

Summary of Group Results

Swiss Life increases net profit by 8% to CHF 606 million defying challenging market conditions.

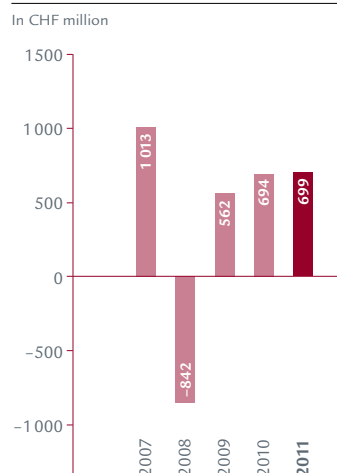
Swiss Life increased its net profit in 2011 to CHF 606 million compared to CHF 560 million in the previous year. Adjusted for one-offs and currency effects, profit from operations stood at CHF 793 million, representing a substantial improvement over the previous year's figure of CHF 751 million. This was mainly driven by the outstanding investment result, improvements at operational level and ongoing cost management. Thanks to the MILESTONE programme, Swiss Life has already achieved most of its targets one year earlier than planned.

After adjustment for one-offs and currency effects, Swiss Life increased profit from operations in 2011 by 6% to CHF 793 million (2010: CHF 751 million). On a non-adjusted basis, profit from operations climbed 1% to CHF 699 million. At CHF 606 million, net profit rose CHF 46 million or 8% over the prior-year figure. This corresponds to earnings per share of CHF 18.87 and a return on equity of 7.3%. In Investment Management Swiss Life achieved a net investment result on the insurance portfolio of CHF 4.3 billion, corresponding to a net investment return of 3.8% (2010: 4.1%), which again represents an excellent result in the current market environment.

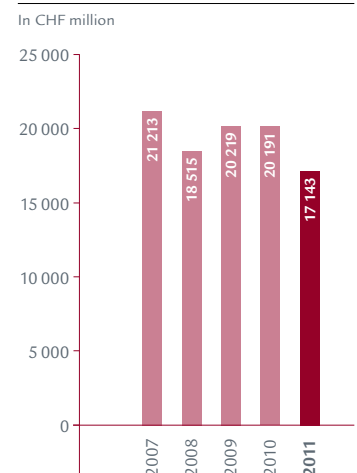
GROWTH – Growth in strategically important business areas – Swiss Life generated premium volume of CHF 17.1 billion, which represents a currency-adjusted decrease of 10% over the previous year. Performance in the home market of Switzerland was very encouraging, with premium growth of 6% to CHF 8.1 billion. In France, premiums fell 6% on a currency-adjusted basis to CHF 4.4 billion, with an improvement in the quality of new business as a result of the increase in unit-linked products to 29% (2010: 22%) and the enhanced product mix.

In Germany, premium income declined by 6% to CHF 1.7 billion, attributable to lower single premiums from the capitalisation product, while periodic premium business increased by 3%. The Insurance International segment, where premium income originates largely from global business with high net worth individuals, recorded a currency-adjusted drop of 37% on the previous year to CHF 3 billion. AWD improved its sales revenues by 3% to EUR 561 million. In Investment Management total assets under management came to CHF 134.3 billion (+10%). This includes growth of CHF 4.3 billion in third-party assets. Insurance reserves totalled CHF 128.1 billion, which corresponds to 6% growth in local currency over the same period in the previous year.

Result from operations



Gross written premiums, policy fees and deposits received

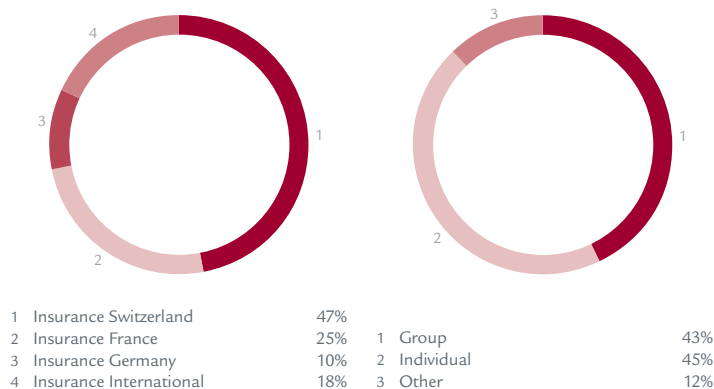


EARNING POWER – Focus lies on profitability – Adjusted for currency effects, Swiss Life Group’s profit from operations increased from CHF 751 million to CHF 793 million (+6%). In Switzerland, Swiss Life reported an improved segment result on a comparable basis of CHF 476 million (2010: CHF 469 million). In France, Swiss Life recorded a segment result of EUR 100 million (2010: EUR 117 million on an adjusted basis), chiefly due to a lower financial result and a higher loss ratio in health insurance business.

MILESTONE – MILESTONE delivers significant advances – Swiss Life has already implemented most of its goals under the Group-wide MILESTONE programme, one year ahead of schedule. The company has made impressive progress on the cost front in particular: By the end of 2011, the planned savings of CHF 350-400 million announced in 2009 had already been achieved, with a reduction of CHF 404 million from the cost basis of 2008. Thanks to its margin management, Swiss Life has been able to maintain its new business margin at a healthy level: At the end of 2011 it stood at 1.2% (2010: 1.4%), helping to offset the negative impact of the volatile markets. The value of new business, however, fell by 28% to CHF 150 million. Swiss Life succeeded in keeping the share of modern and risk products in new business at the target level of 70% (2010: 69%).

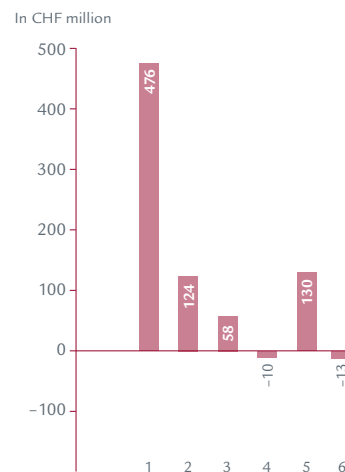
Gross written premiums, policy fees and deposits received by segment

Direct written premiums by type of insurance



Germany reported a segment result of CHF 47 million (2010: EUR 71 million), attributable to a lower financial result than in 2010 when measures to lengthen the duration of the investment portfolio had a positive impact. The Insurance International segment reduced its loss of the previous year from CHF 27 million to CHF 10 million. Investment Management increased its contribution to the Group result by 26% to CHF 130 million. AWD confirmed its successful reorganisation with adjusted operating profit of EUR 54 million (2010: EUR 49 million), improving its EBIT margin to 9.7% (2010: 9.0%). AWD’s operating result was affected, however, by EUR 47 million in provisions for legal cases.

Segment result



- 1 Insurance Switzerland
- 2 Insurance France
- 3 Insurance Germany
- 4 Insurance International
- 5 Investment Management
- 6 AWD

Swiss Life has a solid capital base. Shareholders' equity stood at CHF 9.1 billion at the end of 2011, up 23% on the previous year's figure of CHF 7.4 billion. The Group's solvency ratio climbed to 213% at the end of the year (2010: 172%). Based on its internal model for the Swiss Solvency Test, Swiss Life is in the green zone.

KEY FIGURES FOR THE SWISS LIFE GROUP

Amounts in CHF million

	2011	2010	+/-
GROSS WRITTEN PREMIUMS, POLICY FEES AND DEPOSITS RECEIVED	17 143	20 191	-15.1%
Net earned premiums and policy fees	11 894	12 051	-1.3%
Commission income	893	922	-3.1%
Financial result (without share of results of associates)	4 459	4 368	2.1%
Other income	45	503	-91.1%
TOTAL INCOME	17 291	17 844	-3.1%
Net insurance benefits and claims	-12 614	-12 704	-0.7%
Policyholder participation	-791	-1 073	-26.3%
Interest expense	-274	-311	-11.9%
Operating expense	-2 913	-3 062	-4.9%
TOTAL EXPENSE	-16 592	-17 150	-3.3%
RESULT FROM OPERATIONS	699	694	0.7%
NET PROFIT	606	560	8.2%
Equity	9 162	7 437	23.2%
Insurance reserves	128 089	122 279	4.8%
Assets under management	134 264	121 971	10.1%
Assets under control	164 604	149 899	9.8%
Return on equity (in %)	7.3	7.6	-0.3 ppts
Number of employees (full-time equivalents)	7 168	7 483	-4.2%

ASSET ALLOCATION ON FAIR VALUE BASIS AS AT 31 DECEMBER (INSURANCE PORTFOLIO AT GROUP'S OWN RISK)

Amounts in CHF million

	2011	2011	2010	2010
Equity securities and equity funds	2 602	2.2%	4 265	3.8%
Alternative investments	710	0.6%	1 122	1.0%
Real estate	15 493	13.1%	14 143	12.6%
Mortgages	5 440	4.6%	5 275	4.7%
Loans	10 408	8.8%	10 102	9.0%
Bonds	83 025	70.2%	74 755	66.6%
Cash and cash equivalents and other	591	0.5%	2 582	2.3%
TOTAL	118 269	100.0%	112 244	100.0%
Net equity exposure		1.1%		2.4%
Duration of bonds		10.4 years		10.3 years