

Investors' Day 2009
**Swiss Life France:
Growing as a private life insurer**

Charles Relecom, CEO France
Zurich, 15 December 2009

Key messages

Swiss Life France will strengthen its position as a leading life insurer for affluent clients and as the market's # 2 health insurance provider

▶ Strong position in the affluent market will allow for higher margins in 2012 and contribute to Swiss Life Group's RoE target

▶ Maintain a higher share of non-traditional products than the market

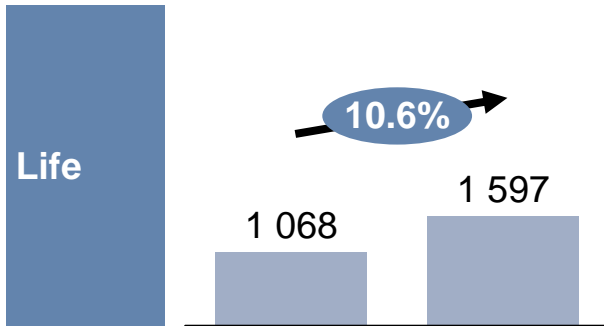
▶ Banks / IFAs will play an increasingly important role in the strong multi-channel distribution network of Swiss Life France

▶ Safeguard its leading position as # 2 health insurance provider

High-growth life niche player and a top French health & risk insurer

GWP, EUR million

○ CAGR 2004 - 08



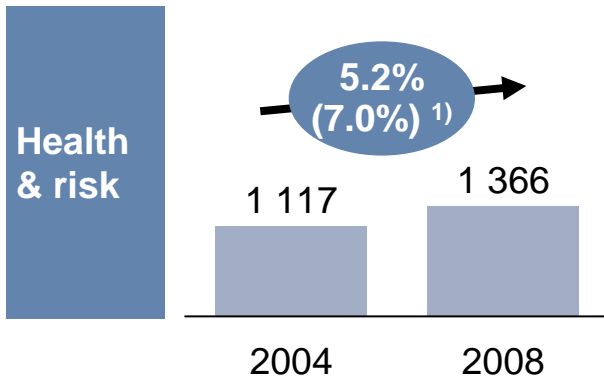
French market

3.5%

2nd largest life insurance market in Europe

Main characteristics of SL France

- Focus on affluent customer segment with private insurer strategy
- Growth rate three times as high as that of the market



7.2%
(6.4%)¹⁾

3rd largest health insurance market in Europe with strong growth

- # 2 private health insurer in the individual segment
- Innovative health product portfolio and service offer, high quality image

1) Health only

A private life insurer accessing the market through multiple channels



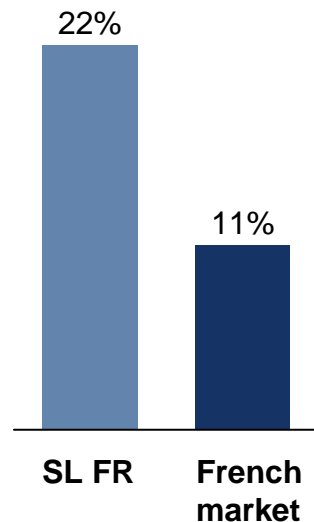
Swiss Life France – The private life insurer

Brand	Swiss Life (plus white label business)				
Customer segments	Individual - HNWI, affluent and mass-affluent (Life) - All segments (Health & risk)		Group - Self-employed & small companies - Large and medium-sized firms		
Products	Long-term savings and pensions	Wealth management and financial services		Health, disability and death	
Loyalty services	Assistance	Services à la personne	3 rd party payment system		P&C
Distribution channels	Tied agents	Salaried sales force	Brokers/ IFAs	Banks/ partnerships	Direct/ Internet

Private insurer strategy led to better life performance

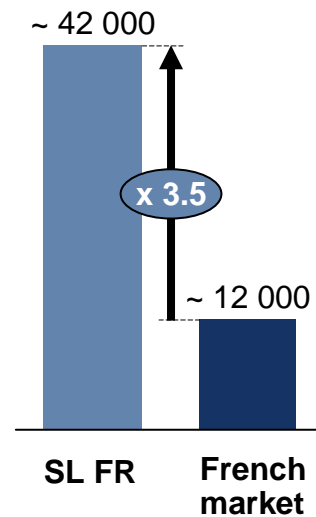
Swiss Life France's affluent position is reflected in its client portfolio ...

Share of affluent clients 2009



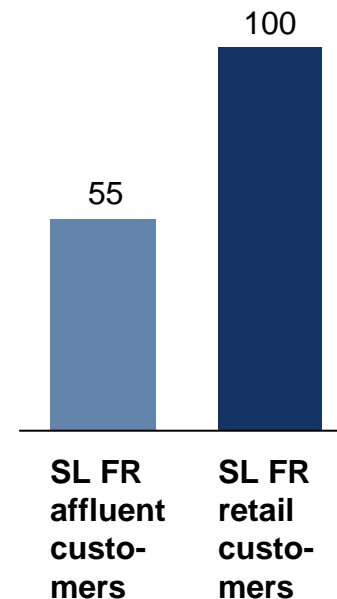
... which results in higher premiums per customer than the market ...

New business production per new contract 2008, EUR



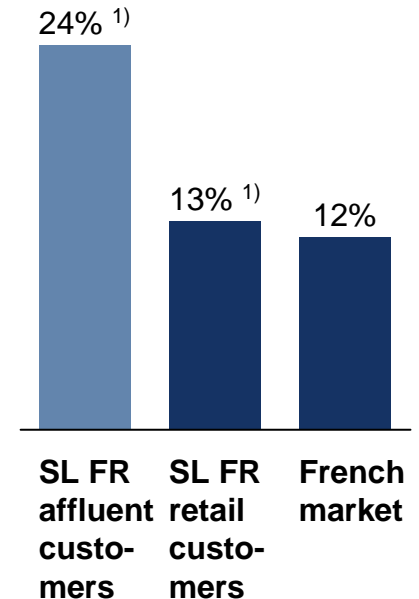
... increased loyalty compared to retail customers ...

Lapse rate, indexed to 100, 2008



... and higher share of non-traditional products

SL FR GWP share of UL products, Q3/2009



1) Individual life only

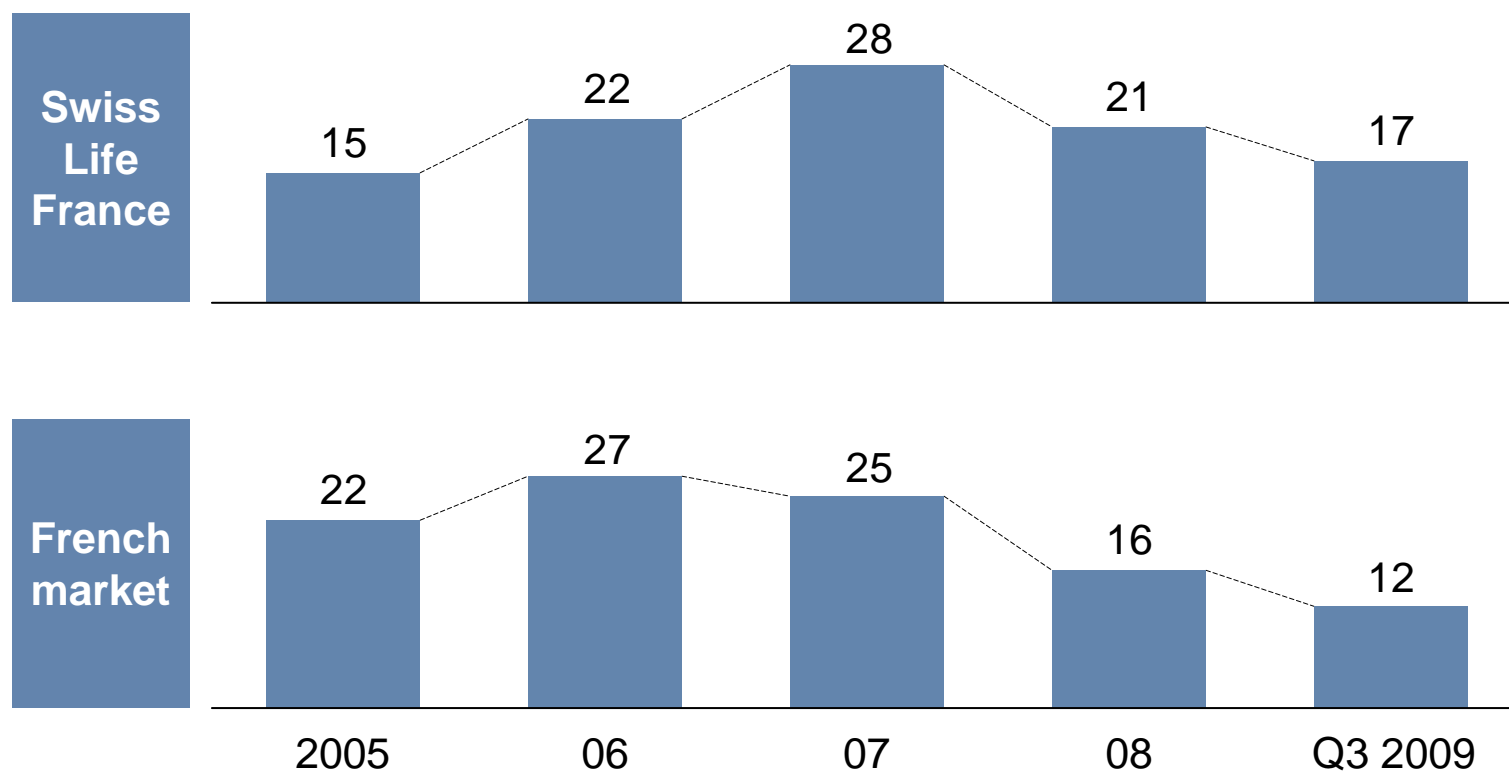
Significant achievements have been made in recent years

MILESTONE	Achievements
1 Enhance customer value & new business profitability	<ul style="list-style-type: none">• Increased share of non-traditional products to above market level – maintained higher share during crisis• Stopped production of pure traditional life products• Reduced risk capital consumption by ~10%• Launched innovative products and services• Created high-quality health insurer image
2 Increase distribution quality and power	<ul style="list-style-type: none">• Established multi-channel distribution network, primarily through IFAs, partnerships and salaried sales force• Accelerated time to market in life• Created innovative distribution concepts combining direct and classic distribution channels (swisslife.direct)
3 Improve operational efficiency	<ul style="list-style-type: none">• Achieved higher cost efficiency than European market average• Improved service quality, especially for end customers, such as HNWI, and intermediaries, such as IFAs and private banks• Centralised and standardised front office and back office• Implemented large-scale electronic data transmission in health

Maintained a higher share of unit-linked products than the market during financial crisis



GWP share of unit-linked products, in %

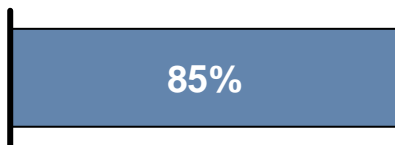


High level of client satisfaction achieved

Survey

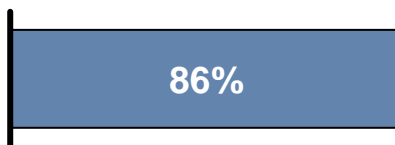
Are you satisfied with Swiss Life?

Satisfied



Would you recommend Swiss Life?

Yes, would recommend



Awards



Label d'excellence
Dossiers de l'épargne



Oscar de l'assurance vie
Gestion de Fortune



Trophées
Le Revenu



Pyramides
Investissements conseils



Argus d'Or
L'Argus



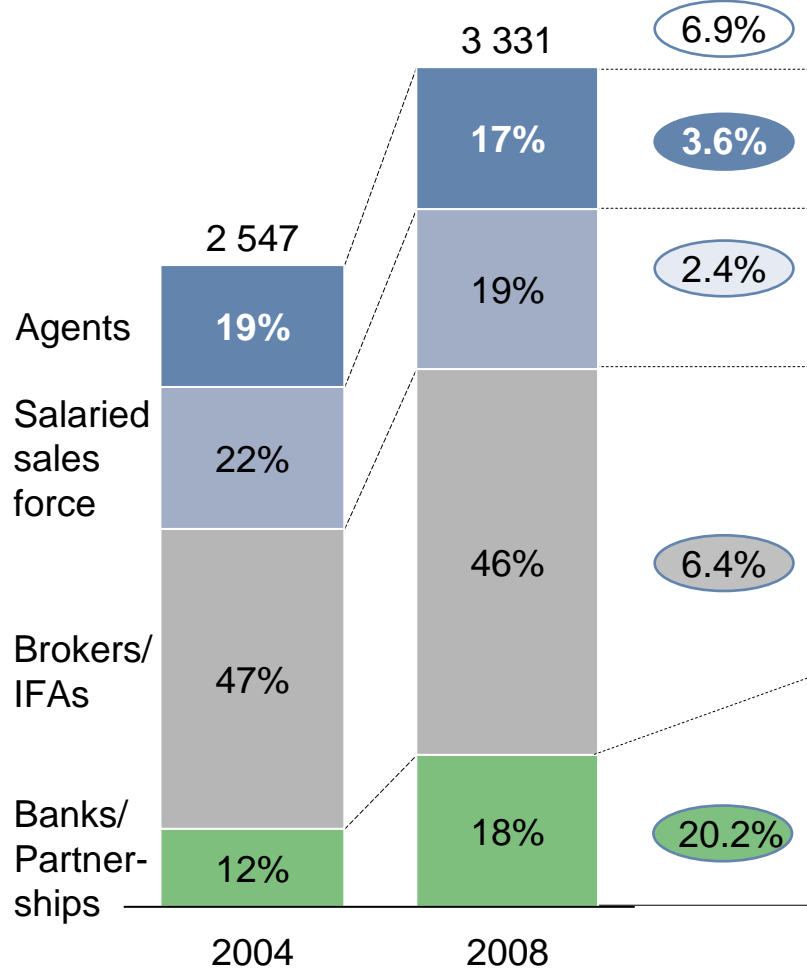
Top Com
Les Echos

Strong growth primarily through 3rd party distribution channels

EUR million

○ CAGR 2004 - 08

Development of GWP ¹⁾



Achievements

- Developed initiatives to encourage high-performing agencies to expand geographically
- Increased number of salaried sales force from 220 to 330 FTEs
- Created strong network of IFAs (400 active IFAs), first IFA initiative launched in 2004
- Created network of partnerships with private banks in life (~15 partnerships in 2008)
- Increased number of partnerships in health and risk (~40 health partnerships in 2008 vs. 26 in 2004)

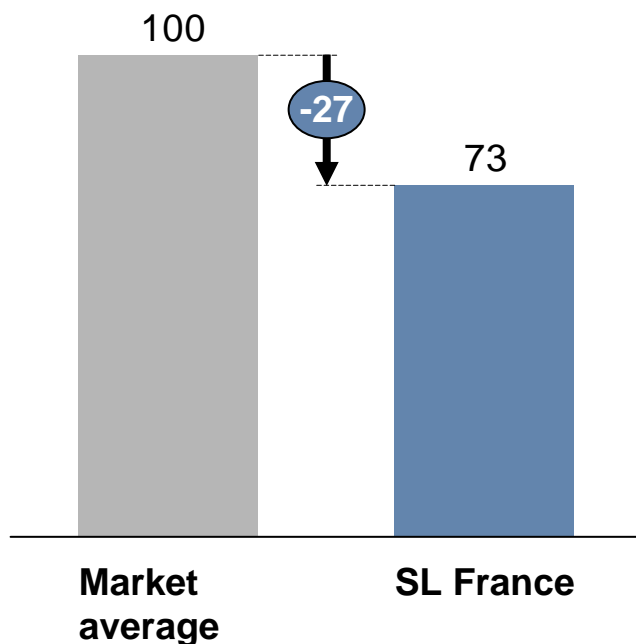
1) Including P&C

Achieved higher cost efficiency than average of European cost benchmark



Indexed, 2008, in %

Detailed European cost benchmarking



Applied methodology

- Looked at 37 insurance players across Europe
- Tailored peer group to reflect Swiss Life France channel and business mix
- Granular, standardised, bottom-up analysis per key function along the value chain

Going forward, Swiss Life France needs to overcome specific challenges...



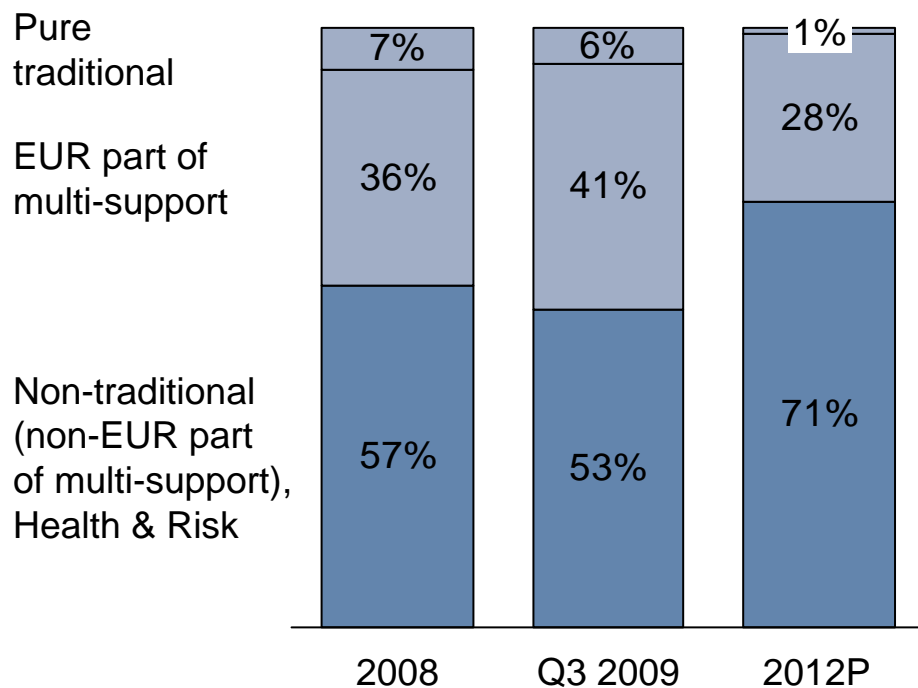
MILESTONE	Challenges
1 Enhance customer value & new business profitability	<ul style="list-style-type: none">• Intensified competition• Capture full potential of French market opportunity in non-traditional and risk• Maintain # 2 position in increasingly competitive health market
2 Increase distribution quality and power	<ul style="list-style-type: none">• To continue to outgrow the market in all distribution channels, more focus has to be put on<ul style="list-style-type: none">- Proprietary distribution channels- Innovative distribution models supported by online- Our own SL Banque Privée- Best practice sharing across our distribution channels
3 Improve operational efficiency	<ul style="list-style-type: none">• Eliminate negative administrative cost result by 2012• Further increase operational performance, while maintaining high growth

...with a comprehensive list of MILESTONE initiatives

MILESTONE	Initiatives
1 Enhance customer value & new business profitability	<ul style="list-style-type: none">• Create product alternatives to EUR fund with higher margins and adapted to customer needs• Launch new risk products with optimised processes• Develop new health product concepts with lower claim costs
2 Increase distribution quality and power	<ul style="list-style-type: none">• Increase number of active IFAs• Increase number of partnerships and strengthen loyalty• Offer new services for tied agents and salaried sales force to target affluent customers through support of SL Banque Privée• Develop white-brand lower-cost distribution for health
3 Improve operational efficiency	<ul style="list-style-type: none">• Increase self-service for customers and intermediaries• Further implement more efficient IT tools• Share best practices across business units• Further centralise and standardise back office and front offices

Further shift to high-margin, non-traditional and risk products

New business production ¹⁾



New products	Premiums	
	Periodic	Single
SwissLife Liberté Plus (2009)		✓
SwissLife Avenir Garanti (GMAB – 2010)		✓
SwissLife Excellence / SwissLife Premium (2010)		✓
SwissLife Garantie Emprunteurs (2010)		✓
SwissLife Prévoyance Indépendants (2010)	✓	
SwissLife Prévoyance Entreprises (2011)	✓	
Pipeline of structured products, GMWB, GMIB	✓	
New product family in Health (2010)	✓	

1) Excluding P&C

Swiss Life France contribution to SL Group profitability increase



Initiatives of Swiss Life France to support Group new business margin development

Unit-linked products

- Launch alternative unit-linked products, potentially with guarantees both for savings and pensions
- Leverage SL Asset Management and SL Banque Privée expertise to offer products with higher margins

Risk products

- Increase average premiums through better customer segmentation
- Increase share of products with death coverage having higher profitability than disability products

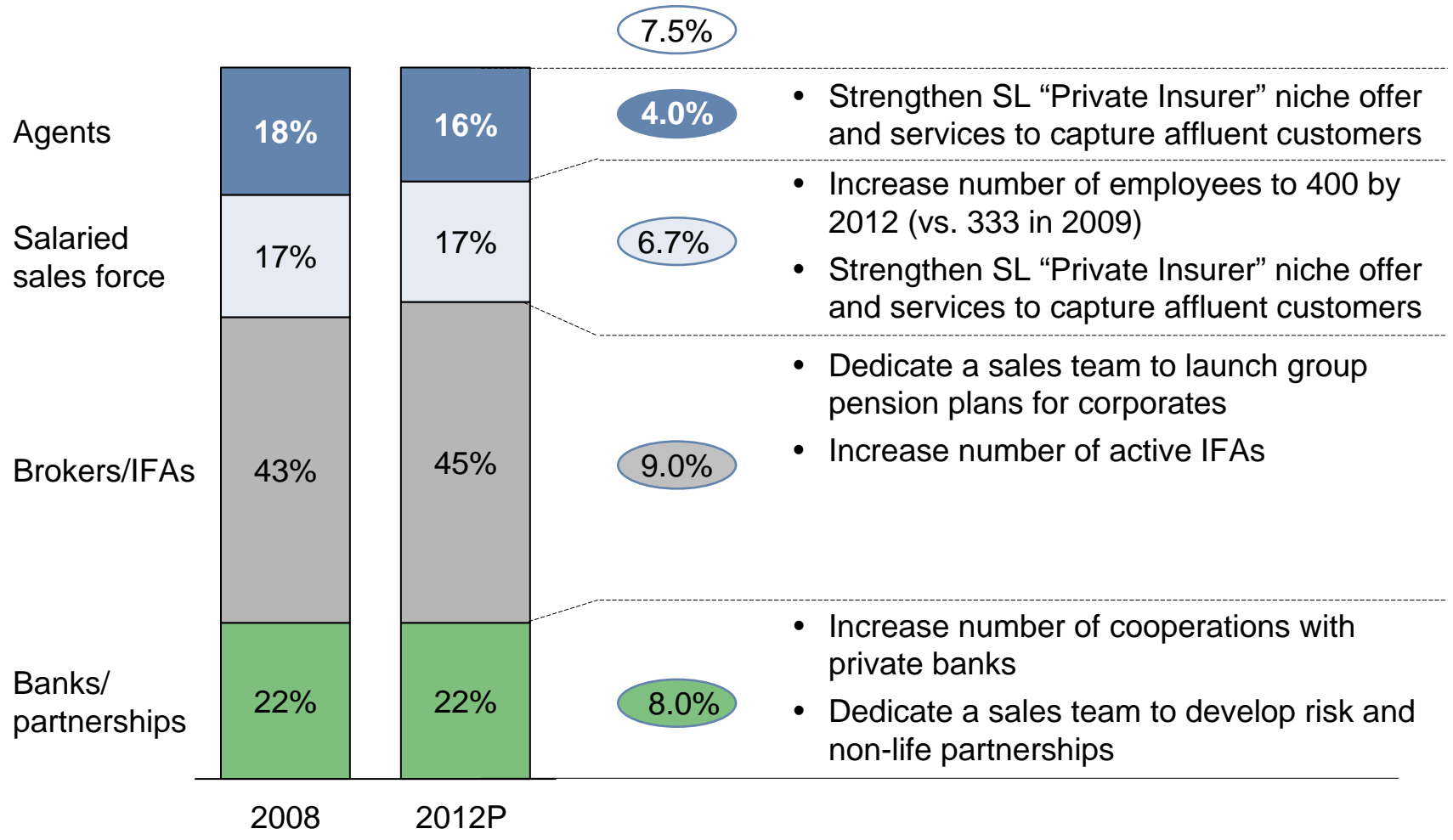
Increase growth in all distribution channels

New business production

○ CAGR 2008 - 12

Development by channel ¹⁾

Initiatives

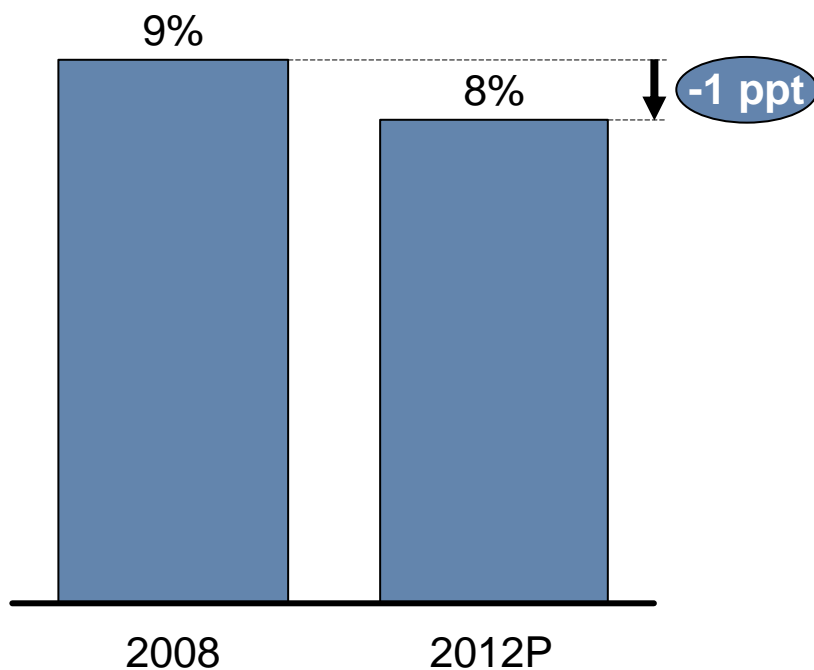


1) Including P&C

Improve operational efficiency to drive profitable growth

Operating expense/GWP ¹⁾

Cost ratio development



Examples of efficiency initiatives to support profitable growth

- Increased sharing of best practices within Swiss Life France
- Proven optimisation in operations and support functions
- Increased delegation to intermediaries and clients
- 3rd party cost optimisation

1) Including P&C

Summary

Swiss Life France will strengthen its position as a leading life insurer for affluent clients and as the market's # 2 health insurance provider

▶ **Strong position in the affluent market will allow for higher margins in 2012 and contribute to Swiss Life Group's RoE target**

▶ **Maintain a higher share of non-traditional products than the market**

▶ **Banks / IFAs will play an increasingly important role in the strong multi-channel distribution network of Swiss Life France**

▶ **Safeguard its leading position as # 2 Health insurance provider**

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Contact details and financial calendar

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Financial calendar

Full-year results 2009	30 March 2010
Interim statement Q1 2010	4 May 2010
Annual General Meeting	6 May 2010

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