



Investors' Day 2009

Swiss Life Switzerland: Delivering sustainable earnings

Ivo Furrer, CEO Switzerland
Zurich, 15 December 2009

Key message

Swiss Life CH will play a decisive role in meeting the Group's 2012 profit targets by...

▶ introducing more profitable products...

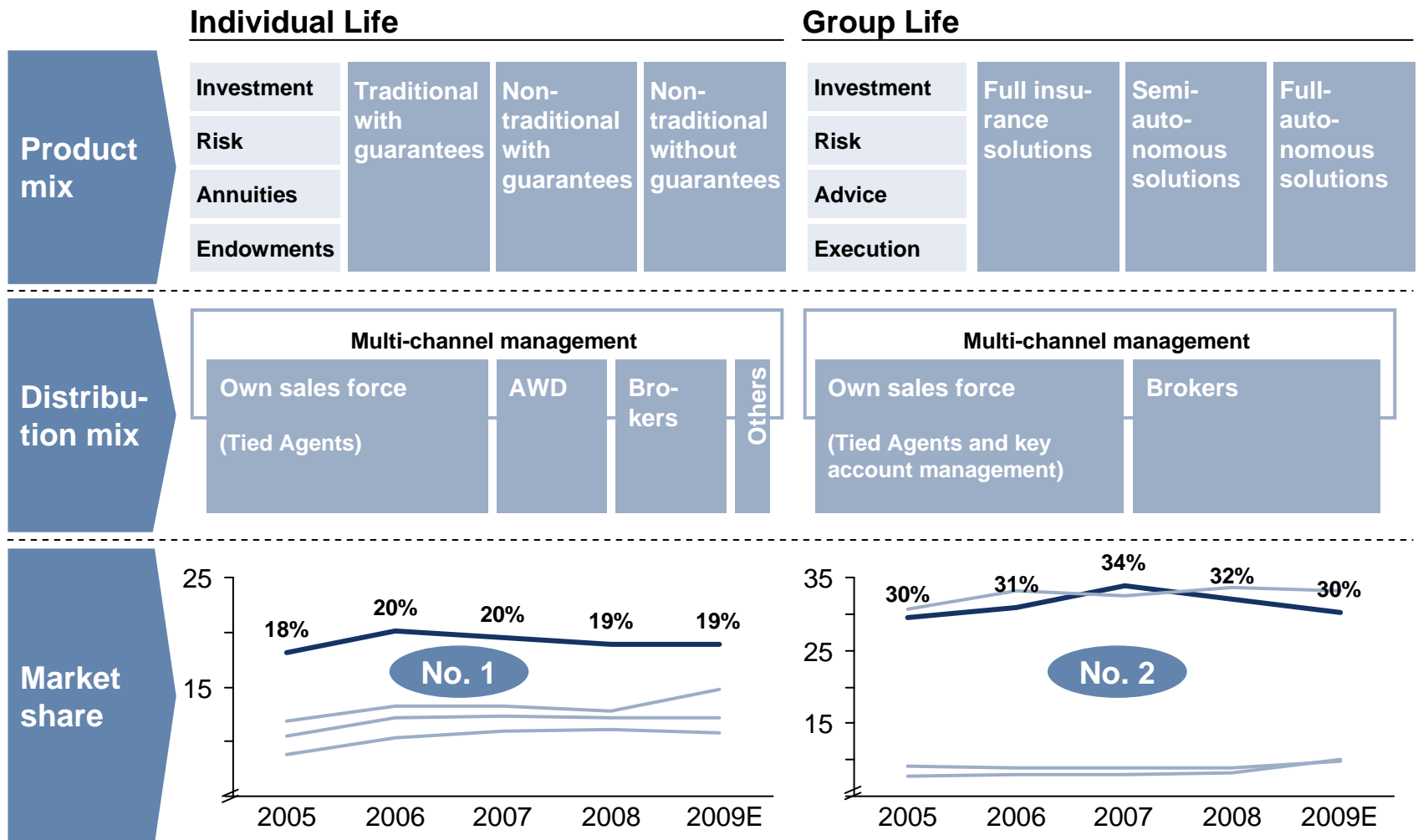
▶ ... with less capital required

▶ ... at lower cost.

Swiss Life CH with a leading position in Individual and Group Life



In %



Significant achievements in 2009 regarding announced strategic cornerstones in H1 2009

MILESTONE	Achievements
1 Enhance customer value & new business profitability	<ul style="list-style-type: none">• 3 new products launched (Swiss Life Protection, Champion Invest, Active Win)• Products introduced in 2009 have already contributed 30% of New Business Production (NBP) in Q4/2009
2 Increase distribution quality and power	<ul style="list-style-type: none">• General agency network and corporate customer market development reorganised• Churn rate with Tied Agents reduced by 5% vs. 2008• Significant new production through AWD and Brokers
3 Improve operational efficiency	<ul style="list-style-type: none">• Cost savings of CHF 70 million vs. 2008 already realised, mainly through efficiency gains (e.g. IT systems), discontinuation of services and project portfolio reduction (e.g. FTE reduction)

Substantial increase in customer value and profitability achieved in 2009

Implemented measures 2009

Individual customers

New products launched

- Risk product (Swiss Life Protection, Q3)
- Variable Annuities (Champion Invest, Q3)
- Savings product 50+ (Active Win, Q4)



New positioning of distribution partner

- Preferred partner status

Intensification of online activities / customer access

- Online-marketing supported product launches



Corporate customers

Expanding the product range

- Semi-autonomous solution SME standard
 - Product defined / establishment of foundation on track
- Pension fund services: advice, administration
 - 6 pension fund experts under new management
- Variable rate vested benefits policies



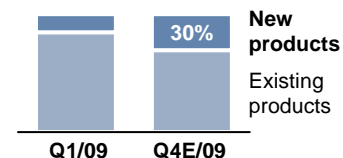
IT system updates

- New SME portfolio offering administration system

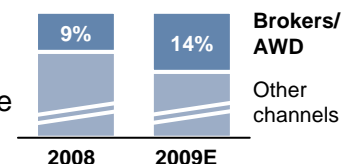


Impact 2009/2010

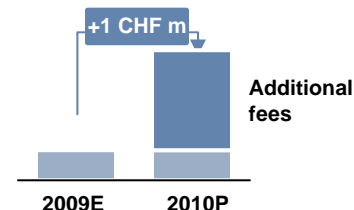
- 30% NBP¹⁾ share of new products in Q4E/2009



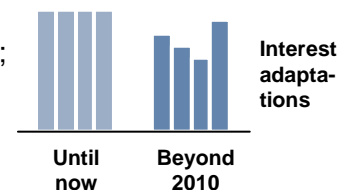
- NBP¹⁾ share AWD and Brokers from 9% 2008 to 14% 2009E
- Increase of 950 leads within one month



- Fee volume of expert and management mandates of CHF 1 m secured by Q4E/2009



- From 2010 new business in vested benefits policies without fixed interest guarantee; annual deposit volume of CHF 300 m



1) NBP = New Business Production

Significant improvements in all distribution channels already realised in 2009

Implemented measures 2009

Sales Force / Key Accounts

Reorganisation of general agency network

- General agencies reduced from 58 to 42
- Distribution management incentive systems
- Introduction of systematic lead management



Corporate customer market development reorganised

- Market development carried out systematically with experts to support the sales force
- Best-select principle implemented in the investment foundation



Brokers and AWD

Brokers:

- Segmentation according to A, B and C Brokers
- IFA Broker accreditation
- Introduction of a web-based offer tool



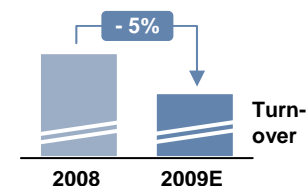
AWD:

- Tailored offer process rolled out to AWD
- AWD consultant team set up
- Distribution channel-specific commission payments

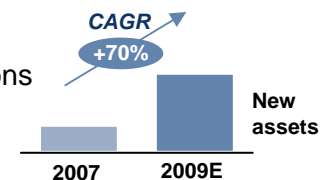


Impact 2009

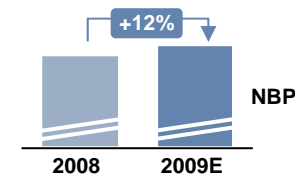
- Turnover reduced by 5%
- 20% increase in leads in Q3/2009



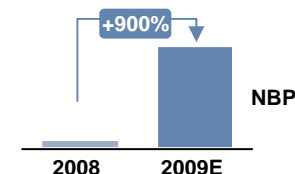
- New assets +70% p.a.
- 43% p.a. reduction in terminations since 2007



- NBP growth of 12% in IL and GL
- Efficiency gain in offering of approx. 12-15%



- Strong NBP growth at AWD
- 2008: CHF 11 m
- 2009E: CHF ~110 m (+900%)



Cost savings of CHF 70 million already achieved in 2009

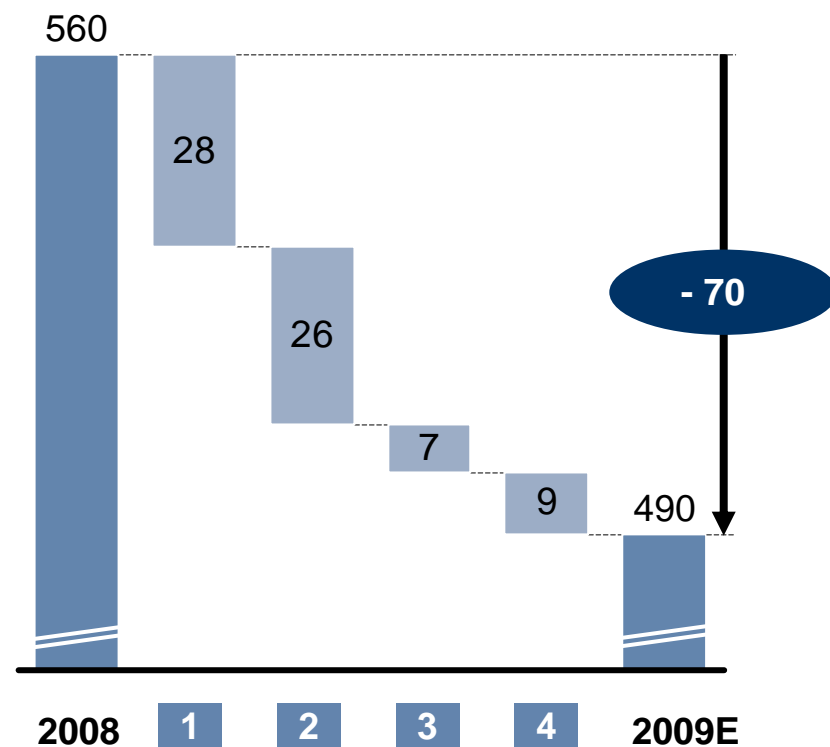
Administrative cost, CHF million

Implemented measures 2009

1	Efficiency gains <ul style="list-style-type: none"> • Personnel • IT system maintenance • Infrastructure management
2	Discontinuation of services <ul style="list-style-type: none"> • Personnel / external consultants • Marketing • Hardware / software
3	Project portfolio reduction <ul style="list-style-type: none"> • IT platform • Advisory services
4	Further impacts <ul style="list-style-type: none"> • Depreciation and amortisation • Tax on capital

Total savings: CHF 70 million

Impact 2009



Despite strong market position, we face specific challenges in 2010 and beyond...

MILESTONE	Challenges
1 Enhance customer value & new business profitability	<ul style="list-style-type: none">• Interest rate situation CH• Increased competitive pressure• Changed customer needs
2 Increase distribution quality and power	<ul style="list-style-type: none">• Customer loyalty of own distribution channels• Serving various customer and market segments over several distribution channels and partners
3 Improve operational efficiency	<ul style="list-style-type: none">• Execution (particularly of the cost-cutting programme)• Achieve targeted growth despite cost cuts• War on talents (gaining new, retaining talented employees)

...and are implementing specific measures in our roadmap for 2010-2012



MILESTONE	2010	2011	2012
1 Enhance customer value & new business profitability	Individual customers		
	Modify traditional product range with unit-linked products (non-traditional)		
	Champion Kids, Uno, Annuity Index II Fund withdrawal plan		
	Preferred partner status for AWD and Brokers		
	Corporate customers		
	SME standard semi-autonomous solution (non-traditional) <ul style="list-style-type: none"> ◆ Pyramid Invest (non-traditional) 		
Establish and develop (semi-)autonomous competency centre in pension funds (non-traditional)			
IT system updates / new portfolio administration system (standard)			
2 Increase distribution quality and power	Own distribution: Improve sales force productivity / reorganise corporate customer market development		
	Implement multi-channel strategy: AWD / Brokers		
3 Improve operational efficiency	Execute cost-cutting programme		



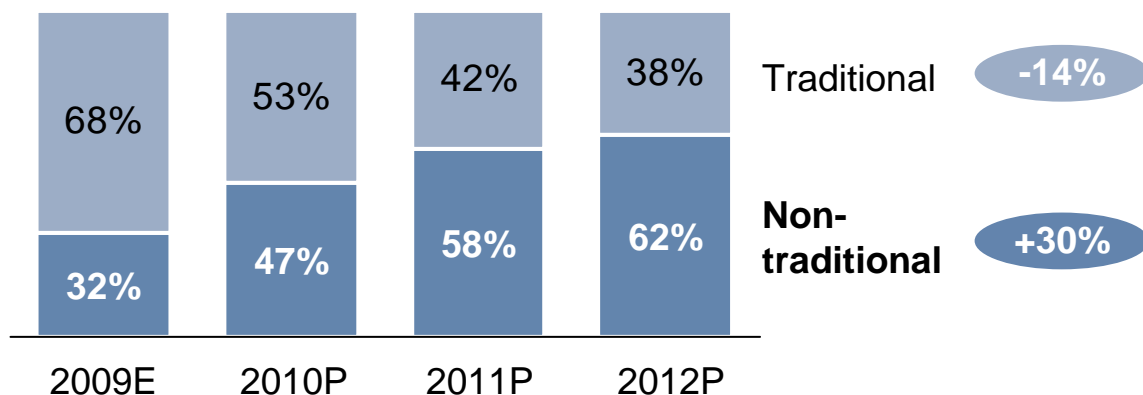
Shift to non-traditional products successfully initiated and introduced

New Business Production

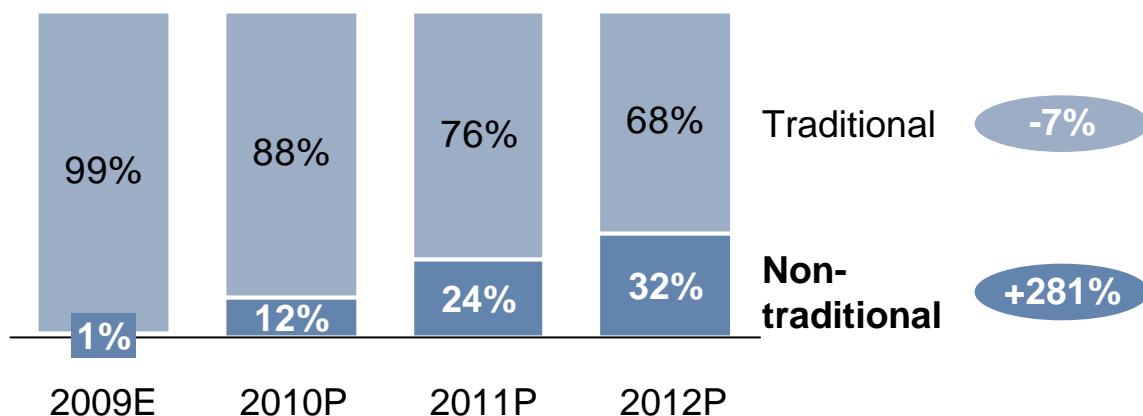
● CAGR 2009-2012

Business area New Business Production development

Individual customers



Corporate customers



SL CH significantly contributes to the Group's VNB targets

Individual customers: New products are key to implementing the strategy

New Business Production

Modification of the product range

New non-traditional products

Savings products	Champion Kids Champion Uno Swiss Life Index II	new
Pension products	Champion Annuity	new
Funds products	Fund withdrawal plan	new

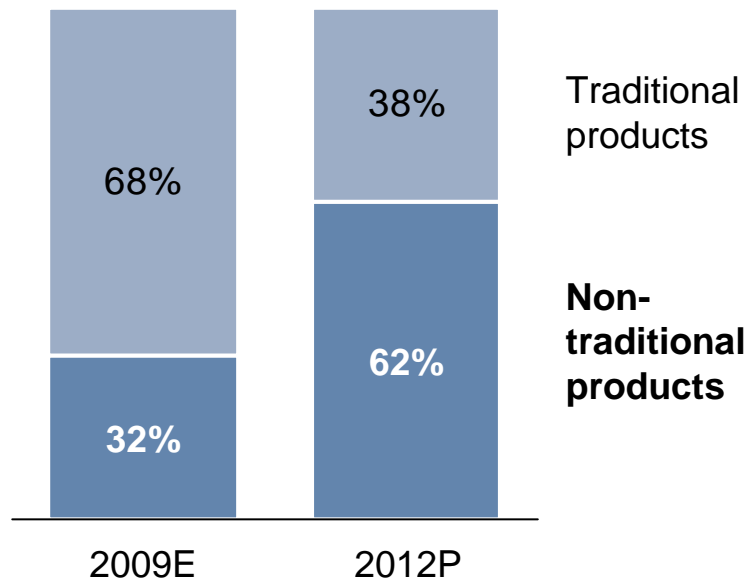
Theme packages for customers

Packages for customers	Pension plan
	Retirement plan
	Family check
	Asset check

Intensification partnerships

Development of channel-specific products
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Shift to non-traditional products

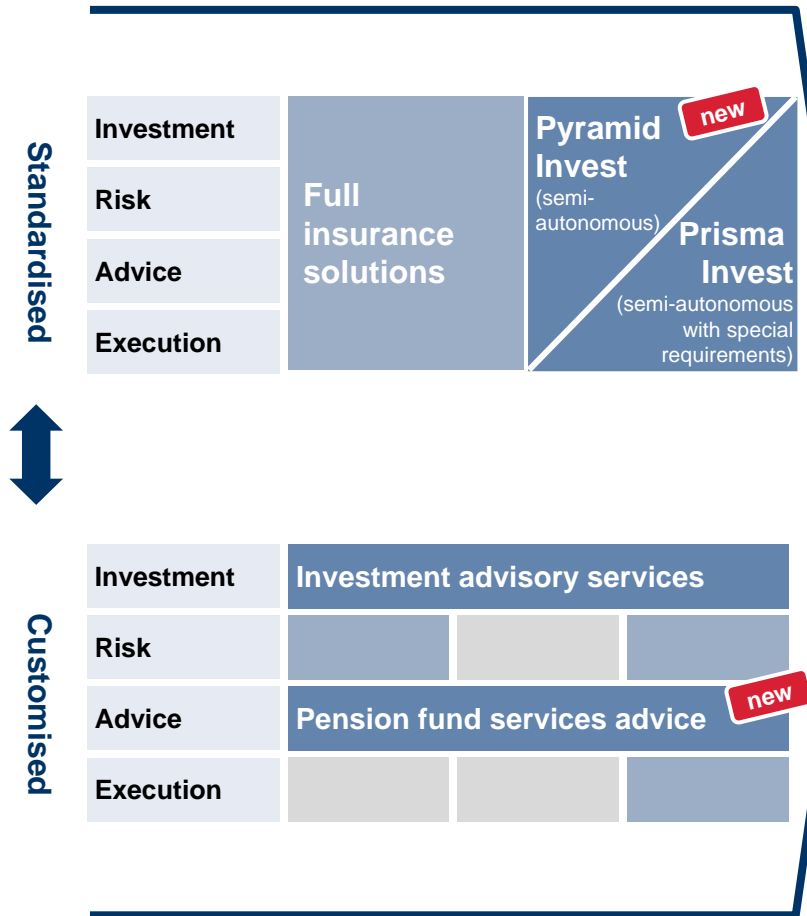


Active marketing of theme packages for customers

Corporate customers: Expanding the non-traditional product and service offering

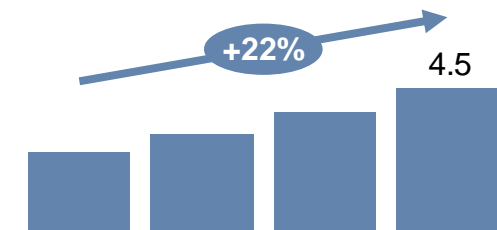


● CAGR 2009-2012



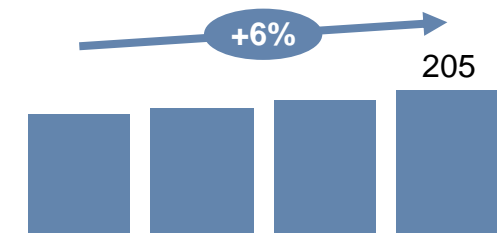
AuM shift, CHF bn

- Pyramid Invest
- Prisma Invest
- Investment advisory services, investment products



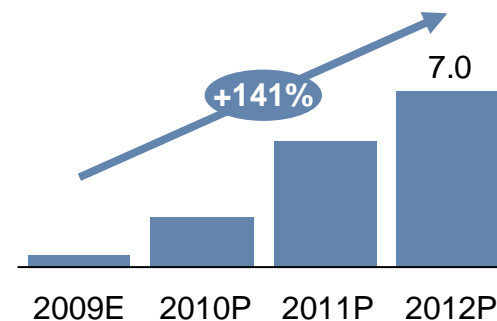
Risk policies, CHF m

- Biometric risks



Fees (risk free), CHF m

- (Semi-)autonomous competency centre



Multi-channel management is being expanded further to leverage distribution



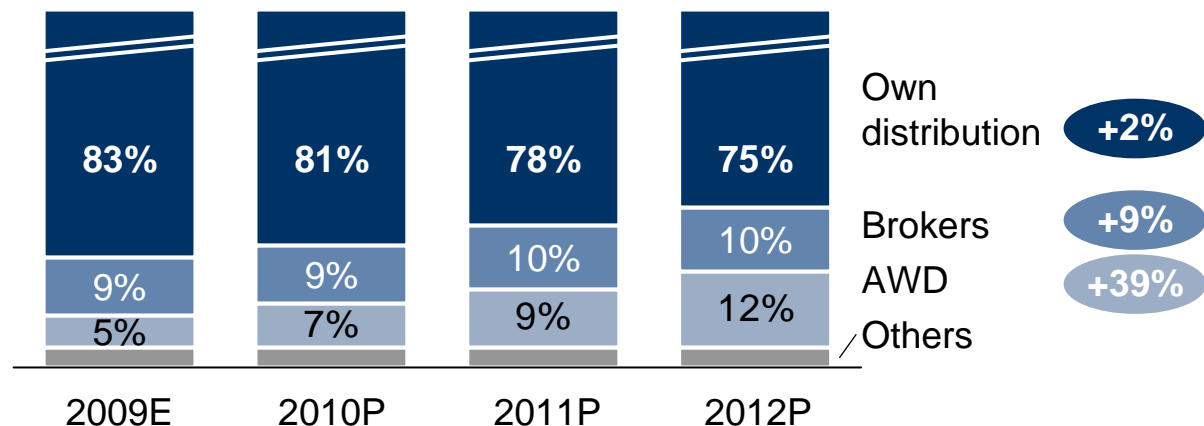
New Business Production

● CAGR 2009-2012

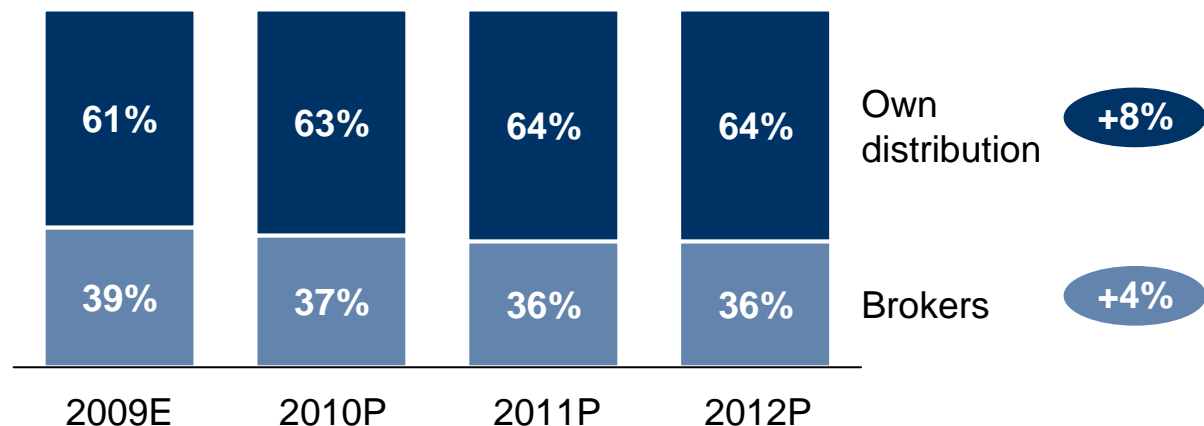
Business area

New business production split

Individual customers



Corporate customers



Tied Agents: Boosting productivity through our five point programme



New Business Production

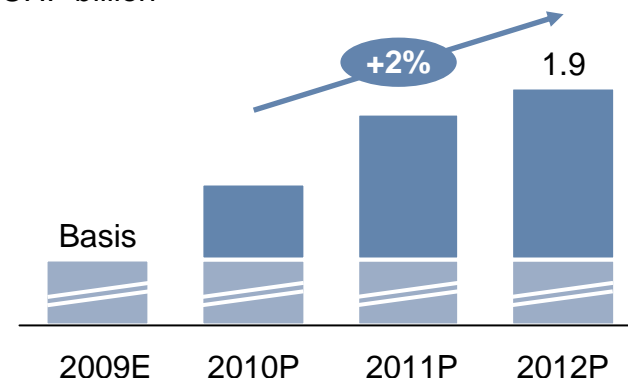
 CAGR 2010-2012

Topic	Measure
1 Implementation of expanded comprehensive advisory services	<ul style="list-style-type: none"> • Clear positioning as the insurance and financial advisor • Additional training in finance
2 Reduction in fluctuation	<ul style="list-style-type: none"> • Turnover reduction from 28% to 18% by 2012 • Better support of new employees by sales manager
3 Systematic sales process with leads	<ul style="list-style-type: none"> • Boost sales and distribution performance by 5-7% by 2012 • 20% increase in conversion rate by 2012 through lead qualification
4 Comprehensive market development in corporate customer business	<ul style="list-style-type: none"> • Additional training of 250 advisors in corporate business • Increase Group advisors from 350 to 600 by 2012
5 Focus on non-traditional products	<ul style="list-style-type: none"> • Increase training scope for non-traditional product range

Impact on NBP development

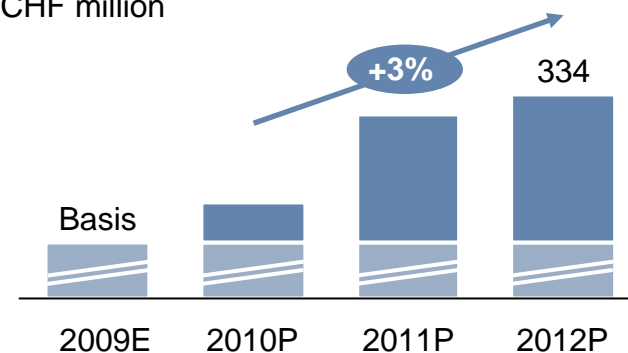
Individual customers

CHF billion



Corporate customers

CHF million



Multi-channel management: Focus on channels with high growth and margin potential

CHF million

 CAGR 2009-2012

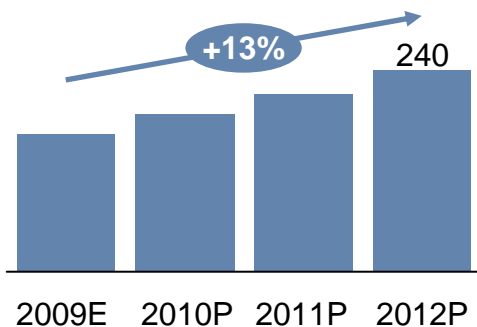
Key accounts

Concentrate on acquisition of reinsurance, asset management and consultancy mandates



Own distribution

New assets CH



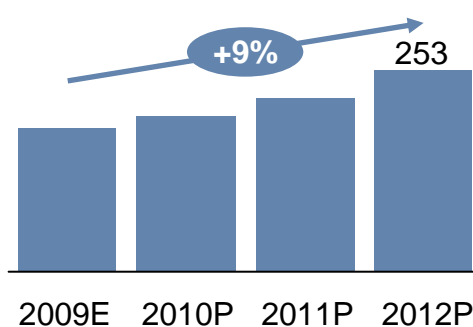
Brokers individual customers

Drive growth in non-traditional products and expand number of potential Brokers



Broker channel

NBP



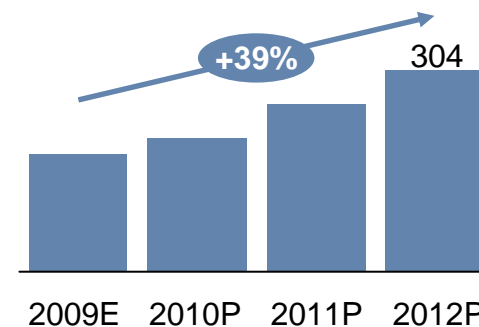
AWD

Further expand strong sales growth as "best select partner"



AWD channel

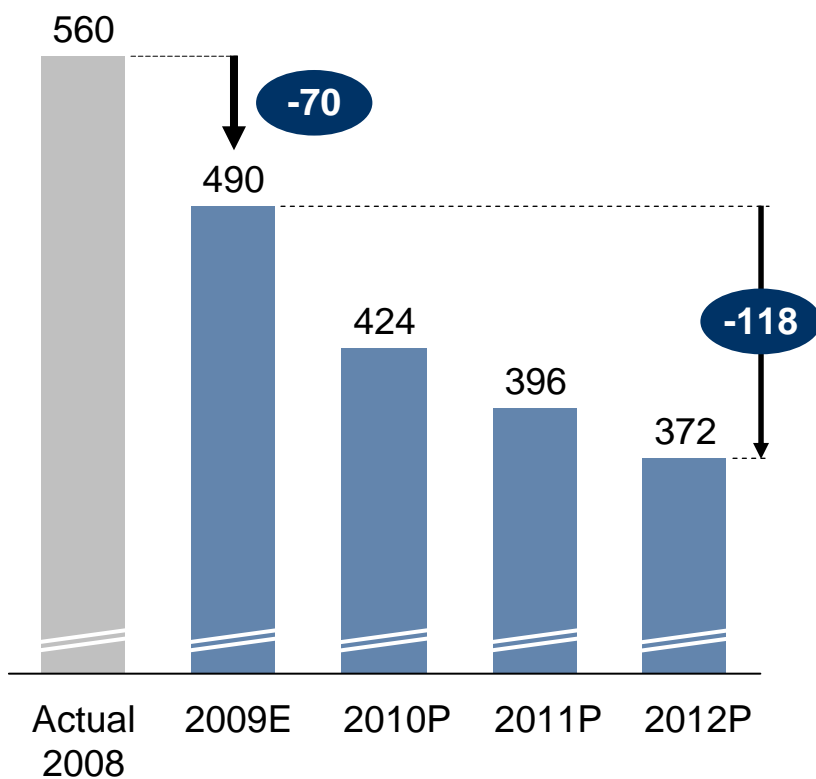
NBP



Cost situation: Measures to achieve a balanced cost result by 2012 are on track

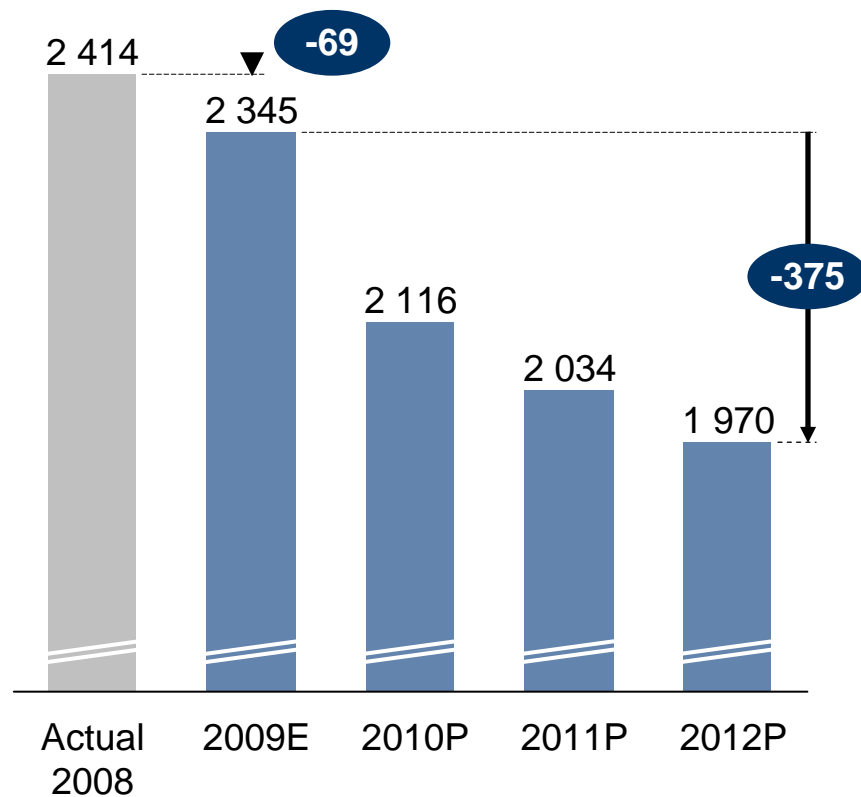
Impact on cost structure

CHF million



Impact on FTEs

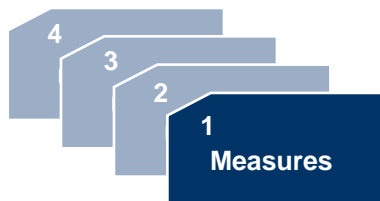
FTEs



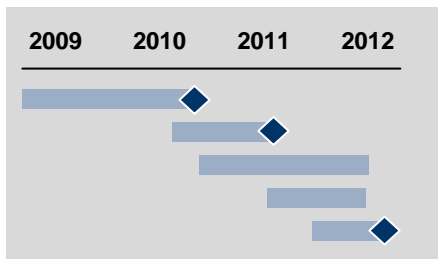
Annually recurring savings will far exceed one-off restructuring costs by 2012

CHF million

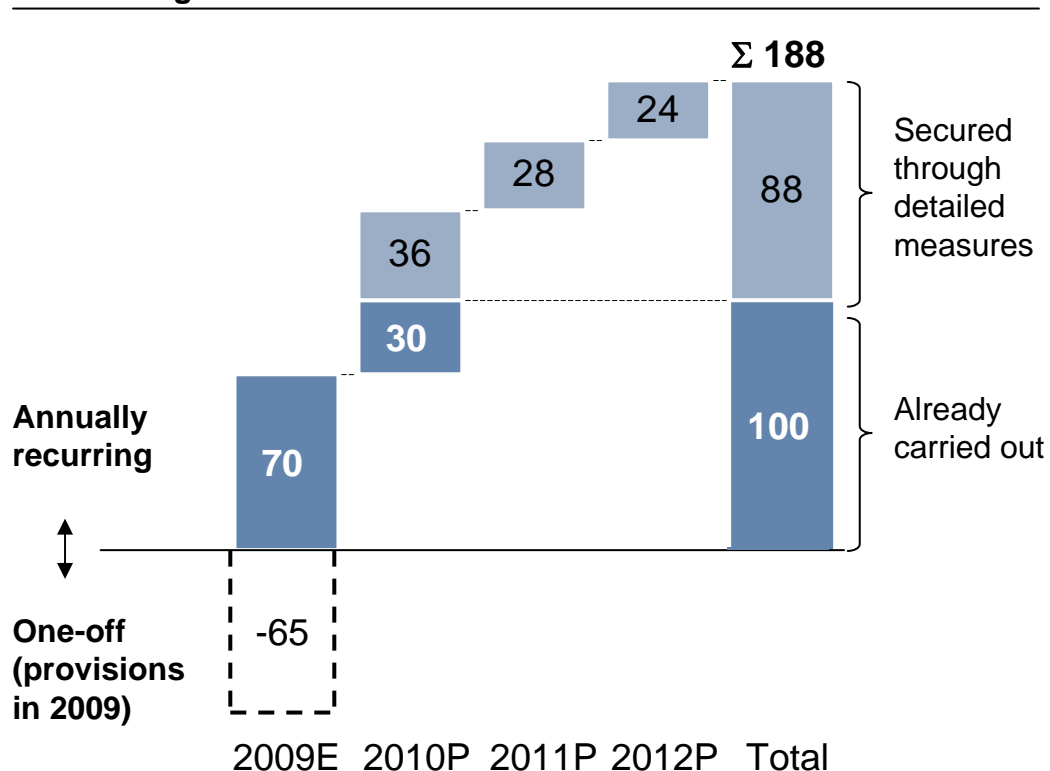
A Detailed set of measures defined and tracked over time



B Monthly report to ExB CH and feedback to those responsible for implementation



Cost savings



Summary

Swiss Life Switzerland will play a decisive role in meeting the Group's 2012 profit targets by introducing more profitable products with less capital required at lower cost.

▶ Shift to 35-45% NBP of non-traditional products by 2012

▶ Boost Tied Agent productivity and extend AWD & Brokers NBP share to 20-25% in individual life by 2012

▶ Cost-cutting of CHF 188 million by 2012

Cautionary statement regarding forward-looking information



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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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