

Swiss Life Premium Immo Living

Swiss Life Premium Immo Living is a fund-unit-linked non-tax qualified life insurance (pillar 3b) product investing in a Swiss real estate fund comprising Swiss properties.

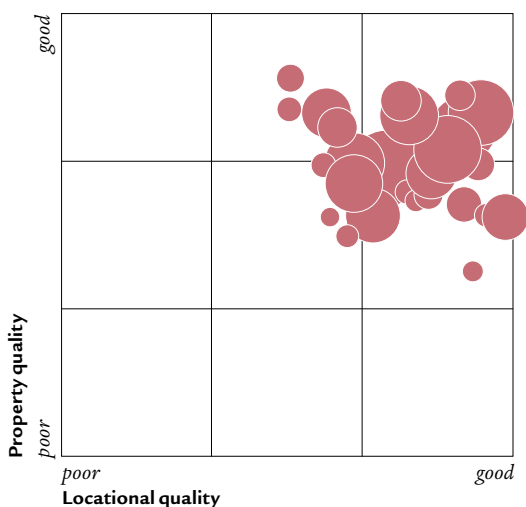
Key facts about the Swiss Life REF (CH)

Swiss Properties real estate fund

- Broadly diversified real estate fund with a high residential component from Swiss Life’s first-class real estate portfolio
- Managed by experienced Swiss Life REIM (Switzerland) AG real estate experts
- Above-average quality of properties and locations
- Institutional real estate fund under Swiss law
- Listing planned on the Swiss stock exchange in two to three years.

Portfolio analysis

The location and quality of the properties was analysed and documented by the prominent independent consultancy firm Wüest & Partner.

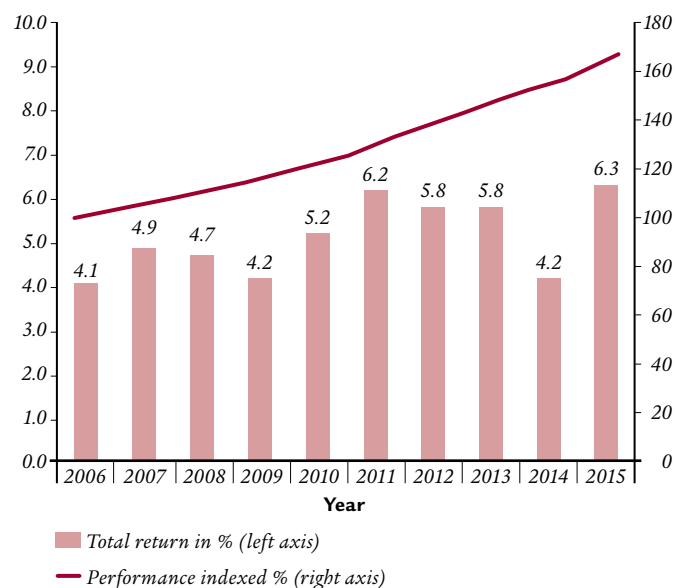


Source: Wüest & Partner, 2015

Sustained returns

- Stable level of rental income thanks to a high residential component and broad diversification of properties
- Long-term performance aim of the real estate fund: 4% per year
- Long-term distribution yield of the real estate fund: 2.5%–3% per year
- Neutral to growing real estate prices over the next few years in a stable economy and no marked change in the interest-rate environment
- Developments in value and earnings depend on the economy

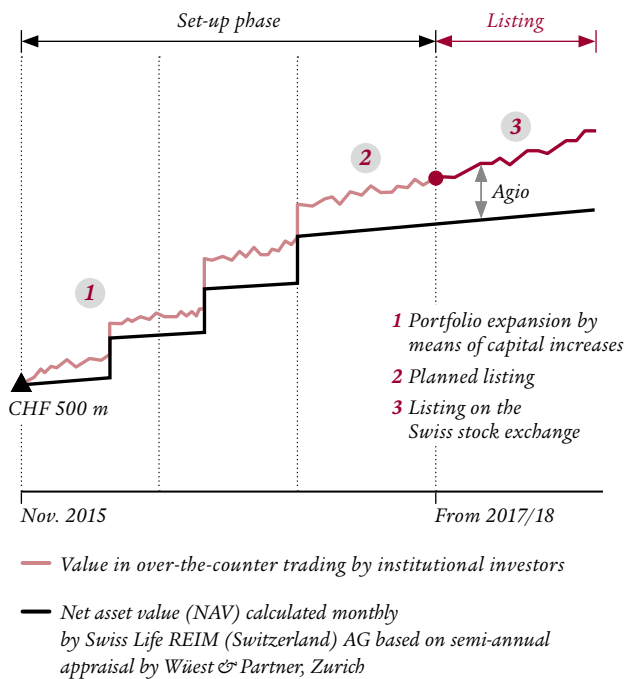
The actual historical performance of the Swiss Life real estate portfolio forms the basis for the real estate fund development shown in the chart. This performance assumes partial external financing. Furthermore, management fees and taxes have already been deducted. The performance shown is no guarantee of future performance.



Set-up phase and planned listing

1. During a two- to three-year set-up phase the real estate fund's property portfolio will be expanded further through capital increases (target volume >CHF 1 billion).
2. The plan is to list the real estate fund on the Swiss exchange in the next few years.
3. There may be an agio or disagio in the market price before and after the stock market flotation.

In a real estate fund, agio is the difference between the market value and that of the properties it comprises plus its cash reserves (net asset value). When demand increases, agio rises. If the market value falls, in the wake of decreasing demand, below the value of the properties comprised by the fund and its cash reserves, this is known as disagio.

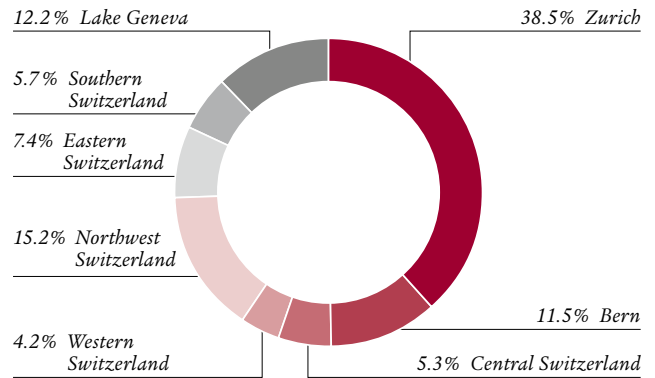


Indicative value development assuming positive real estate market performance.

Until the exchange listing, the units of the real estate fund in Swiss Life Premium Immo Living will be valued at the market price in over-the-counter trading by institutional investors. A premium is already included in this market price.

Geographical distribution

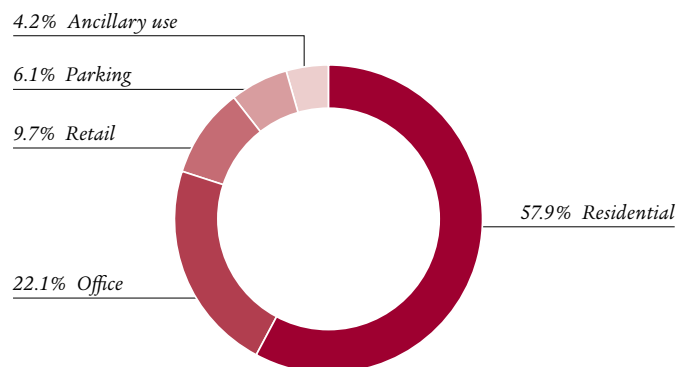
- Concentration in the economically strong regions
- High occupancy ratio due to stable demand for office space in top locations



In % of market value

Breakdown by type of use

- Investment in properties with a focus on residential, office, retail and useable space
- High yield stability due to focus on properties which offer stable value and returns



By type of use in % of income

Fund information

Fund name	Swiss Life REF (CH) Swiss Properties
Fund domicile	Switzerland
Fund category	Institutional fund
Fund currency	Swiss francs
Fund management	Swiss Life REIM (Switzerland) AG
Fund management company and administrator	Swiss Life Funds AG, Lugano
Fund volume	450 m as at 2 November 2015
Dividend payout	Distribution
ISIN/Swiss security no.	CH0293784861/29378486
Long-term performance target	4% per year
Borrowing ratio	12.8% (as at March 2016)
Management fee	0.62% per year
Indicative Total Expense Ratio (TER)	0.86% per year
Launch date	2 November 2015
Real estate appraisal	<ul style="list-style-type: none">• Half-year appraisal by Wüest & Partner, Zurich• Monthly calculation of the net asset value (NAV) by Swiss Life Funds AG

Opportunities and risks of Swiss Life Premium Immo Living

Opportunities

- Participation in a diversified portfolio of Swiss real estate
- Stable earnings expectations due to above-average quality of location and property
- Fund management by experienced real estate experts with excellent know-how
- Potential rise in agio following planned listing in two to three years
- Further stabilisation and diversification of the portfolio by means of planned capital increases

Risks

- Lower or negative performance of the real estate fund due to reductions in property income and market value.
Possible causes:
 - Lower rental income as a result of cyclical fluctuations
 - Unfavourable development of capital market interest rates or the real estate market
 - Legal changes and obligations
- Potential disagio following listing
- Possibility of lower distributions and a fall in the market price in the event of capital increases

Brief portrait *Swiss Life REIM (Switzerland) AG*

Swiss Life REIM (Switzerland) AG is responsible for the active portfolio management of Swiss Life's entire real estate portfolio worth over CHF 17 billion.

It also administers real estate assets for third parties. It manages a total investment volume of over CHF 20 billion and is responsible for rental income of over CHF 1 billion. This includes more than 1000 office and residential properties with over 29 000 apartments, which is roughly equivalent to the city of Lugano.

More than 50 experienced real estate specialists have an excellent track record and an outstanding reputation in the real estate sector.

Swiss Life REIM (Switzerland) AG is wholly owned by the Swiss Life Group.

Swiss Life Ltd
General-Guisan-Quai 40
P. O. Box, 8022 Zurich
www.swisslife.ch

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