 10% to CHF 1047 million, to which the Swiss insurance segment contributed the largest share amounting to CHF 650 million. Despite a lower financial result, the Swiss segment managed to maintain the profit level of the previous year. Insurance operations in France generated a segment result of CHF 324 million, an increase of 54% against the year before. Comparability with the previous year was influenced by the sale of the ERISA companies. Without this one-off effect, the French segment reported a 32% profit increase to CHF 187 million. For insurance operations in Germany, Swiss Life posted a segment result of CHF 65 million. As two special effects burdened the 2007 figures to the amount of roughly CHF 40 million, the segment result receded by CHF 19 million despite the operational advances achieved and the good financial result. The Insurance Other segment, which comprises the Liechtenstein and Luxembourg locations, generated a result of CHF 8 million, in contrast to the loss of CHF 3 million posted in 2006 due to the losses incurred on the sale of the Italian business.

The contribution to profit from operations by the units sold in the Netherlands and Belgium came to CHF 471 million, CHF 304 million of which stemmed from the reserve release mentioned above. Banca del Gottardo turned in a good performance, which was reflected in its segment result of CHF 168 million.

Maintaining growth momentum

The positive trend in premium growth was maintained. The overall premium volume of CHF 24.2 billion for the Swiss Life Group represented a 10% growth over the previous year. In continuing operations, the gross premiums, policy fees and deposits received under insurance and investment contracts amounted to CHF 21.2 billion, a rise of 9%. Swiss operations contributed a significant portion, registering a premium volume of CHF 8.4 billion. This translates into an above-average growth of 11%, enabling Swiss Life to further consolidate its leading market position. The largest contribution to the rise in premium volume stemmed from Liechtenstein. The advance in its premium volume by over CHF 2 billion to CHF 2.8 billion originated from the acquisition of CapitalLeben and from ongoing strong organic growth. In France, the reported premium income receded by 10% to CHF 7.4 billion owing to the sale of the ERISA companies. In the year under review, the ERISA companies contributed premium income totalling CHF 1.9 billion against CHF 3.0 billion the year before. Disregarding the ERISA companies, the growth in France amounted to 6%. In Germany, premium income rose by 2% to CHF 2.2 billion, whereas in Luxembourg, it declined temporarily from CHF 841 million to CHF 508 million owing to the location's strategic realignment.

Satisfactory financial result despite market turbulence

The financial result from investments held at own risk receded by 8% to CHF 4.9 billion. This was attributable to the negative trend on the international financial markets since the middle of 2007. In terms of direct investment return in the continuing insurance segment, Swiss Life benefited from rising interest rates and higher hedge fund and dividend distribution, which led to a direct investment return of 4.1% (2006: 3.4%). Whereas in 2006, Swiss Life had realised net capital gains of CHF 783 million, it posted a net capital loss of CHF 218 million for 2007. Taking this and asset management expenses into account, the net investment return in the continuing insurance segment receded slightly to 3.7% (2006: 3.9%). Swiss Life is not directly affected by the crisis on the US mortgage market. Direct and indirect investments in subprime US mortgages totalled CHF 83 million overall as at 31 December 2007, considerably less than 0.1% of overall investments. However, for the 2007 financial statements, Swiss Life decided to completely write off positions vulnerable to a further aggravation of the liquidity situation brought on by the market turbulence. This reduced the net profit by CHF 72 million. The 1.0% total investment return in the continuing insurance segment also includes the asset changes directly reflected in equity. The rise in interest rates impacted negatively here.

Efficiency again enhanced

Insurance benefits and changes in the mathematical reserve rose by 10% to CHF 13.3 billion, mirroring the business development. Owing to the lower financial result, policyholder bonuses declined by 19% to CHF 1.7 billion. Operating costs were reduced by a further 2% in spite of the vigorous growth. In Switzerland, operating costs were pushed back by a full 7%. This welcome development, which also strengthens the company's competitiveness in its home market, is primarily due to the efficiency gains achieved from the successful integration of «La Suisse» and the simplification of the systems landscape in individual insurance. At Group level, the operating expense climbed to CHF 2.5 billion, a 2% advance against the previous year. This increase is due primarily to overall growth and the effect of the rising euro.

Sound capital base

On a comparable basis, insurance reserves advanced in line with growth and the course of business by 11% to CHF 121.8 billion. Owing to the sale of the ERISA companies, the overall balance sheet total fell from CHF 187.0 billion to CHF 179.8 billion. In 2007, shareholders' equity decreased by 4% to CHF 7.3 billion. The hike in interest rates led to a reduction in the revaluation reserves for bonds. For the same reason, the core capital declined by 21% to CHF 11.6 billion. The solvency ratio, calculated according to the regulations issued by the Federal Office of Private Insurance, came to 162% as at 31 December 2007 (2006: 194%). Total assets controlled by the Swiss Life Group amounted to CHF 138.9 billion.

Embedded value up 20% to CHF 12.8 billion

The value of Swiss Life, expressed in terms of embedded value, advanced by CHF 2.2 billion to CHF 12.8 billion, an increase of 20%. This is equivalent to CHF 367 per share as at 31 December 2007. The effect from divestments contributed CHF 667 million to this rise. Other contributing factors were the registered growth and higher future returns on investment than in earlier assumptions. The value of new business amounted to CHF 118 million. The new business margin rose from 12% to 15%.

Ambitious targets for 2012 – growth to be accelerated

Swiss Life has made great progress in implementing its pensions leadership strategy and has achieved its targets sooner than expected in many areas. The Group intends to continue following this path consistently, to position itself as a leading provider of life insurance and pension solutions, and to accelerate its pace of growth. Swiss Life is focusing on the pension requirements of people not only before but also after retirement, on growth opportunities and on an increasingly function-oriented management structure to further boost efficiency and Group-wide cooperation.

The new financial targets underline Swiss Life's commitment to profitable growth and the efficient use of capital. Up to 2012, Swiss Life aims to boost its earnings per share by at least 12% a year. This target is for adjusted earnings, i.e. not including the impact of the sales. The return on equity is to exceed 12% every year. Active capital management is a further important element of the strategy implementation. In this connection, Swiss Life will, as already announced, effect a share buy-back programme of up to CHF 2.5 billion. From the 2009 financial year onwards, Swiss Life will distribute each year between 40% and 60% of the net profit posted. The Group has laid the groundwork for achieving these ambitious objectives by adjusting the business portfolio, enhancing its distribution capability through the cooperation with the AWD Group, setting new strategic priorities and adapting its management structure.

Bruno Pfister, CEO International and designated Group CEO, commented as follows: "Following the operational progress and the strategic adjustments made at the end of 2007, we are in an excellent position to accelerate growth and further enhance profitability."

New presentation of financial statements

Due to the sale of its Dutch and Belgian operations and of Banca del Gottardo announced in November 2007, Swiss Life adjusted the presentation of its financial statements in accordance with the relevant regulations, gearing them to the continuing operations. Insurance operations are broken down by country. The units sold are fully consolidated up to the completion of the transaction concerned, but only their net contribution to the net profit is included in the Consolidated Statement of Income. The segment reports on the other hand contain the full 2007 results of the units sold as well. The previous year's figures have been adjusted accordingly to enhance comparability. In the Balance Sheet, the assets and liabilities of the units sold are stated separately.

Transmission of today's events and further documentation

Today's events will be transmitted at 09:00 a.m. (presentation for analysts and investors in English) and 11:15 a.m. (presentation for the media in German) on www.swisslife.com. All additional documentation concerning the annual results can also be found there.

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Swiss Life

The Swiss Life Group is one of Europe's leading providers of life insurance and pension solutions. The Group offers individuals and corporations a broad range of products combined with comprehensive advice through its own sales force as well as brokers and banks in Switzerland, France and Germany. It provides internationally operating corporations with employee benefits solutions from a single source, and is among the global leaders in structured life and pension products for high net worth individuals with its centres of competence in Luxembourg, Liechtenstein and Singapore.

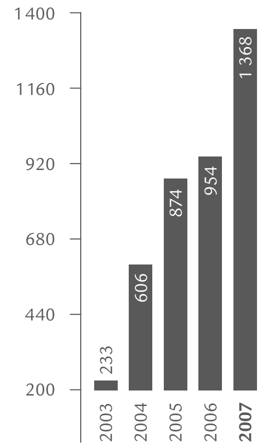
Swiss Life is the majority shareholder of the Hanover-based AWD Group, one of Europe's top financial services providers for the medium- and high-income customer segments. AWD offers its clients independent financial advisory services. It employs over 6300 financial consultants in ten European countries.

Swiss Life Holding, registered in Zurich, was founded in 1857 as Schweizerische Rentenanstalt. The shares of Swiss Life Holding are listed on the SWX Swiss Exchange (SLHN). The Swiss Life Group employs a staff of around 9000.

Overview of Figures

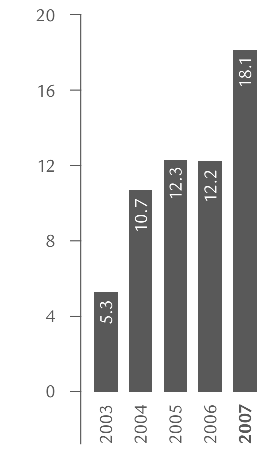
Net profit

In CHF million



Return on equity

in %



Year-on-year comparison Swiss Life Group

In CHF million (if not stated otherwise)	2007	2006	+/–%
Premium volume			
Gross written premiums, policy fees and deposits received	**24 170**	22 064	9.5%
Gross written premiums, policy fees and deposits received (continuing operations)	**21 213**	19 421	9.2%
Figures from consolidated statement of income			
Net earned premiums	**13 316**	12 283	8.4%
Net earned policy fees	**389**	390	–0.3%
Financial result (for the account and risk of the Swiss Life Group)	**4 885**	5 307	–8.0%
Total income	**18 971**	18 219	4.1%
Net insurance benefits and claims	**–13 268**	–12 012	10.5%
Policyholder participation	**–1 746**	–2 143	–18.5%
Operating expenses	**–2 489**	–2 432	2.3%
Total expenses	**–17 958**	–17 309	3.7%
Profit from operations	**1 013**	910	11.3%
Net profit from continuing operations	**726**	576	26.0%
Net profit from discontinued operations	**642** [1]	378	69.8%
Net profit	**1 368**	954	43.4%
Net profit attributable to			
Equity holders of Swiss Life Holding	**1 345**	933	44.2%
Minority interest	**23**	21	9.5%
Figures from consolidated balance sheet			
Equity	**7 334**	7 851	–6.6%
Insurance reserves	**121 829**	153 800	–20.8%
Balance sheet total	**179 757**	186 950	–3.8%
Share performance			
Basic earnings per share (CHF)	**40.76**	27.87	46.3%
Diluted earnings per share (CHF)	**39.60**	26.92	47.1%
Dividend paid per share (CHF)	**7.00**	5.00	40.0%
Total dividend payout to shareholders	**245**	169	45.0%
Year-end price (CHF)	**283.00**	305.25	–7.3%
Year-end market capitalisation	**9 894**	10 310	–4.0%
Further key figures			
Return on equity (in %)	**18.1**	12.2	48.4%
Assets under control	**138 946**	214 041	–35.1%
Year-end embedded value	**12 837**	10 665	20.4%
Value of new business	**118**	121	–2.5%
Number of employees (full-time equivalents)	**8 556**	8 693	–1.6%

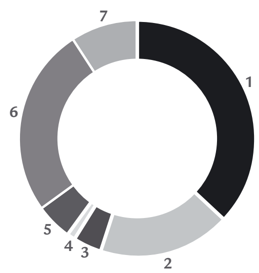
[1] including reserve release of CHF 304 million due to change in Dutch law.

Due to the sale of its Dutch and Belgian operations and of Banca del Gottardo announced in November 2007, Swiss Life adjusted the presentation of its Financial Statements in accordance with the relevant regulations, gearing them to the continuing operations. The units sold are fully consolidated up to the completion of the transaction concerned, but only their net contribution to the net profit is included in the Consolidated Statement of Income. The previous year's figures in the Statement of Income have been adjusted accordingly to enhance comparability. In the Balance Sheet, the assets and liabilities of the units sold are stated separately.

Key figures for Insurance			
In CHF million	**2007**	2006	+/–%
Switzerland			
Gross written premiums, policy fees and deposits received	**8 413**	7 611	10.5%
Segment result	**650**	657	–1.1%
France			
Gross written premiums, policy fees and deposits received	**7 411**	8 204	–9.7%
Segment result	**324**	211	53.6%
Germany			
Gross written premiums, policy fees and deposits received	**2 158**	2 116	2.0%
Segment result	**65**	84	–22.6%
Other			
Gross written premiums, policy fees and deposits received	**3 294**	1 506	n.a.
Segment result	**8**	–3	n.a.
Discontinued Insurance			
Gross written premiums, policy fees and deposits received	**2 957**	2 643	11.9%
Segment result	**471**	144	n.a.

Segment results

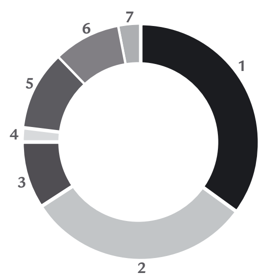
Total 100%



1 Insurance Switzerland 37%
2 Insurance France 18%
3 Insurance Germany 4%
4 Insurance Other 1%
5 Investment Management 5%
6 Discontinued Insurance 26%
7 Discontinued Banking 9%

Gross written premiums, policy fees and deposits received by country

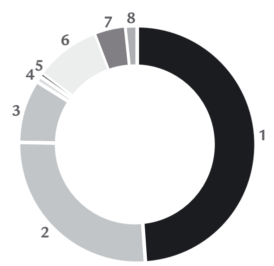
Total 100%



1 Switzerland 35%
2 France 31%
3 Germany 9%
4 Luxembourg 2%
5 Liechtenstein 11%
6 Netherlands 9%
7 Belgium 3%

Employees (full-time equivalents) by country as at 31.12.2007

Total: 8556 employees



1 Switzerland 4193
2 France 2253
3 Germany 752
4 Luxembourg 71
5 Liechtenstein 31
6 Netherlands 758
7 Belgium 364
8 Other 134