



**Investors' Day 2007**  
**Key strategic thrusts and market initiatives**

Bruno Pfister, CEO International  
Zurich, 4 December 2007

**Agenda**

- |  |                      |
|--|----------------------|
| 1. Achievements and new targets              | Rolf Dörig           |
| 2. Capital management                        | Thomas Müller        |
| <b>3. Key thrusts and market initiatives</b> | <b>Bruno Pfister</b> |
| 4. Investments                               | Patrick Frost        |
| 5. Wrap-up                                   | Rolf Dörig           |

## Key strategic thrusts to capture opportunities and reach our financial targets



<b>1</b> Focus on retirement needs	<b>2</b> Focus on growth opportunities	<b>3</b> Focus on functional excellence
<ul style="list-style-type: none"> <li>• Address needs of corporate and individual customers, before and after retirement</li> <li>• Offer innovative products and solutions of enhanced profitability</li> <li>• Distribute through optimised market-specific channel mix</li> </ul>	<ul style="list-style-type: none"> <li>• Expand cross-border businesses</li> <li>• Realise inorganic opportunities in existing markets</li> <li>• Tap into new high-growth markets</li> </ul>	<ul style="list-style-type: none"> <li>• Adapt Group governance, combining market proximity and best practice transfer</li> <li>• Realise economies of scale and skills</li> <li>• Strengthen performance management and active capital management</li> </ul>
<b>4</b> Foster employee commitment		
<ul style="list-style-type: none"> <li>• Instil improved customer orientation, innovation and performance culture</li> <li>• Manage skills systematically: build on strengths and close gaps</li> <li>• Be a respected and recommended employer and partner</li> </ul>		

## Large potential emerging from trends in pensions markets



<b>1</b> Focus on retirement needs	
<b>Changing needs of corporates</b>	<b>Changing needs of individuals</b>
<ul style="list-style-type: none"> <li>• Changing social responsibility</li> <li>• Increasingly global companies</li> <li>• Increasing pressure from capital markets</li> <li>• Relaxing legal constraints on pension plans                             <ul style="list-style-type: none"> <li>- Larger tax deduction (e.g. Germany)</li> <li>- Increased individual choice (e.g. Switzerland)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Baby-boomers entering the retirement market</li> <li>• High increase in 45-65 and 65+ population</li> <li>• Differing retirement needs in accumulation, transition, and decumulation phase</li> <li>• 45-65 population likely to switch financial providers</li> <li>• More flexible withdrawal and payment schemes required, specifically in 65+ segment</li> </ul>
<b>Increasing sophistication required</b>	<b>Increased opportunity for innovative solutions</b>



## Initiatives to attract new customer segments and tap into additional value pools

### Pre-retirees and retired target segments

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

### Emphasis on affluent clients and HNWIs

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

### Focus on medium and large corporates

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



## Golden Life initiative launched to target 65+ segment

**Golden Life:**  
Financial coaching of retired and pre-retired people in consulting centres



Three locations planned in first phase

### Asset retention

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

### Focused distribution

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

### Targeted products

- Annuities
- Unit- and index-linked insurance
- Care insurance
- Funds
- Fixed deposit account
- Savings account (AccountPlus)



## Initiatives to develop innovative products with enhanced profitability

### Innovative unit-linked products in pipeline

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

### Build on biometric risk coverage

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

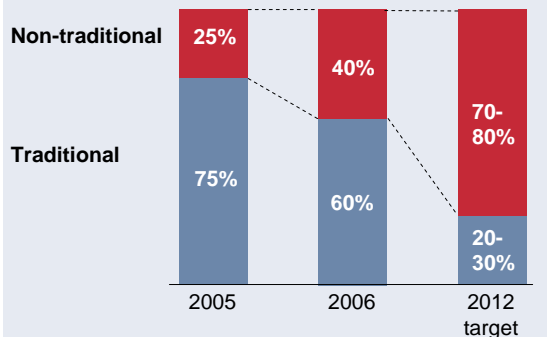
### Developments in group pension solutions

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



## Shift in business mix

### New business mix Swiss Life Group



Develop new solutions and push existing non-traditional products:

- Variable annuities (new)
- Unit- and index-linked products
- Private placement life insurance
- New group life solutions

## Continuous increase of non-traditional business

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

### Switzerland

- Vitality
- G100/90
- GP100
- Index

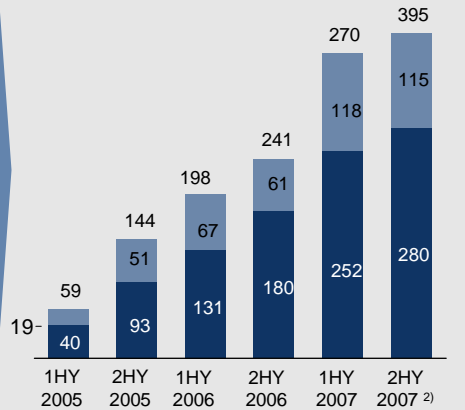
### France

- Retraite Sélection
- Envergure
- Stratégique Plus
- Stratégique Net

### Germany

- Europa Rente
- Riester FRV
- Synchro

**Example:**  
New business production <sup>1)</sup>  
non-traditional individual life Switzerland



### Investment products

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

### Insurance products

- Unit- and index-linked
- Variable annuities

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

## Initiatives to increase distribution capacity and enhance channel effectiveness

### Expand distribution partnerships

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

### Enhance productivity in tied agent distribution

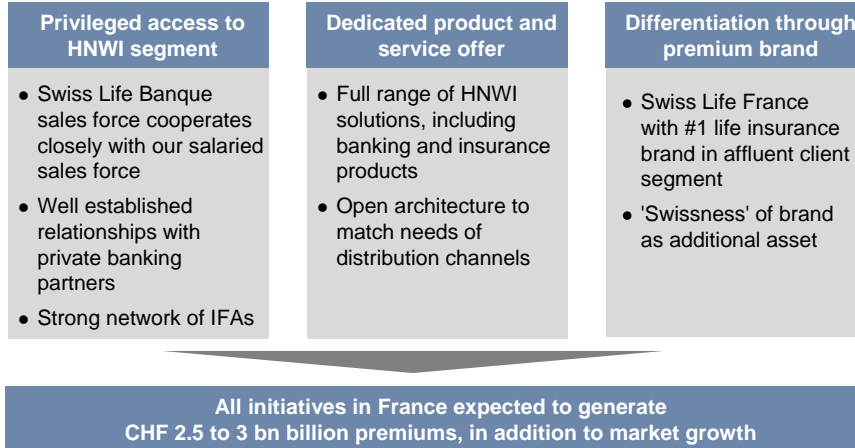
- More systematic and advice-oriented sales approach implemented to comprehensively address customer needs
- Training for beginners shortened and more focused on sales

### Develop private insurance channels

- Strategic priority in France



## Private insurance strategy in France



## In the past, Swiss Life grew above market in all countries – pace to be accelerated

2003-2006 CAGR

		Market growth	Swiss Life growth	Priorities
Existing markets	Switzerland	-3%	1%	<ul style="list-style-type: none"> <li>Grow by leveraging distribution capacity of AWD</li> <li>Further accelerate growth by organic and inorganic initiatives</li> </ul>
	France	17%	24% <sup>1)</sup>	
	Germany	5%	6%	
New markets	Cross-border	n.a.	132%	<ul style="list-style-type: none"> <li>Expand cross-border businesses</li> <li>Partner with AWD to accelerate international growth</li> </ul>
	High-growth markets	18%	n.a.	

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



## Strategic priorities for growth

### Expand cross-border businesses

- Build on successful offshore PPLI<sup>1)</sup> business
- PULSE<sup>2)</sup> project to build international product platform
- Reposition Swiss Life Network

### Accelerate growth in existing markets

- Capitalise on retirement opportunities
- Replicate successful products while minimising costs through scalable platforms
- Explore inorganic moves

### Tap into new, high-growth regions

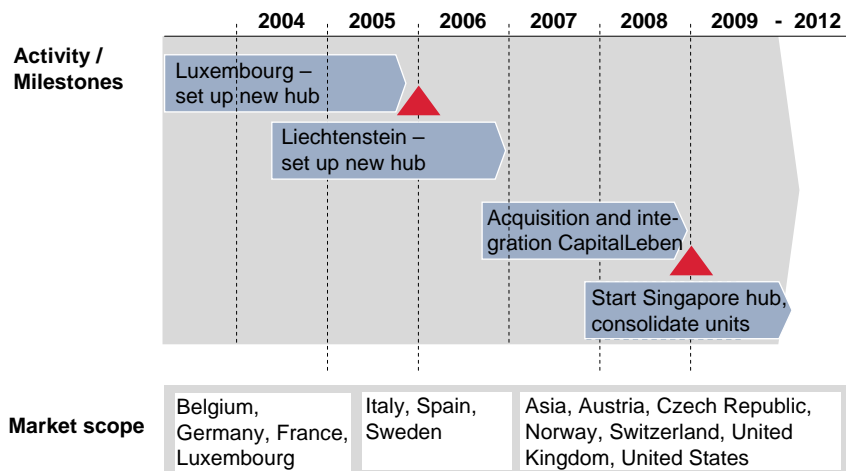
- Build on relationships and local knowledge from cross-border business
- Establish joint ventures with strong regional distribution partners in significant growth markets

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



## Swiss Life to accelerate momentum in Private Placement Life Insurance market

CHF million

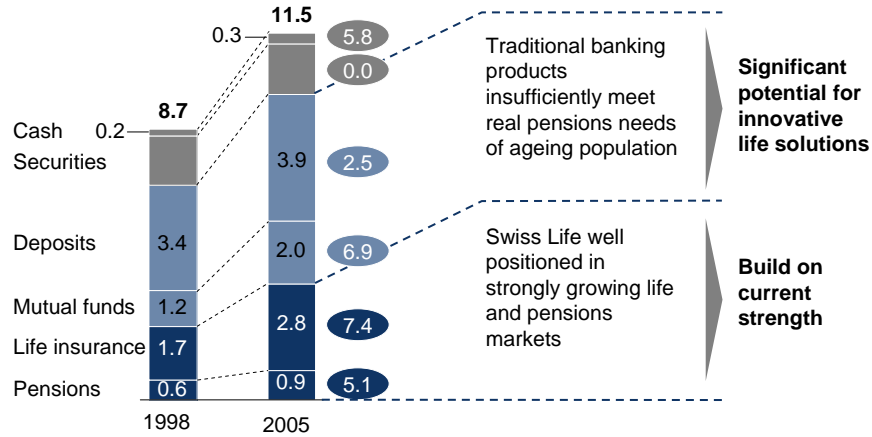


Target by 2012: GWP CHF 8 - 10 bn, and Assets under Control: CHF 40 - 45 bn



## Swiss Life to leverage current attractive position and access additional value pools

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



Source:McKinsey



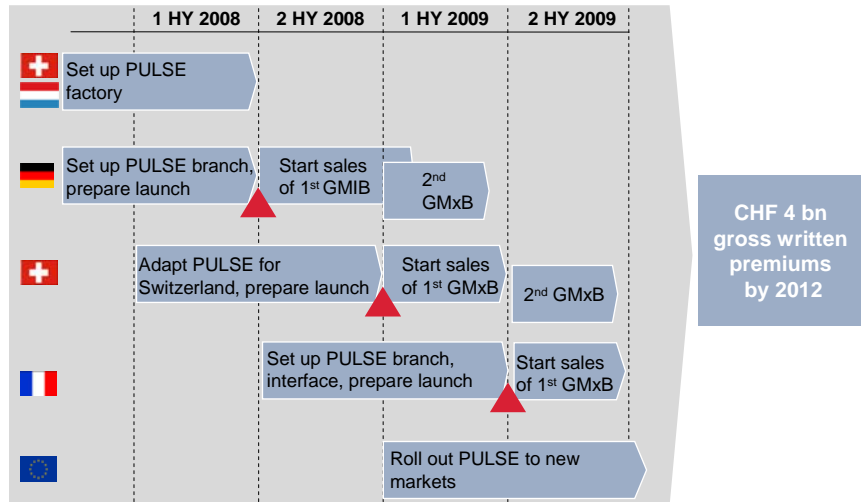
## Variable annuities best of both worlds

Requirements	Covered by traditional life insurance	Covered by banking products	Covered by variable annuities
Participate in capital market performance <sup>1)</sup>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Financial guarantees	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Biometric risk cover <sup>2)</sup>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Modular choice of riders	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disciplined accumulation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Flexibility of payments and withdrawals	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Tax privileges	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Inheritance solutions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Transparency	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Low capital consumption	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

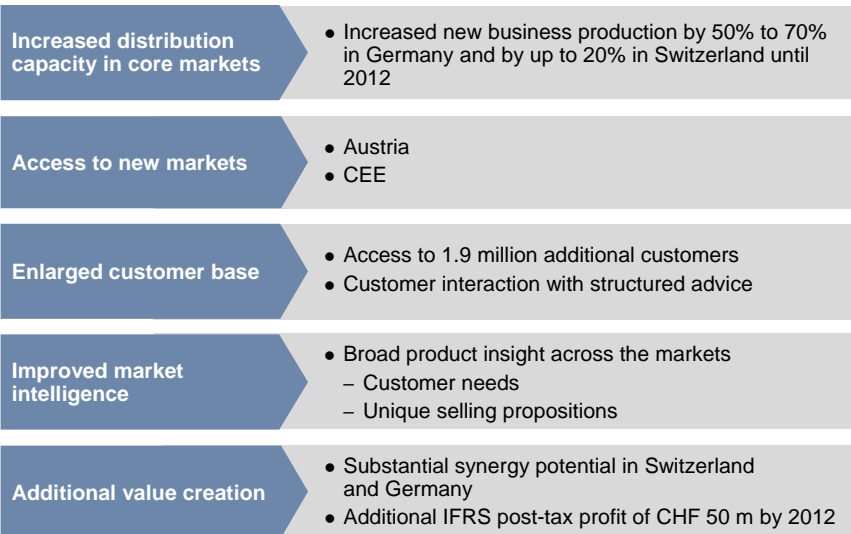
1) During accumulation and payout phase  
2) Death, disability, longevity



## Boost variable annuities through new pan-European business platform



## AWD provides growth platform in existing and new markets





## Significant opportunities to improve effectiveness and efficiency

	"Effectiveness"		"Efficiency"	
	Best practice sharing	Capability enhancement	Process redesign	Systems improvement
Distribution	↑↑		↑	↑
Product Mgmt	↑↑	↑↑	↑	↑
IT/Ops	↑↑		↑↑	↑↑
IM/AM	↑↑		↑↑	↑
Finance/Risk		↑	↑↑	↑

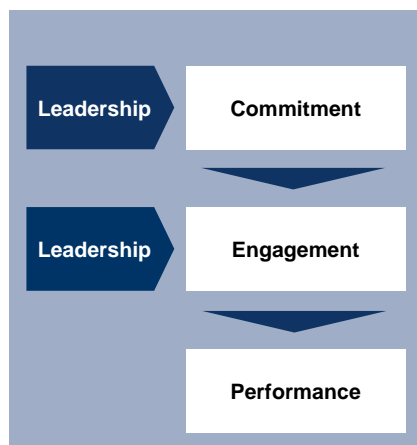
- Adapt Group governance
- Realise economies of scale and skills
- Strengthen performance management and active capital management

Additional efficiency gains of CHF 50 to 100 million until 2012



## Performance ultimately driven by talent development throughout the organisation

### Strong leadership influence



### Strategic priorities

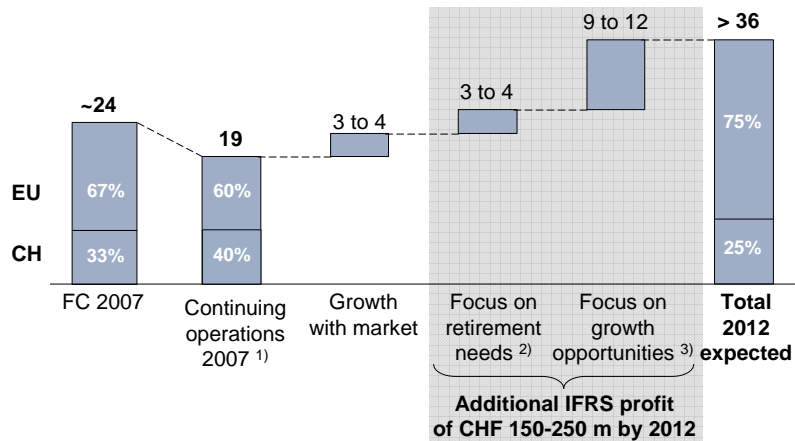
- **Instil substantially improved performance culture**
  - Top quartile and profitable growth mentality
  - Customer orientation, innovation
  - Aligned incentive system
- **Manage skills more systematically**
  - Define key skills to support new strategy
  - Actively train/coach/acquire employees
  - Strengthen consequence management
- **Become a respected and recommended employer and partner**
  - Attract, develop and retain talents

Maintain employee commitment target of 80 index points

## Strategic initiatives lead to significant increase of top and bottom line



GWP, CHF bn



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

## Cautionary statement regarding forward-looking information



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## Contact details and financial calendar



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### Financial calendar

Results 2007	27 March 2008
Annual General Meeting 2008	8 May 2008
Half-Year Results 2008	28 August 2008

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