



SwissLife

*First-Half  
Financial Report  
2015*



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# Condensed Consolidated Statement of Income (unaudited)

## Consolidated statement of income for the 6 months ended 30 June

In CHF million

	Notes	2015 HY	2014 HY
<b>INCOME</b>			
Premiums earned on insurance contracts		8 141	8 128
Premiums earned on investment contracts with discretionary participation		518	368
Premiums ceded to reinsurers		-72	-90
Net earned premiums	5	8 587	8 406
Policy fees earned on insurance contracts		10	11
Policy fees earned on investment and unit-linked contracts		125	136
Net earned policy fees	5	135	147
Commission income	6	477	435
Investment income	4, 6	2 182	2 217
Net gains/losses on financial assets	4, 6	-1 549	92
Net gains/losses on financial instruments at fair value through profit or loss	4, 6	1 704	179
Net gains/losses on investment property	4	351	132
Share of profit or loss of associates	4	5	2
Other income	6	296	14
<b>TOTAL INCOME</b>		<b>12 187</b>	<b>11 623</b>
<b>EXPENSES</b>			
Benefits and claims under insurance contracts		-8 726	-8 509
Benefits and claims under investment contracts with discretionary participation		-537	-387
Benefits and claims recovered from reinsurers		41	46
Net insurance benefits and claims	6	-9 223	-8 849
Policyholder participation		-931	-665
Interest expense	6	-90	-105
Commission expense	6	-399	-416
Employee benefits expense	6	-417	-416
Depreciation and amortisation expense	6	-209	-253
Impairment of property and equipment and intangible assets		-4	-1
Other expenses	6	-222	-241
<b>TOTAL EXPENSES</b>		<b>-11 496</b>	<b>-10 946</b>
<b>PROFIT FROM OPERATIONS</b>		<b>692</b>	<b>677</b>
Borrowing costs		-69	-78
<b>PROFIT BEFORE INCOME TAX</b>		<b>623</b>	<b>599</b>
Income tax expense	7	-130	-112
<b>NET PROFIT</b>		<b>493</b>	<b>487</b>
Net profit attributable to			
equity holders of Swiss Life Holding		490	484
non-controlling interests		3	3
<b>NET PROFIT</b>		<b>493</b>	<b>487</b>
Earnings per share attributable to equity holders of Swiss Life Holding			
Basic earnings per share (in CHF)		15.38	15.16
Diluted earnings per share (in CHF)		14.51	14.29

# Condensed Consolidated Statement of Comprehensive Income (unaudited)

## Consolidated statement of comprehensive income for the 6 months ended 30 June

In CHF million

	2015 HY	2014 HY
<b>NET PROFIT</b>	<b>493</b>	<b>487</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
<b>ITEMS THAT MAY BE RECLASSIFIED TO THE INCOME STATEMENT</b>		
Exchange differences on translating foreign operations	-383	-23
Financial assets available for sale	-3 155	5 131
Cash flow hedges	-13	362
Financial assets reclassified to loans	30	34
Share of other comprehensive income of associates	0	0
Adjustments relating to items that may be reclassified:		
Policyholder participation	1 901	-3 265
Shadow accounting	70	-109
Income tax	279	-500
<b>TOTAL</b>	<b>-1 271</b>	<b>1 631</b>
<b>ITEMS THAT WILL NOT BE RECLASSIFIED TO THE INCOME STATEMENT</b>		
Revaluation surplus on investment property	-18	-1
Remeasurements on defined benefit pension liability	-113	-7
Adjustments relating to items that will not be reclassified:		
Policyholder participation	67	6
Shadow accounting	0	0
Income tax	12	1
<b>TOTAL</b>	<b>-52</b>	<b>-2</b>
<b>NET OTHER COMPREHENSIVE INCOME</b>	<b>-1 322</b>	<b>1 630</b>
<b>TOTAL NET COMPREHENSIVE INCOME</b>	<b>-829</b>	<b>2 116</b>
Total net comprehensive income attributable to		
equity holders of Swiss Life Holding	-827	2 113
non-controlling interests	-1	3
<b>TOTAL NET COMPREHENSIVE INCOME</b>	<b>-829</b>	<b>2 116</b>

# Condensed Consolidated Balance Sheet (unaudited)

## Consolidated balance sheet

In CHF million

	Notes	30.06.2015	31.12.2014
<b>ASSETS</b>			
Cash and cash equivalents		5 181	6 062
Derivatives		3 003	2 358
Assets held for sale		4	–
Financial assets at fair value through profit or loss	8	31 382	32 389
Financial assets available for sale	9	94 500	97 162
Loans and receivables	10	25 301	27 948
Financial assets pledged as collateral		2 413	2 763
Investment property		20 814	19 596
Investments in associates		70	284
Reinsurance assets	14	355	397
Property and equipment		406	442
Intangible assets including intangible insurance assets	11	2 756	2 972
Current income tax assets		22	14
Deferred income tax assets		49	34
Other assets		539	431
<b>TOTAL ASSETS</b>		<b>186 795</b>	<b>192 854</b>

## Consolidated balance sheet

In CHF million

	Notes	30.06.2015	31.12.2014
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Derivatives		1 386	2 165
Financial liabilities at fair value through profit or loss	8	24 274	25 415
Investment contracts	12	13 190	14 070
Borrowings	13	4 381	3 798
Other financial liabilities		11 590	12 056
Insurance liabilities	14	105 730	106 136
Policyholder participation liabilities		10 490	12 152
Employee benefit liabilities	15	1 863	1 821
Current income tax liabilities		73	78
Deferred income tax liabilities		1 683	1 913
Provisions		95	128
Other liabilities		273	289
<b>TOTAL LIABILITIES</b>		<b>175 028</b>	<b>180 023</b>
<b>EQUITY</b>			
Share capital		164	164
Share premium		1 018	1 237
Treasury shares		-49	-31
Accumulated other comprehensive income		1 750	3 067
Retained earnings		8 809	8 319
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>11 691</b>	<b>12 755</b>
Non-controlling interests		77	76
<b>TOTAL EQUITY</b>		<b>11 767</b>	<b>12 831</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>186 795</b>	<b>192 854</b>

# Condensed Consolidated Statement of Cash Flows (unaudited)

## Consolidated statement of cash flows for the 6 months ended 30 June

In CHF million

	2015 HY	2014 HY
<b>TOTAL NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>-1 089</b>	<b>-35</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of investments in associates	0	-
Sales of investments in associates	1	3
Dividends received from associates	173	1
Purchases of property and equipment	-4	-43
Sales of property and equipment	1	3
Purchases of computer software and other intangible assets	-5	-6
Acquisitions of subsidiaries, net of cash and cash equivalents	1	-
<b>TOTAL NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>166</b>	<b>-43</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issuance of debt instruments	774	-
Redemption of debt instruments	-12	-42
Distribution out of capital contribution reserve	-207	-176
Purchases of treasury shares	-35	-10
Sales of treasury shares	0	-
Capital contributions from non-controlling interests	2	-
Borrowing costs paid	-58	-65
Dividends paid to non-controlling interests	-1	-1
<b>TOTAL NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>462</b>	<b>-294</b>
<b>TOTAL CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>-461</b>	<b>-372</b>
Cash and cash equivalents as at 1 January	6 062	6 088
Foreign currency differences	-420	-39
Total change in cash and cash equivalents	-461	-372
<b>CASH AND CASH EQUIVALENTS AS AT END OF PERIOD</b>	<b>5 181</b>	<b>5 677</b>



## *Condensed Consolidated Statement of Changes in Equity (unaudited)*

### Consolidated statement of changes in equity for the 6 months ended 30 June 2015

In CHF million									
Notes	Share capital	Share premium	Treasury shares	Accumulated other comprehensive income	Retained earnings	Total shareholders' equity	Non-controlling interests	Total equity	
Balance as at 1 January	164	1 237	-31	3 067	8 319	12 755	76	12 831	
Total net comprehensive income	-	-	-	-1 317	490	-827	-1	-829	
Distribution out of capital contribution reserve	1	-	-207	-	-	-207	-	-207	
Equity-settled share-based payments	-	5	-	-	-	5	-	5	
Purchases of treasury shares	-	-	-35	-	-	-35	-	-35	
Sales of treasury shares	-	0	0	-	-	0	-	0	
Allocation of treasury shares under equity compensation plans	-	-17	17	-	-	-	-	-	
Acquisitions of subsidiaries	-	-	-	-	-	-	1	1	
Capital contributions from non-controlling interests	-	-	-	-	-	-	2	2	
Dividends	-	-	-	-	-	-	-1	-1	
<b>BALANCE AS AT END OF PERIOD</b>	<b>164</b>	<b>1 018</b>	<b>-49</b>	<b>1 750</b>	<b>8 809</b>	<b>11 691</b>	<b>77</b>	<b>11 767</b>	

### Consolidated statement of changes in equity for the 6 months ended 30 June 2014

In CHF million									
Notes	Share capital	Share premium	Treasury shares	Accumulated other comprehensive income	Retained earnings	Total shareholders' equity	Non-controlling interests	Total equity	
Balance as at 1 January	164	1 414	-26	-112	7 505	8 945	74	9 018	
Total net comprehensive income	-	-	-	1 630	484	2 113	3	2 116	
Distribution out of capital contribution reserve	-	-176	-	-	-	-176	-	-176	
Equity-settled share-based payments	-	4	-	-	-	4	-	4	
Purchases of treasury shares	-	-	-10	-	-	-10	-	-10	
Allocation of treasury shares under equity compensation plans	-	-9	9	-	-	-	-	-	
Dividends	-	-	-	-	-	-	-1	-1	
<b>BALANCE AS AT END OF PERIOD</b>	<b>164</b>	<b>1 233</b>	<b>-27</b>	<b>1 518</b>	<b>7 988</b>	<b>10 877</b>	<b>76</b>	<b>10 952</b>	

# *Condensed Notes to the Consolidated Financial Statements (unaudited)*

## *1 General Information*

The Swiss Life Group is one of Europe's leading comprehensive life and pensions and financial solutions providers. In its core markets of Switzerland, France and Germany, Swiss Life offers individuals and corporations comprehensive and individual advice plus a broad range of own and partner products through its sales force and distribution partners such as brokers and banks.

Swiss Life Select, tecis, Horbach, Proventus and Chase de Vere advisors choose suitable products for customers from the market according to the Best Select approach. Swiss Life Asset Managers offers institutional and private investors access to investment and asset management solutions. Swiss Life provides multinational corporations with employee benefits solutions and high net worth individuals with structured life and pensions products.

### **Distribution out of capital contribution reserve**

For the 2014 financial year, a distribution was made to the shareholders of Swiss Life Holding Ltd (hereinafter referred to as "Swiss Life Holding") from the capital contribution reserve instead of a dividend payment from profit. This amounted to CHF 207 million (CHF 6.50 per registered share) and was paid in the first half of 2015.

## 2 Summary of Significant Accounting Policies

The half-year financial statements are prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies used in the preparation of the interim financial statements are consistent with those used in the financial statements for the year ended 31 December 2014, except for the changes in accounting policies as described below.

These interim financial statements should be read in conjunction with the 2014 annual financial statements.

Figures may not add up exactly due to rounding.

### Changes in accounting policies

No new or revised accounting standards or interpretations have been adopted in the period under review.

### Related party transactions

Transactions with subsidiaries have been eliminated on consolidation. No major transactions with other related parties have been entered into in the period under review.

### Functional and presentation currency

Items included in the Group's financial statements are measured using the currency of the primary economic environment in which the Group's entities operate (the "functional currency"). The consolidated financial statements are presented in millions of Swiss francs (CHF), which is the Group's presentation currency.

### Foreign currency exchange rates

	30.06.2015	31.12.2014	Average 2015 HY	Average 2014 HY
1 British pound (GBP)	1.4706	1.5485	1.4441	1.4870
1 Czech koruna (CZK)	0.0381	0.0434	0.0384	0.0445
1 Euro (EUR)	1.0430	1.2026	1.0583	1.2214
100 Polish zloty (PLN)	24.8882	28.0772	25.5497	29.2541
1 Singapore dollar (SGD)	0.6941	0.7502	0.7021	0.7067
1 US dollar (USD)	0.9352	0.9939	0.9478	0.8909

### 3 Segment Information

Operating segments are components of an entity about which separate financial information is available that is evaluated regularly by management (corporate executive board) in deciding how to allocate resources and in assessing performance.

The accounting policies for the segments are the same as those described in the Summary of Significant Accounting Policies section. Inter-segmental services and transfers of assets and liabilities are treated as if the transactions were with third parties, i.e. at market prices applicable at the time of the transaction.

Intercompany trademark fees charged and received for the use of the Swiss Life brand have been excluded from the segment result. The statement of income for the 6 months ended 30 June 2014 has been represented accordingly.

Corporate costs were not allocated to the individual segments as they consist of general administrative expenses and head office expenses that relate to the Swiss Life Group as a whole.

The reportable segments have been identified based on information about the components of the entity that management uses to make decisions about operating matters. The business is managed based on IFRS results.

The information provided to management focuses on product lines and services. The organisational and management structure within the insurance business is geographical. The reportable segments have therefore been identified as follows:

- Switzerland
- France
- Germany
- International
- Asset Managers
- Other

Switzerland, France, Germany and International primarily consist of life insurance operations and distribution units. The life insurance operations offer a broad range of life, pension, health, annuity and investment-type policies to both groups and individuals, including disability coverage. The Group's strategy focuses primarily on life and pensions in Switzerland, France and Germany and on cross-border business from Liechtenstein, Luxembourg and Singapore. These segments also include a number of companies which hold investments mainly pertaining to life insurance.

"International" comprises the cross-border insurance operations in Liechtenstein, Luxembourg and Singapore, the Swiss Life Select units operating in Austria, Czech Republic and Poland as well as Chase de Vere operating in the United Kingdom.

Non-life operations involve operations in France and Luxembourg and mainly include property and casualty, liability and motor insurance, accident and health insurance and payment protection insurance. These operations are included in the segments “France” and “Other”.

“Asset Managers” refers to the management of assets for institutional clients and the Group’s insurance business, as well as the provision of expert advice for such clients.

“Other” refers principally to various finance and service companies, as well as payment protection insurance.

The statement of income and the balance sheet for the segments are provided in the following pages:

## Statement of income for the 6 months ended 30 June 2015

In CHF million									
	Switzer-land	France	Germany	Inter-national	Asset Managers	Other	Total before elimi-nations	Elimi-nations	Total
<b>INCOME</b>									
Premiums earned on insurance contracts	6 370	1 199	578	21	-	4	8 173	-32	8 141
Premiums earned on investment contracts with discretionary participation	518	-	-	-	-	-	518	-	518
Premiums ceded to reinsurers	-6	-80	-13	-5	-	0	-104	32	-72
Net earned premiums	6 883	1 119	565	16	-	4	8 587	0	8 587
Policy fees earned on insurance contracts	4	6	0	0	-	-	10	-	10
Policy fees earned on investment and unit-linked contracts	17	63	6	40	-	-	125	-	125
Net earned policy fees	21	69	6	40	-	-	135	-	135
Commission income	75	51	162	71	259	24	641	-165	477
Investment income	1 507	357	300	15	2	32	2 212	-31	2 182
Net gains/losses on financial assets	-1 853	77	301	24	-2	-96	-1 549	-	-1 549
Net gains/losses on financial instruments at fair value through profit or loss	1 906	-38	-254	-1	0	92	1 704	-	1 704
Net gains/losses on investment property	301	36	14	-	-	0	351	-	351
Share of profit or loss of associates	0	2	-	-	2	0	5	-	5
Other income	313	0	1	-22	3	1	296	-1	296
<b>TOTAL INCOME</b>	<b>9 154</b>	<b>1 672</b>	<b>1 094</b>	<b>143</b>	<b>263</b>	<b>56</b>	<b>12 383</b>	<b>-196</b>	<b>12 187</b>
of which inter-segment	41	-20	-18	11	133	49	196	-196	
<b>EXPENSES</b>									
Benefits and claims under insurance contracts	-7 176	-957	-616	-5	-	1	-8 753	26	-8 726
Benefits and claims under investment contracts with discretionary participation	-537	-	-	-	-	-	-537	-	-537
Benefits and claims recovered from reinsurers	5	51	10	1	-	0	67	-26	41
Net insurance benefits and claims	-7 708	-905	-606	-4	-	0	-9 223	0	-9 223
Policyholder participation	-580	-157	-183	-11	-	0	-931	0	-931
Interest expense	-25	-55	-6	-7	0	0	-93	3	-90
Commission expense	-209	-167	-113	-50	-23	0	-563	164	-399
Employee benefits expense	-119	-87	-63	-30	-96	-2	-397	0	-397
Depreciation and amortisation expense	-59	-101	-41	-2	-6	-1	-209	-	-209
Impairment of property and equipment and intangible assets	-4	-	0	-	-	-	-4	-	-4
Other expenses	-49	-67	-31	-18	-36	-10	-212	-1	-212
<b>TOTAL EXPENSES</b>	<b>-8 753</b>	<b>-1 539</b>	<b>-1 041</b>	<b>-122</b>	<b>-162</b>	<b>-14</b>	<b>-11 631</b>	<b>166</b>	<b>-11 465</b>
of which inter-segment	-147	22	-20	2	-18	-4	-166	166	
<b>SEGMENT RESULT</b>	<b>400</b>	<b>133</b>	<b>53</b>	<b>21</b>	<b>101</b>	<b>43</b>	<b>752</b>	<b>-30</b>	<b>722</b>
of which inter-segment	-106	2	-38	12	115	46	30	-30	
Unallocated corporate costs									-30
<b>PROFIT FROM OPERATIONS</b>									<b>692</b>
Borrowing costs	-76	0	-3	0	-4	-15	-98	30	-69
Income tax expense									-130
<b>NET PROFIT</b>									<b>493</b>

## Statement of income for the 6 months ended 30 June 2014

In CHF million									
	Switzer-land	France	Germany	Inter-national	Asset Managers	Other	Total before elimi-nations	Elimi-nations	Total
<b>INCOME</b>									
Premiums earned on insurance contracts	6 051	1 375	708	25	-	6	8 165	-37	8 128
Premiums earned on investment contracts with discretionary participation	368	-	-	-	-	-	368	-	368
Premiums ceded to reinsurers	-16	-93	-12	-6	-	0	-127	37	-90
Net earned premiums	6 403	1 282	695	20	-	6	8 406	0	8 406
Policy fees earned on insurance contracts	4	7	-	0	-	-	11	-	11
Policy fees earned on investment and unit-linked contracts	20	63	9	43	-	-	136	-	136
Net earned policy fees	24	70	9	43	-	-	147	-	147
Commission income	68	58	173	74	185	23	581	-147	435
Investment income	1 521	340	339	18	0	33	2 250	-33	2 217
Net gains/losses on financial assets	-60	45	114	1	0	-8	92	-	92
Net gains/losses on financial instruments at fair value through profit or loss	122	47	3	1	0	6	179	-	179
Net gains/losses on investment property	98	14	20	-	-	0	132	-	132
Share of profit or loss of associates	-	2	-	-	-	0	2	-	2
Other income	9	1	1	0	1	3	15	-1	14
<b>TOTAL INCOME</b>	<b>8 186</b>	<b>1 859</b>	<b>1 353</b>	<b>157</b>	<b>187</b>	<b>63</b>	<b>11 804</b>	<b>-182</b>	<b>11 623</b>
of which inter-segment	46	-21	12	-21	116	50	182	-182	
<b>EXPENSES</b>									
Benefits and claims under insurance contracts	-6 568	-1 172	-793	-3	-	3	-8 533	24	-8 509
Benefits and claims under investment contracts with discretionary participation	-387	-	-	-	-	-	-387	-	-387
Benefits and claims recovered from reinsurers	11	51	9	1	-	-2	70	-24	46
Net insurance benefits and claims	-6 945	-1 120	-784	-2	-	2	-8 850	0	-8 849
Policyholder participation	-379	-68	-202	-16	-	0	-665	0	-665
Interest expense	-30	-62	-7	-8	0	0	-108	3	-105
Commission expense	-198	-169	-121	-56	-19	-1	-565	148	-416
Employee benefits expense	-125	-100	-73	-31	-64	-3	-397	0	-397
Depreciation and amortisation expense	-41	-136	-71	-2	-2	-1	-253	-	-253
Impairment of property and equipment and intangible assets	0	-	-1	-	-	-	-1	-	-1
Other expenses	-53	-81	-43	-23	-27	-6	-233	-1	-233
<b>TOTAL EXPENSES</b>	<b>-7 772</b>	<b>-1 738</b>	<b>-1 301</b>	<b>-138</b>	<b>-112</b>	<b>-10</b>	<b>-11 071</b>	<b>152</b>	<b>-10 919</b>
of which inter-segment	-132	17	-20	1	-13	-4	-152	152	
<b>SEGMENT RESULT</b>	<b>414</b>	<b>121</b>	<b>52</b>	<b>19</b>	<b>75</b>	<b>53</b>	<b>733</b>	<b>-30</b>	<b>704</b>
of which inter-segment	-86	-5	-8	-21	103	45	30	-30	
Unallocated corporate costs									-27
<b>PROFIT FROM OPERATIONS</b>									<b>677</b>
Borrowing costs	-87	0	-2	-1	-	-17	-108	30	-78
Income tax expense									-112
<b>NET PROFIT</b>									<b>487</b>

## Balance sheet as at 30 June 2015

In CHF million

	Switzer-land	France	Germany	Inter-national	Asset Managers	Other	Total before elimi-nations	Elimi-nations	Total
<b>ASSETS</b>									
Cash and cash equivalents	1 218	826	511	2 345	63	218	5 181	0	5 181
Derivatives	2 588	300	67	47	-	32	3 034	-31	3 003
Assets held for sale	4	-	-	-	-	-	4	-	4
Financial assets at fair value through profit or loss	4 372	8 613	1 142	17 256	0	-	31 382	-	31 382
Financial assets available for sale	69 188	16 031	7 093	1 139	42	1 008	94 500	-	94 500
Loans and receivables	15 072	2 930	8 156	313	208	1 671	28 349	-3 048	25 301
Financial assets pledged as collateral	1 229	1 184	-	-	-	-	2 413	-	2 413
Investment property	17 644	1 778	1 390	-	-	3	20 814	-	20 814
Investments in associates	8	54	3	-	4	1	70	-	70
Reinsurance assets	31	342	62	4	-	1	440	-84	355
Property and equipment	221	35	132	2	3	13	406	-	406
Intangible assets including intangible insurance assets	630	409	1 306	230	180	1	2 756	-	2 756
Other assets	501	6	3	5	195	1	710	-171	539
<b>SEGMENT ASSETS</b>	<b>112 705</b>	<b>32 506</b>	<b>19 865</b>	<b>21 340</b>	<b>694</b>	<b>2 948</b>	<b>190 059</b>	<b>-3 335</b>	<b>186 724</b>
Income tax assets									71
<b>TOTAL ASSETS</b>									<b>186 795</b>
<b>LIABILITIES AND EQUITY</b>									
<b>LIABILITIES</b>									
Derivatives	1 028	18	328	11	-	31	1 417	-31	1 386
Financial liabilities at fair value through profit or loss	3 311	791	814	19 358	-	-	24 274	-	24 274
Investment contracts	3 037	9 292	0	861	-	-	13 190	-	13 190
Other financial liabilities	6 795	4 522	691	281	192	279	12 760	-1 170	11 590
Insurance liabilities	77 374	13 180	15 082	190	-	13	105 839	-109	105 730
Policyholder participation liabilities	6 373	2 427	1 653	38	-	0	10 492	-2	10 490
Employee benefit liabilities	1 599	67	115	10	71	0	1 863	-	1 863
Provisions	16	8	35	25	8	3	95	-	95
Other liabilities	138	76	36	16	5	4	275	-1	273
<b>SEGMENT LIABILITIES</b>	<b>99 671</b>	<b>30 383</b>	<b>18 754</b>	<b>20 790</b>	<b>276</b>	<b>331</b>	<b>170 205</b>	<b>-1 313</b>	<b>168 892</b>
Borrowings									4 381
Income tax liabilities									1 756
<b>EQUITY</b>									<b>11 767</b>
<b>TOTAL LIABILITIES AND EQUITY</b>									<b>186 795</b>



## Balance sheet as at 31 December 2014

In CHF million

	Switzer-land	France	Germany	Inter-national	Asset Managers	Other	Total before elimi-nations	Elimi-nations	Total
<b>ASSETS</b>									
Cash and cash equivalents	1 819	642	629	2 489	160	322	6 062	0	6 062
Derivatives	1 769	439	113	68	-	-	2 389	-30	2 358
Assets held for sale	-	-	-	-	-	-	-	-	-
Financial assets at fair value through profit or loss	4 133	8 478	1 172	18 607	0	-	32 389	-	32 389
Financial assets available for sale	68 179	18 749	8 080	1 219	45	891	97 162	-	97 162
Loans and receivables	15 903	3 292	9 815	272	157	1 588	31 027	-3 079	27 948
Financial assets pledged as collateral	1 682	1 081	-	-	-	-	2 763	-	2 763
Investment property	16 385	2 026	1 182	-	-	3	19 596	-	19 596
Investments in associates	9	60	202	-	3	11	284	-	284
Reinsurance assets	31	389	64	4	-	2	490	-93	397
Property and equipment	225	41	156	2	3	15	442	-	442
Intangible assets including intangible insurance assets	606	429	1 484	239	213	3	2 972	-	2 972
Other assets	331	40	5	3	124	1	504	-73	431
SEGMENT ASSETS	111 072	35 667	22 900	22 901	705	2 836	196 081	-3 275	192 807
Income tax assets									48
<b>TOTAL ASSETS</b>									<b>192 854</b>
<b>LIABILITIES AND EQUITY</b>									
<b>LIABILITIES</b>									
Derivatives	1 865	18	247	8	-	57	2 195	-30	2 165
Financial liabilities at fair value through profit or loss	3 233	651	847	20 684	-	-	25 415	-	25 415
Investment contracts	2 714	10 444	1	911	-	-	14 070	-	14 070
Other financial liabilities	7 246	4 167	881	384	99	149	12 925	-869	12 056
Insurance liabilities	74 202	14 547	17 277	209	-	18	106 253	-117	106 136
Policyholder participation liabilities	6 838	3 217	2 063	36	-	0	12 154	-2	12 152
Employee benefit liabilities	1 504	77	149	5	86	0	1 821	-	1 821
Provisions	18	13	57	30	9	2	128	-	128
Other liabilities	153	74	45	10	8	1	290	-1	289
SEGMENT LIABILITIES	97 773	33 207	21 566	22 276	203	227	175 251	-1 018	174 233
Borrowings									3 798
Income tax liabilities									1 991
<b>EQUITY</b>									<b>12 831</b>
<b>TOTAL LIABILITIES AND EQUITY</b>									<b>192 854</b>

### Premiums and policy fees from external customers

In CHF million	Net earned premiums		Net earned policy fees	
	2015 HY	2014 HY	2015 HY	2014 HY
<b>LIFE</b>				
Individual life	1 667	1 790	131	142
Group life	6 751	6 416	4	5
<b>TOTAL LIFE</b>	<b>8 418</b>	<b>8 206</b>	<b>135</b>	<b>147</b>
<b>NON-LIFE</b>				
Accident and health	5	7	-	-
Property, casualty and other	164	193	-	-
<b>TOTAL NON-LIFE</b>	<b>169</b>	<b>199</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>8 587</b>	<b>8 406</b>	<b>135</b>	<b>147</b>

## 4 Contracts for the Account and Risk of the Swiss Life Group's Customers

Assets relating to certain life insurance and investment contracts are managed for the account and risk of the Swiss Life Group's customers (separate account/unit-linked contracts, private placement life insurance). They are segregated and managed to meet specific investment objectives of the policyholders. The assets back the insurance liabilities and the financial liabilities arising from these contracts. The fair values of the liabilities reflect the fair values of the assets. Certain contracts with unit-linking features contain financial and insurance guarantees. The liabilities relating to these guarantees are included in financial liabilities and insurance liabilities, respectively.

### Assets for the account and risk of the Swiss Life Group's customers

In CHF million			
	Notes	30.06.2015	31.12.2014
Cash and cash equivalents		2 256	2 309
Derivatives with positive fair value		0	0
Financial assets at fair value through profit or loss			
Debt securities	8	5 741	6 240
Equity securities	8	5 267	6 154
Investment funds	8	16 288	16 580
Other	8	1	1
<b>TOTAL ASSETS FOR THE ACCOUNT AND RISK OF THE SWISS LIFE GROUP'S CUSTOMERS</b>		<b>29 553</b>	<b>31 284</b>

### Liabilities linked to assets for the account and risk of the Swiss Life Group's customers

In CHF million			
	Notes	30.06.2015	31.12.2014
Unit-linked contracts	8	22 948	24 325
Investment contracts	12	3 737	4 107
Insurance liabilities	14	2 814	2 760
<b>TOTAL LIABILITIES LINKED TO ASSETS FOR THE ACCOUNT AND RISK OF THE SWISS LIFE GROUP'S CUSTOMERS</b>		<b>29 499</b>	<b>31 192</b>

The financial result for the six months ended 30 June for the account and risk of the Swiss Life Group and the Swiss Life Group's customers was as follows:

In CHF million							
	Notes	For the account and risk of the Swiss Life Group		For the account and risk of the Swiss Life Group's customers		Total	
		2015 HY	2014 HY	2015 HY	2014 HY	2015 HY	2014 HY
Investment income	6	2 182	2 217	–	–	2 182	2 217
Net gains/losses on financial assets	6	–1 549	92	–	–	–1 549	92
Net gains/losses on financial instruments at fair value through profit or loss	6	1 704	173	0	6	1 704	179
Net gains/losses on investment property		351	132	–	–	351	132
Share of profit or loss of associates		5	2	–	–	5	2
<b>FINANCIAL RESULT</b>		<b>2 692</b>	<b>2 616</b>	<b>0</b>	<b>6</b>	<b>2 692</b>	<b>2 621</b>

## 5 Premiums, Policy Fees and Deposits Received

### Written premiums

In CHF million		
	2015 HY	2014 HY
Direct	8 541	8 359
Assumed	159	182
GROSS WRITTEN PREMIUMS	8 700	8 541
Ceded	-72	-90
NET WRITTEN PREMIUMS	8 628	8 451

### Earned premiums

In CHF million		
	2015 HY	2014 HY
Direct	8 502	8 318
Assumed	157	178
GROSS EARNED PREMIUMS	8 659	8 496
Ceded	-72	-90
NET EARNED PREMIUMS	8 587	8 406

### Written policy fees

In CHF million		
	2015 HY	2014 HY
Direct	143	156
Assumed	-	-
GROSS WRITTEN POLICY FEES	143	156
Ceded	-	-
NET WRITTEN POLICY FEES	143	156

**Earned policy fees**

In CHF million

	2015 HY	2014 HY
Direct	135	147
Assumed	-	-
<b>GROSS EARNED POLICY FEES</b>	<b>135</b>	<b>147</b>
Ceded	-	-
<b>NET EARNED POLICY FEES</b>	<b>135</b>	<b>147</b>

Under the accounting principles adopted, deposits received under insurance and investment contracts for which deposit accounting is used are not recognised as income:

In CHF million

	2015 HY	2014 HY
Gross written premiums and policy fees	8 843	8 697
Deposits received under insurance and investment contracts	2 167	2 110
<b>GROSS WRITTEN PREMIUMS, POLICY FEES AND DEPOSITS RECEIVED</b>	<b>11 010</b>	<b>10 807</b>

## 6 Details of Certain Items in the Consolidated Statement of Income

### Commission income

In CHF million

	2015 HY	2014 HY
Brokerage commissions	235	261
Asset management commissions	156	83
Other commissions and fees	86	90
<b>TOTAL COMMISSION INCOME</b>	<b>477</b>	<b>435</b>

### Investment income

In CHF million

	2015 HY	2014 HY
Interest income on financial assets available for sale	1 277	1 373
Interest income on loans and receivables	360	426
Other interest income	1	3
Dividend income on financial assets available for sale	179	68
Net income on investment property	365	348
<b>TOTAL INVESTMENT INCOME</b>	<b>2 182</b>	<b>2 217</b>

### Net gains/losses on financial assets

In CHF million

	2015 HY	2014 HY
Sale of		
financial assets available for sale	432	46
loans	14	82
<b>Net gains/losses from sales</b>	<b>446</b>	<b>128</b>
Impairment losses on		
debt securities available for sale	4	0
equity securities available for sale	-8	-2
loans and receivables	-7	1
<b>Impairment losses on financial assets</b>	<b>-11</b>	<b>-1</b>
Foreign currency gains/losses	-1 985	-35
<b>TOTAL NET GAINS/LOSSES ON FINANCIAL ASSETS</b>	<b>-1 549</b>	<b>92</b>

## Net gains/losses on financial instruments at fair value through profit or loss

In CHF million

	2015 HY	2014 HY
Currency derivatives	1 399	-48
Interest rate derivatives	412	125
Equity derivatives	-39	-12
Other derivatives	6	-7
Financial assets designated as at fair value through profit or loss	-7	99
Financial liabilities designated as at fair value through profit or loss	-54	-8
Associates at fair value through profit or loss	-12	25
Assets for the account and risk of the Swiss Life Group's customers	688	787
Unit-linked contracts	-688	-781
<b>TOTAL NET GAINS/LOSSES ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>	<b>1 704</b>	<b>179</b>

## Other income

In CHF million

	2015 HY	2014 HY
Realised gains/losses on sales of subsidiaries and other assets	0	0
Net income on inventory property	10	0
Other foreign currency gains/losses	281	10
Other	4	4
<b>TOTAL OTHER INCOME</b>	<b>296</b>	<b>14</b>

## Net insurance benefits and claims

In CHF million

	2015 HY	2014 HY
Benefits and claims under insurance contracts		
Life benefits and claims paid, gross	5 097	5 112
Change in liability for future life policyholder benefits, gross	3 526	3 274
Non-life claims paid, gross	119	140
Change in reserve for non-life claims, gross	-16	-17
Benefits and claims recovered from reinsurers	-41	-46
<b>Net benefits and claims under insurance contracts</b>	<b>8 686</b>	<b>8 462</b>
Benefits and claims under investment contracts with discretionary participation		
Life benefits and claims paid, gross	280	217
Change in liability for future life policyholder benefits, gross	257	170
<b>Net benefits and claims under investment contracts with discretionary participation</b>	<b>537</b>	<b>387</b>
<b>TOTAL NET INSURANCE BENEFITS AND CLAIMS</b>	<b>9 223</b>	<b>8 849</b>

## Interest expense

In CHF million

	2015 HY	2014 HY
Interest expense on deposits	6	13
Interest expense on investment contracts	37	41
Interest expense on deposits under insurance contracts	30	36
Other interest expense	17	15
<b>TOTAL INTEREST EXPENSE</b>	<b>90</b>	<b>105</b>

## Commission expense

In CHF million

	2015 HY	2014 HY
Insurance agent and broker commissions	344	372
Asset management and banking commissions	36	30
Other commissions and fees	19	14
<b>TOTAL COMMISSION EXPENSE</b>	<b>399</b>	<b>416</b>

## Employee benefits expense

In CHF million

	2015 HY	2014 HY
Wages and salaries	292	286
Social security	60	64
Defined benefit plans	38	44
Defined contribution plans	0	1
Other employee benefits	27	21
<b>TOTAL EMPLOYEE BENEFITS EXPENSE</b>	<b>417</b>	<b>416</b>



## Depreciation and amortisation expense

In CHF million

	Notes	2015 HY	2014 HY
Depreciation of property and equipment		12	12
Amortisation of present value of future profits (PVP)	11	0	1
Amortisation of deferred acquisition costs (DAC)	11	177	220
Amortisation of deferred origination costs (DOC)	11	7	6
Amortisation of other intangible assets	11	13	14
<b>TOTAL DEPRECIATION AND AMORTISATION EXPENSE</b>		<b>209</b>	<b>253</b>

## Other expenses

In CHF million

	2015 HY	2014 HY
Marketing and advertising	23	24
Information technology and systems	32	37
Rental, maintenance and repair	33	31
Professional services	67	83
Premium taxes and other non-income taxes	27	27
Other	40	39
<b>TOTAL OTHER EXPENSES</b>	<b>222</b>	<b>241</b>

## 7 Income Taxes

### Income tax expense

In CHF million

	2015 HY	2014 HY
Current income tax expense	96	85
Deferred income tax expense	34	27
<b>TOTAL INCOME TAX EXPENSE</b>	<b>130</b>	<b>112</b>

## 8 Financial Assets and Liabilities at Fair Value through Profit or Loss

In CHF million

	Notes	30.06.2015	31.12.2014
<b>FINANCIAL ASSETS DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			
Debt securities		548	595
Money market instruments		0	0
Equity securities		9	6
Investment funds – debt		1 147	642
Investment funds – equity		274	266
Investment funds – balanced		51	59
Real estate funds		325	389
Hedge funds		5	6
Infrastructure investments		400	361
Assets attributable to non-controlling interests of investment funds		1 326	1 090
Assets for the account and risk of the Swiss Life Group's customers	4	27 297	28 975
<b>TOTAL FINANCIAL ASSETS DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b>31 382</b>	<b>32 389</b>
<b>FINANCIAL LIABILITIES DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			
Unit-linked contracts	4	22 948	24 325
Share of net assets of investment funds attributable to non-controlling interests		1 326	1 090
<b>TOTAL FINANCIAL LIABILITIES DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b>24 274</b>	<b>25 415</b>

## 9 Financial Assets Available for Sale

In CHF million	Cost/amortised cost		Net unrealised gains/losses		Fairvalue (carrying amount)	
	30.06.2015	31.12.2014	30.06.2015	31.12.2014	30.06.2015	31.12.2014
Debt securities	76 710	78 126	9 021	11 912	85 731	90 038
Equity securities	2 636	1 727	126	236	2 762	1 963
Investment funds – debt	3 181	2 351	51	73	3 232	2 424
Investment funds – equity	1 354	1 118	99	139	1 453	1 257
Investment funds – balanced	13	14	0	0	13	14
Real estate funds	571	675	41	55	612	730
Private equity	431	463	151	138	582	601
Hedge funds	82	93	34	44	116	137
<b>TOTAL FINANCIAL ASSETS AVAILABLE FOR SALE</b>	<b>84 977</b>	<b>84 567</b>	<b>9 523</b>	<b>12 595</b>	<b>94 500</b>	<b>97 162</b>

## 10 Loans and Receivables

In CHF million		Gross amount		Allowance for impairment losses		Cost/amortised cost (carrying amount)	
	Notes	30.06.2015	31.12.2014	30.06.2015	31.12.2014	30.06.2015	31.12.2014
<b>LOANS</b>							
Mortgages		6 576	6 157	-12	-11	6 564	6 145
Policy loans		218	253	-	-	218	253
Other originated loans		1 846	2 920	-3	-2	1 843	2 918
Note loans		6 431	7 944	-	-	6 431	7 944
Debt securities previously classified as available for sale		4 510	5 617	-6	-6	4 504	5 611
Other debt securities classified as loans		451	477	-	-	451	477
<b>TOTAL LOANS</b>	16	<b>20 032</b>	<b>23 368</b>	<b>-21</b>	<b>-20</b>	<b>20 011</b>	<b>23 348</b>
<b>RECEIVABLES</b>							
Insurance receivables		1 815	1 323	-22	-19	1 794	1 304
Reinsurance receivables		345	356	-	-	345	356
Accrued income		1 296	1 668	-	-	1 296	1 668
Settlement accounts		718	534	-	-	718	534
Other		1 139	740	-2	-3	1 137	737
<b>TOTAL RECEIVABLES</b>	16	<b>5 314</b>	<b>4 622</b>	<b>-24</b>	<b>-22</b>	<b>5 290</b>	<b>4 600</b>
<b>TOTAL LOANS AND RECEIVABLES</b>		<b>25 346</b>	<b>27 990</b>	<b>-45</b>	<b>-42</b>	<b>25 301</b>	<b>27 948</b>

## 11 Intangible Assets including Intangible Insurance Assets

In CHF million

	30.06.2015	31.12.2014
Intangible insurance assets	1 402	1 497
Other intangible assets	1 354	1 475
<b>TOTAL INTANGIBLE ASSETS</b>	<b>2 756</b>	<b>2 972</b>

### Intangible insurance assets

In CHF million

	Present value of future profits from acquired insurance portfolios (PVP)		Deferred acquisition costs (DAC)		Deferred origination costs (DOC)		Total	
	2015 HY	2014 YE	2015 HY	2014 YE	2015 HY	2014 YE	2015 HY	2014 YE
Balance as at 1 January	14	16	1 450	1 567	33	35	1 497	1 618
Additions	–	–	178	394	4	9	182	403
Amortisation	0	–1	–177	–314	–7	–11	–184	–326
Impairment	–	–	0	–1	–	–	0	–1
Effect of shadow accounting	0	0	47	–177	–	–	48	–178
Foreign currency translation differences	–2	0	–134	–18	–4	–1	–140	–19
<b>BALANCE AS AT END OF PERIOD</b>	<b>12</b>	<b>14</b>	<b>1 364</b>	<b>1 450</b>	<b>26</b>	<b>33</b>	<b>1 402</b>	<b>1 497</b>

#### Present value of future profits (PVP)

The present value of future profits relates to portfolios of insurance contracts and investment contracts with discretionary participation acquired in a business combination or transfer of portfolios. It relates to contracts acquired in Germany and France and is amortised in proportion to gross profits or margins over the effective life of the acquired insurance and investment contracts.

#### Deferred acquisition costs (DAC)

Certain acquisition costs relating to new and renewed insurance contracts and investment contracts with discretionary participation are deferred.

#### Deferred origination costs (DOC)

These costs are recoverable and are directly attributable to securing the right for investment management services within investment contract policies. They relate to contracts in Luxembourg and Switzerland.

## Other intangible assets for the 6 months ended 30 June 2015

In CHF million					
	Goodwill	Customer relationships	Computer software	Brands and other	Total
<b>COST</b>					
Balance as at 1 January	1 843	191	190	23	2 247
Additions	–	–	5	–	5
Additions from business combinations	4	–	–	–	4
Disposals <sup>1</sup>	–	–38	0	0	–39
Foreign currency translation differences	–143	–20	–25	–3	–190
<b>BALANCE AS AT END OF PERIOD</b>	<b>1 704</b>	<b>132</b>	<b>171</b>	<b>21</b>	<b>2 027</b>
<b>ACCUMULATED AMORTISATION AND IMPAIRMENT</b>					
Balance as at 1 January	–542	–99	–131	0	–772
Amortisation	–	–6	–7	0	–13
Impairment losses	–4	–	–	–	–4
Disposals <sup>1</sup>	–	38	0	–	39
Foreign currency translation differences	51	9	17	0	77
<b>BALANCE AS AT END OF PERIOD</b>	<b>–495</b>	<b>–58</b>	<b>–121</b>	<b>0</b>	<b>–674</b>
<b>TOTAL OTHER INTANGIBLE ASSETS AS AT END OF PERIOD</b>	<b>1 210</b>	<b>74</b>	<b>50</b>	<b>20</b>	<b>1 354</b>

<sup>1</sup> includes elimination of fully amortised/impaired assets

## Other intangible assets for the year 2014

In CHF million					
	Goodwill	Customer relationships	Computer software	Brands and other	Total
<b>COST</b>					
Balance as at 1 January	1 743	223	183	3	2 151
Additions	–	–	10	–	10
Additions from business combinations	117	62	1	20	201
Additions from internal software development	–	–	2	–	2
Disposals <sup>1</sup>	–	–91	–2	–	–93
Foreign currency translation differences	–17	–3	–3	0	–24
<b>BALANCE AS AT END OF PERIOD</b>	<b>1 843</b>	<b>191</b>	<b>190</b>	<b>23</b>	<b>2 247</b>
<b>ACCUMULATED AMORTISATION AND IMPAIRMENT</b>					
Balance as at 1 January	–550	–164	–120	0	–833
Amortisation	–	–17	–15	0	–32
Impairment losses	–	–11	0	–	–11
Disposals <sup>1</sup>	–	91	2	–	93
Foreign currency translation differences	7	2	2	0	11
<b>BALANCE AS AT END OF PERIOD</b>	<b>–542</b>	<b>–99</b>	<b>–131</b>	<b>0</b>	<b>–772</b>
<b>TOTAL OTHER INTANGIBLE ASSETS AS AT END OF PERIOD</b>	<b>1 301</b>	<b>91</b>	<b>59</b>	<b>23</b>	<b>1 475</b>

<sup>1</sup> includes elimination of fully amortised/impaired assets

### Goodwill

Goodwill represents the excess of the fair value of the consideration transferred and the amount of any non-controlling interest recognised, if applicable, over the fair value of the assets and liabilities recognised at the date of acquisition. Goodwill includes amounts relating to both the Swiss Life Group's interest and the non-controlling interest in the business acquired in the case where non-controlling interest is measured at fair value. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on associates is included in the carrying amount of the investment.

Goodwill relating to Lloyd Continental has been allocated to the "France" segment. Goodwill relating to CapitalLeben has been allocated to the "International" segment. Goodwill relating to Corpus Sireo has been allocated to the "Asset Managers" segment. Of the goodwill relating to other acquisitions, CHF 18 million (31.12.2014: CHF 21 million) has been allocated to the "France" segment and CHF 8 million (31.12.2014: CHF 9 million) to the "Asset Managers" segment as at 30 June 2015.

In CHF million	Lloyd Continental		CapitalLeben		CORPUS SIREO		Other	
	30.06.2015	31.12.2014	30.06.2015	31.12.2014	30.06.2015	31.12.2014	30.06.2015	31.12.2014
Net carrying amount of goodwill	287	287	149	149	101	116	26	30

Goodwill relating to Swiss Life Select (acquisitions of AWD Holding AG and Deutsche Proventus AG) has been allocated to the "Switzerland", "Germany" and "International" segments.

### Goodwill relating to Swiss Life Select

In CHF million	Switzerland		Germany		International		Total	
	30.06.2015	31.12.2014	30.06.2015	31.12.2014	30.06.2015	31.12.2014	30.06.2015	31.12.2014
Net carrying amount of goodwill	152	152	421	485	74	82	647	719

#### Customer relationships

As at 30 June 2015, customer relationships comprise customer relationships relating to Swiss Life Select: CHF 5 million (31.12.2014: CHF 5 million) which were allocated to the “Switzerland” segment. The “France” segment comprises customer relationships of CHF 21 million (31.12.2014: CHF 26 million) and the “Asset Managers” segment CHF 48 million (31.12.2014: CHF 60 million).

#### Brands and other

Comprises the brand Corpus Sireo.



## 12 Investment Contracts

In CHF million

	30.06.2015	31.12.2014
Investment contracts with discretionary participation with deposit accounting	9 985	11 167
Investment contracts with discretionary participation with actuarial valuation	2 887	2 630
Investment contracts without discretionary participation at amortised cost	9	11
Investment contracts without discretionary participation at fair value through profit or loss	310	262
<b>TOTAL INVESTMENT CONTRACTS</b>	<b>13 190</b>	<b>14 070</b>
of which for the account and risk of the Swiss Life Group's customers		
investment contracts with discretionary participation	3 576	3 928
investment contracts without discretionary participation	161	179

## 13 Borrowings

In CHF million

	Notes	30.06.2015	31.12.2014
Hybrid debt		3 204	2 612
Convertible debt		456	452
Senior bonds		423	423
Mortgage loans		296	309
Other		2	3
<b>TOTAL BORROWINGS</b>	16	<b>4 381</b>	<b>3 798</b>

### Hybrid debt

In June 2015, the Swiss Life Group placed a EUR 750 million undated subordinated bond. The coupon has been fixed for the first 10 years at 4.375%.

## 14 Insurance Liabilities and Reinsurance Assets

In CHF million	Gross		Reinsurance assets		Net	
	30.06.2015	31.12.2014	30.06.2015	31.12.2014	30.06.2015	31.12.2014
Claims under non-life insurance contracts	811	953	168	195	643	758
Unearned premiums non-life	73	63	0	0	72	63
Claims under life insurance contracts	5 964	6 193	77	85	5 887	6 108
Future life policyholder benefits	92 669	92 326	111	116	92 558	92 210
Unearned premiums life	60	42	0	0	60	41
Deposits under insurance contracts	6 155	6 559	-	-	6 155	6 559
<b>TOTAL INSURANCE LIABILITIES AND REINSURANCE ASSETS</b>	<b>105 730</b>	<b>106 136</b>	<b>355</b>	<b>397</b>	<b>105 375</b>	<b>105 739</b>
of which for the account and risk of the Swiss Life Group's customers	2 814	2 760	-	-	2 814	2 760

### Claims under non-life insurance contracts

Claims under non-life insurance contracts represent the liability needed to provide for the estimated ultimate cost of settling claims relating to insured events that have occurred on or before the financial reporting date. The estimated liability includes the amount that will be required for future payments on both claims that have been reported to the insurer and claims relating to insured events that have occurred but have not been reported to the insurer as at the date the liability is estimated. Loss development tables are generally used to make these estimates.

### Claims under life insurance contracts

Claims under life insurance contracts represent the liability for unpaid portions of claims incurred. It includes an estimate of the liability for claims incurred but not reported (IBNR). The measurement at reporting date is a best estimate of ultimate future claim payments.

### Unearned premiums

Unearned premiums represent the portion of the premiums written relating to the unexpired terms of coverage.

### Future life policyholder benefits

For participating contracts where the contribution principle applies to the allocation of the policyholder bonus, future life policy benefit liabilities are determined by using the net-level-premium method on the basis of appropriate mortality and interest rate assumptions.

The valuation of other long-duration contracts is also based on the net-level-premium method with actuarial assumptions as to mortality, persistency, expenses and investment returns including provisions for adverse deviation.

### Deposits under insurance contracts

For investment-type contracts with significant insurance risk, savings premiums collected are reported as deposits (deposit accounting).

## 15 Employee Benefits

### Employee benefit liabilities

In CHF million	30.06.2015	31.12.2014
Employee benefit liabilities consist of		
gross defined benefit liabilities	1 752	1 677
other employee benefit liabilities	111	144
<b>TOTAL EMPLOYEE BENEFIT LIABILITIES</b>	<b>1 863</b>	<b>1 821</b>

### Amounts recognised as defined benefit assets/liabilities

In CHF million	30.06.2015	31.12.2014
Present value of defined benefit obligation	-3 222	-3 097
Fair value of plan assets	1 571	1 519
<b>NET DEFINED BENEFIT LIABILITY</b>	<b>-1 652</b>	<b>-1 578</b>
Insurance contracts not eligible as plan assets under IFRS	1 392	1 440
<b>NET DEFINED BENEFIT SURPLUS (+)/DEFICIT (-) (ECONOMIC VIEW)</b>	<b>-260</b>	<b>-138</b>
The net defined benefit liability consists of		
gross defined benefit liabilities	-1 752	-1 677
gross defined benefit assets	100	99

To assess the funding situation of the defined benefit plans in total, plan assets as well as insurance contracts not eligible as plan assets under IFRS must be set off against the present value of the defined benefit obligation. The total deficit taking into consideration insurance contracts not eligible as plan assets under IFRS amounted to CHF 260 million as at 30 June 2015 (31.12.2014: deficit of CHF 138 million).

Defined benefit expense in the first half of 2015 comprises CHF 7 million negative past service cost due to plan amendments.

## *16 Fair Value of Financial Instruments*

For reporting purposes, a fair value hierarchy is established that categorises the inputs to valuation techniques used to measure fair value into level 1, 2 or 3. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs).

The fair value of assets or liabilities included in level 1 is based on unadjusted quoted prices in active markets for identical assets or liabilities. The fair value of assets or liabilities that are not traded in an active market is determined using valuation techniques. If all significant inputs to these valuation techniques are observable (directly and indirectly) in the market, the assets or liabilities are included in level 2.

If one or more significant inputs to these valuation techniques are not observable in the market, the assets or liabilities are included in level 3. Such inputs may include information that is derived through extrapolation which is not substantiated by observable market data or that reflects own assumptions about what market participants would use in pricing the asset or liability.

### **Financial instruments measured at fair value on a recurring basis**

As a general rule, fair values of financial instruments are based on quoted prices sourced from well-known independent price providers such as Bloomberg. Model-based level 2 and level 3 valuations of financial instruments are applied to a minority of the assets.

## Fair value hierarchy

In CHF million								
	Quoted prices (level 1)		Valuation technique – observable inputs (level 2)		Valuation technique – unobservable inputs (level 3)		Total	
	30.06.2015	31.12.2014	30.06.2015	31.12.2014	30.06.2015	31.12.2014	30.06.2015	31.12.2014
<b>FINANCIAL ASSETS</b>								
<b>Derivatives</b>								
Currency	0	1	502	64	–	–	502	66
Interest rate	0	–	1 880	1 880	–	–	1 880	1 880
Equity	615	408	5	4	–	–	620	412
Other	0	–	1	–	–	–	2	–
<b>Total derivatives</b>	<b>616</b>	<b>409</b>	<b>2 388</b>	<b>1 949</b>	<b>–</b>	<b>–</b>	<b>3 003</b>	<b>2 358</b>
<b>Debt instruments</b>								
Government/Supranational	43 642	44 115	313	419	–	–	43 955	44 534
Corporate	41 428	45 045	737	836	40	79	42 205	45 960
Other	109	123	10	15	–	–	119	139
<b>Total debt instruments</b>	<b>85 180</b>	<b>89 283</b>	<b>1 059</b>	<b>1 270</b>	<b>40</b>	<b>79</b>	<b>86 279</b>	<b>90 633</b>
<b>Equity instruments</b>								
Equity securities	2 476	1 616	22	67	273	229	2 771	1 912
Investment funds	5 810	4 368	809	845	487	568	7 107	5 781
Alternative investments	57	57	64	63	982	1 042	1 103	1 162
<b>Total equity instruments</b>	<b>8 343</b>	<b>6 041</b>	<b>895</b>	<b>975</b>	<b>1 742</b>	<b>1 838</b>	<b>10 980</b>	<b>8 854</b>
Financial assets pledged as collateral	2 413	2 763	–	–	–	–	2 413	2 763
Assets attributable to non-controlling interests of investment funds	552	364	381	299	393	427	1 326	1 090
Assets for the account and risk of the Swiss Life Group's customers	23 313	24 369	935	857	3 049	3 750	27 297	28 975
<b>TOTAL FINANCIAL ASSETS</b>	<b>120 417</b>	<b>123 230</b>	<b>5 657</b>	<b>5 349</b>	<b>5 224</b>	<b>6 094</b>	<b>131 298</b>	<b>134 673</b>
<b>INVESTMENTS IN ASSOCIATES</b>								
Associates at fair value through profit or loss	–	–	4	212	5	7	9	219
<b>FINANCIAL LIABILITIES</b>								
<b>Derivatives</b>								
Currency	1	2	587	1 185	–	–	588	1 187
Interest rate	0	–	561	868	–	–	561	868
Equity	197	82	1	1	–	–	198	83
Other	–	–	39	27	–	–	39	27
<b>Total derivatives</b>	<b>198</b>	<b>85</b>	<b>1 188</b>	<b>2 080</b>	<b>–</b>	<b>–</b>	<b>1 386</b>	<b>2 165</b>
Investment contracts without discretionary participation	–	–	310	262	–	–	310	262
Unit-linked contracts	–	–	22 836	24 212	112	113	22 948	24 325
Share of net assets of investment funds attributable to non-controlling interests	–	–	933	663	393	427	1 326	1 090
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>198</b>	<b>85</b>	<b>25 266</b>	<b>27 217</b>	<b>505</b>	<b>540</b>	<b>25 969</b>	<b>27 842</b>

The fair value hierarchy of assets for the account and risk of the Swiss Life Group's customers is consistent with the categorisation of assets for the account and risk of the Swiss Life Group.

For a detailed description of the valuation techniques and significant inputs used in the fair value measurement of financial instruments, refer to the Consolidated Financial Statements 2014, Note 30 Fair Value Measurements.

### Reconciliation of fair value measurements categorised within level 3

The following tables show a reconciliation from the opening balances to the closing balances for fair value measurements categorised within level 3 of the fair value hierarchy:

#### Financial assets measured at fair value based on level 3 for the 6 months ended 30 June 2015

In CHF million

	Derivatives	Debt instruments		Equity instruments		Financial assets for the account and risk of the Swiss Life Group's customers	Associates at fair value through profit or loss	Total
		At fair value through profit or loss	Available for sale	At fair value through profit or loss <sup>1</sup>	Available for sale			
Balance as at 1 January	-	46	33	1 182	1 083	3 750	7	6 101
Total gains/losses recognised in profit or loss	-	-1	6	-6	28	-101	0	-74
Total gains/losses recognised in other comprehensive income	-	-	0	-	-61	-	-	-61
Additions	-	-	-	167	111	193	-	472
Disposals	-	-	-	-155	-92	-398	-1	-646
Transfers out of level 3	-	-	-38	-	-	-	-	-38
Foreign currency translation differences	-	-6	-	-61	-62	-395	-	-524
<b>BALANCE AS AT END OF PERIOD</b>	-	<b>39</b>	<b>1</b>	<b>1 128</b>	<b>1 007</b>	<b>3 049</b>	<b>5</b>	<b>5 229</b>
Unrealised gains/losses recognised in profit or loss for assets held at the end of the period	-	-1	6	-1	-6	-101	0	-104

<sup>1</sup> including assets attributable to non-controlling interests of investment funds

### Financial assets measured at fair value based on level 3 for the 6 months ended 30 June 2014

In CHF million

	Derivatives	Debt instruments		Equity instruments		Financial assets for the account and risk of the Swiss Life Group's customers	Associates at fair value through profit or loss	Total
		At fair value through profit or loss	Available for sale	At fair value through profit or loss <sup>1</sup>	Available for sale			
Balance as at 1 January	-	139	1	665	1 103	2 924	10	4 842
Total gains/losses recognised in profit or loss	-	3	0	61	26	0	0	90
Total gains/losses recognised in other comprehensive income	-	-	-	-	-15	-	-	-15
Additions	-	-	-	173	7	86	-	266
Disposals	-	-74	-	-11	-75	-7	-2	-169
Foreign currency translation differences	-	-1	-	-3	-4	-18	-	-25
<b>BALANCE AS AT END OF PERIOD</b>	-	67	1	886	1 042	2 985	8	4 988
Unrealised gains/losses recognised in profit or loss for assets held at the end of the period	-	2	0	60	-2	0	0	60

<sup>1</sup> including assets attributable to non-controlling interests of investment funds

### Liabilities measured at fair value based on level 3 for the 6 months ended 30 June 2015

In CHF million					
	Derivatives	Investment contracts without discretionary participation	Unit-linked contracts	Share of net assets of investment funds attributable to non-controlling interests	Total
Balance as at 1 January	-	-	113	427	540
Total gains/losses recognised in profit or loss	-	-	0	0	0
Issues	-	-	-	50	50
Settlements	-	-	0	-72	-72
Foreign currency translation differences	-	-	0	-13	-13
<b>BALANCE AS AT END OF PERIOD</b>	-	-	112	393	505
Unrealised gains/losses recognised in profit or loss for liabilities held at the end of the period	-	-	0	0	0

### Liabilities measured at fair value based on level 3 for the 6 months ended 30 June 2014

In CHF million					
	Derivatives	Investment contracts without discretionary participation	Unit-linked contracts	Share of net assets of investment funds attributable to non-controlling interests	Total
Balance as at 1 January	-	-	107	280	387
Total gains/losses recognised in profit or loss	-	-	0	0	0
Issues	-	-	0	82	82
Foreign currency translation differences	-	-	0	-	0
<b>BALANCE AS AT END OF PERIOD</b>	-	-	108	361	469
Unrealised gains/losses recognised in profit or loss for liabilities held at the end of the period	-	-	0	0	0

#### Gains/losses recognised in profit or loss

Gains/losses on level 3 fair value measurements recognised in profit or loss are presented in the income statement as follows:

In CHF million				
	Net gains/losses on financial assets		Net gains/losses on financial instruments at fair value through profit or loss	
	2015 HY	2014 HY	2015 HY	2014 HY
<b>ASSETS</b>				
Total gains/losses recognised in profit or loss	34	26	-108	64
Unrealised gains/losses recognised in profit or loss for assets held at the end of the period	0	-2	-103	62
<b>LIABILITIES</b>				
Total gains/losses recognised in profit or loss	-	-	0	0
Unrealised gains/losses recognised in profit or loss for liabilities held at the end of the period	-	-	0	0



### Fair value of financial instruments carried at amortised cost

The following table shows the carrying amounts and fair values of those financial assets and liabilities not measured at fair value in the Group's balance sheet:

In CHF million	Carrying amount		Fair value	
	30.06.2015	31.12.2014	30.06.2015	31.12.2014
<b>ASSETS</b>				
Loans	20 011	23 348	22 885	27 107
Receivables <sup>1</sup>	5 290	4 600	5 290	4 600
<b>LIABILITIES</b>				
Investment contracts without discretionary participation	9	11	9	11
Borrowings	4 381	3 798	4 636	4 021
Other financial liabilities <sup>1</sup>	11 590	12 056	11 590	12 056

<sup>1</sup> Carrying amount approximates fair value

# *Review Report*

Report on the Review of  
the condensed consolidated financial statements  
to the Board of Directors of  
Swiss Life Holding Ltd  
Zurich

## **Introduction**

We have reviewed the accompanying condensed consolidated financial statements (condensed consolidated statement of income, condensed consolidated statement of comprehensive income, condensed consolidated balance sheet, condensed consolidated statement of cash flows, condensed consolidated statement of changes in equity and condensed notes, pages 4 to 41) of Swiss Life Holding Ltd for the period ended 30 June 2015. The Board of Directors is responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review.

## **Scope of Review**

We conducted our review in accordance with Swiss Auditing Standard 910 and International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Swiss Auditing Standards and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements have not been prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers AG

Ray Kunz

Nebojsa Baratovic

Zurich, 13 August 2015

## Important Dates

### Interim Statement Q3 2015

12 November 2015

### Investors' Day

25 November 2015

### Presentation of 2015 results

1 March 2016

### Annual General Meeting of Shareholders 2016

26 April 2016, Hallenstadion Zurich

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## Financial Publications

All the Swiss Life Group's financial publications can be found at: [www.swisslife.com/report](http://www.swisslife.com/report)

### CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This document may contain projections or other forward-looking statements related to Swiss Life that are subject to known and unknown risks, uncertainties and other important factors. The reader should be aware that these statements are only projections which could differ materially from the actual results, financial situation, development, performance or expectations and that therefore no undue reliance should be placed on such forward-looking statements. Neither Swiss Life nor any of its directors, officers, employees or advisors, nor any other person connected or otherwise associated with Swiss Life, makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this document. Neither Swiss Life nor any of its directors, officers, employees or advisors, nor any other person connected or otherwise associated with Swiss Life, shall have any liability whatsoever for loss howsoever arising, directly or indirectly, from any use of this document. All forward-looking statements are based on the data available to Swiss Life at the time the present document was compiled. Unless otherwise required by applicable law, Swiss Life assumes no responsibility to publicly update or alter its forward-looking statements or to adapt them, whether as a result of new information, future events or developments or any other reason.

There may be minor discrepancies in total figures and percentages in this report due to rounding effects.

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*The future starts here.*

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