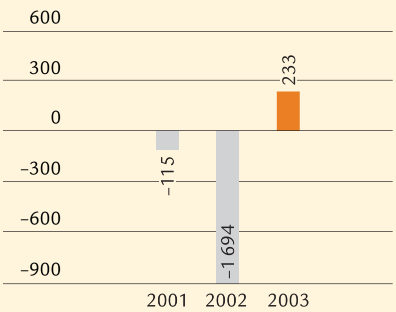
Swiss Life

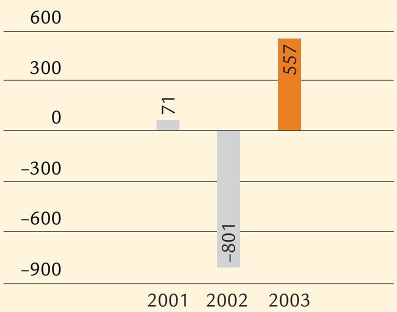
Summary Review 2003

Key Figures 2003

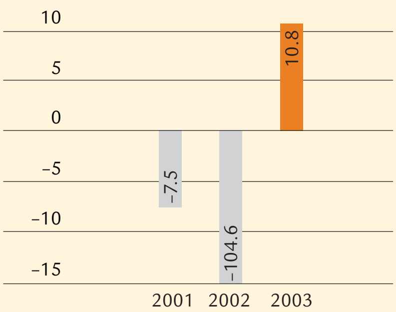
Net result CHF million



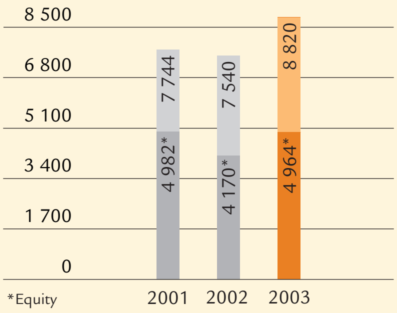
Operating result CHF million



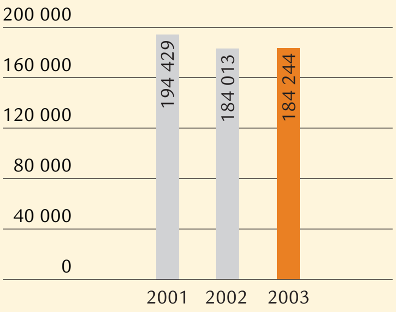
Earnings per share CHF



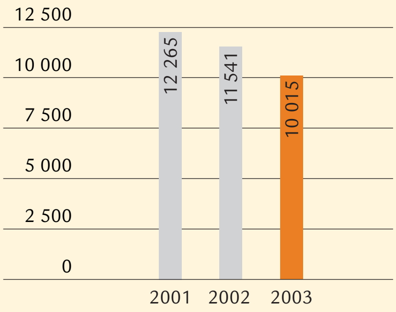
Core capital for capital adequacy purposes
CHF million



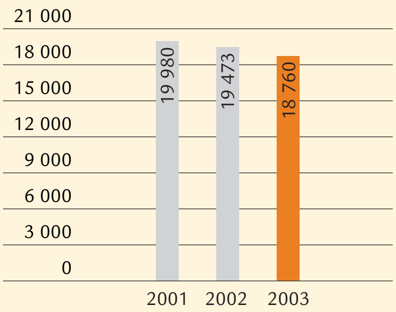
Assets under management CHF million



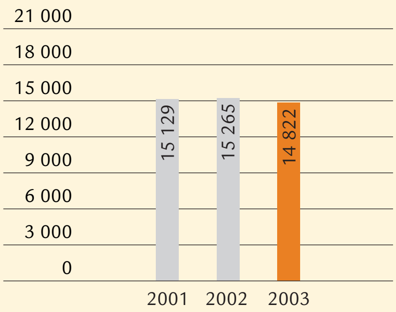
Employees (full-time equivalents)



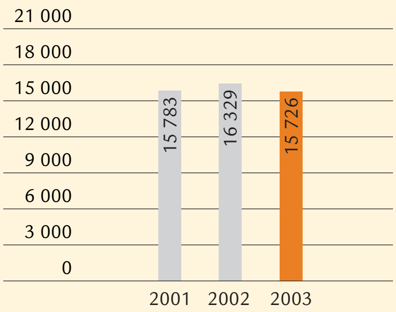
Gross written premiums [1] CHF million



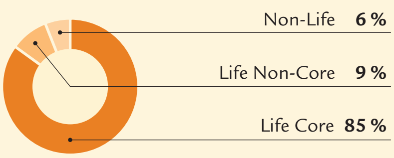
Net earned premiums and policy fees
CHF million



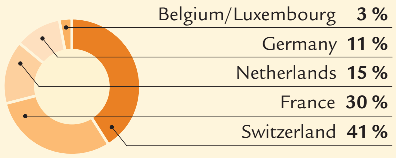
Benefits paid and changes in insurance reserves CHF million



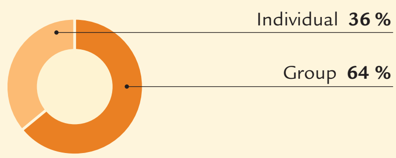
Gross written premiums by segment [1,2]



Gross written premiums Life Core by country [1,2]



Direct premiums and policy fees Life Core [2]



1) Gross written premiums incl. deposits under investment contracts
2) On consolidated basis

Progress in implementation of strategy

- Net profit of CHF 233 million and operating result of CHF 557 million
- Return to profit zone owing to operational improvements and strict pricing and underwriting policies
- Targets for cost and headcount reductions set for the end of 2004 already exceeded by the end of 2003
- Balance sheet strengthened through growth in equity, write-downs on investments along with reductions in goodwill and tax loss carryforwards
- Continued concentration on core business
- Well positioned for future premium growth
- Corporate governance improved
- Definition of values and goals lays foundation for performance-oriented corporate culture
- Brand structure simplified and image refreshed

Dear Shareholders

The Swiss Life Group achieved a profit of CHF 233 million in 2003, after recording a loss of CHF 1.7 billion the previous year. This gratifying result is attributable to operational improvements in all areas and a determined focus on boosting profitability. All the core markets contributed to the good overall result.

As to cutting costs and jobs, by the end of 2003 we had already reached the targets originally set for the end of 2004. We also adjusted our product conditions and bonus policy in line with economic realities.

As a consequence of our systematic focus on profitability, we were prepared for a decline in volume. Gross written premiums, at CHF 18.8 billion, were 4 % lower than the preceding year.

We have further bolstered the financial strength of the Swiss Life Group. Equity totalled CHF 5.0 billion on 31 December 2003, 19 % higher than the previous year. Balance sheet risks were diminished further. As a result, the organisation is now less exposed to turbulence on the financial markets.

We continued our targeted concentration on core business in 2003. Divestments included STG Schweizerische Treuhandgesellschaft, our business in Spain, Swiss Life Asset Management in the UK, and our participation in Crédit Agricole (Belgium). We spun off our third-party private equity business in the first quarter of 2004, and have also found a solution for Swiss Life (UK).

Confidence was rekindled, thanks to all these measures and greater transparency in reporting. We want to build on this confidence again this year.

Rolf Dörig
Chief Executive Officer

Bruno Gehrig
Chairman of the Board

Swiss Life is going places, moving in the right direction, at the right speed. However the turnaround is not yet complete. The Board of Directors will therefore propose to the AGM that no dividend be paid for 2003. We are going on the assumption that a dividend amounting to 25% to 30% of net profit will be declared for 2004.

We are again aiming for moderate premium growth in 2004. In the medium term, we want to achieve sustainable growth that outpaces the market, and thus expand our market share. This growth should primarily be organic and come from making better use of our distribution network and focusing more on benefits for our customers when it comes to product design, services and product innovations. Swiss Life especially wants to distinguish itself from competitors in the quality of its advice and services.

The debate on occupational provisions in Switzerland remains a matter of serious concern for us, as this is an important part of our business. We have taken a clear position on this issue. We were the first company to show support for rates determined strictly on the basis of actuarial and economic criteria. We were criticised for this, but it was necessary and it set the entire industry in motion. At the same time, we also called for more realistic operating parameters, and we will continue to do so.

In the interest of our customers and a sustainable second pillar, we are determined to continue providing full coverage for as long as possible. This need is especially felt by small and medium-sized companies, which are normally not in a position to carry the insurance and investment risks on their own. It is up to the responsible political bodies to ensure that we can stay on course in providing security and stability.

However, politicians have missed their chance to deal expeditiously with the issue of an appropriate conversion rate. This has repercussions for us: as of 1 January 2005 we will be distinguishing between the mandatory portion of occupational benefits, for which the conversion rate is currently set at 7.2%, and the supplementary portion, where rates can be set on a discretionary basis. We want to do this in a way that is as fair and accommodating as possible, considering the economic situation, to underscore our efforts to achieve secure and calculable occupational provisions.

In recent months, we have held concrete negotiations on the sale of Banca del Gottardo. After these were broken off, we decided to retain the bank as part of our organisation and to strengthen its market position. Because we are convinced of the bank's potential to appreciate in value, this is the best solution for the Swiss Life Group, its shareholders and customers, under the circumstances.

The Board of Directors and the Corporate Executive Board expect the Swiss Life Group to make further visible improvements in profitability and to return to premium growth in 2004.

We wish to thank our shareholders, our customers and our business partners for their support and trust during the past year. A very special thank you goes to our staff, whose impressive performance under demanding conditions made our good result possible. Their dedication is a pledge for the future, and a pledge to our customers and shareholders.

Bruno Gehrig
Chairman of the Board

Rolf Dörig
Chief Executive Officer

Strategy

Swiss Life is aiming for a leading position in private and occupational provisions for the future. It focuses on markets which promise attractive growth and where it has a strong existing or potential position.

Swiss Life announced its new strategic direction in September 2002 and has been concentrating on its life insurance and pensions business ever since. Operational excellence, which involved an economy drive aimed at saving CHF 515 million in operating costs and reducing the headcount by 1500 positions by the end of 2004, formed an important cornerstone of the strategy. These targets had already been surpassed by the end of 2003. But even though these goals have been reached, operational excellence and strict cost management still represent principles which underpin corporate management at Swiss Life.

Expertise that stands out thanks to focus on traditional strengths Concentrating on core business enables Swiss Life to build on its traditional strengths: product knowledge and risk expertise, the quality of its advice and services and well-established, high-performance sales networks. The company is focusing on the core markets of Switzerland, France, Germany, the Netherlands, and Belgium and Luxembourg. These are markets which combine the prospect of sustainable, profitable growth with a strong or expandable market position for Swiss Life. Multinational corporations around the world are served with a comprehensive range of pension solutions through the Swiss Life Network, which has 49 partners in 43 countries. Swiss Life moved to strengthen its competitive position at the beginning of 2004, announcing that a clear and straightforward brand architecture under the "Swiss Life" umbrella brand would replace the previous complex brand structure involving many different names and logos. The new corporate identity is designed to ensure that Swiss Life can position itself internationally as a leading provider of pensions and long-term savings.

Functional organisation for streamlined management
Swiss Life is organised and run as an integrated enterprise. This is reflected in the division of responsibilities on the Corporate Executive Board and can be seen in the core markets. Along with the allocation of functional responsibilities across borders, each country has one person with market responsibility who is also responsible for results. This management structure ensures proximity to customers and a focus on results while facilitating risk management and Group-wide sharing of knowledge and resources.

Sustainable risk and investment policy enhances financial strength Swiss Life's asset and liability management (ALM) concept as redefined in 2003 ensures that promised benefits are covered by returns which can actually be achieved and that core capital will always be able to absorb any fluctuations in the value of assets. The investment portfolio is accordingly split, with one segment invested in such a way that guaranteed benefits are always covered when due. An "absolute return" strategy is pursued with the other segment. This procedure, combined with the application of strictly economic criteria in the setting of product conditions, ensures the sustainable generation of added value and at the same time keeps Swiss Life from becoming dependent on rising stock markets.

Strong corporate culture based on clear goals and common values Clear goals for returns and value creation are the foundation upon which a performance-oriented corporate culture can be built. In the medium term Swiss Life intends to generate a 10% return on equity (under International Financial Reporting Standards, IFRS) with growth above the market average. A catalogue of qualitative and quantitative performance indicators closely attuned to the strategy will support the process of managing and monitoring achievement of these goals. The common values defined in 2003 and serving as guidance for employees' actions are also an important element in the corporate culture. The five values are expertise, proximity, openness, clarity and commitment.

Summary of Group Results

The Swiss Life Group generated a profit of CHF 233 million in 2003. This clear return to the profit zone was attributable to the unwavering focus on profitability and operational progress in all areas.

The measures to restore profitability began to have an impact in 2003. Following a loss of CHF 1.7 billion in the previous year, the Swiss Life Group generated a profit of CHF 233 million in 2003. The Life Core segment (Switzerland, France, Germany, the Netherlands and Belgium/Luxembourg) contributed CHF 341 million to the operating income of CHF 557 million (prior-year loss: CHF 801 million).

Gross written premiums decreased by 4% to CHF 18.8 billion. This slight decline was accepted in the interests of restoring profitability and in support of the corresponding pricing and underwriting policy measures. In core business, premiums fell 2% to CHF 16.1 billion. The declining premium volume in Switzerland (down 19%) was not quite offset by premium growth in the other markets.

The financial result improved 24% from the previous year, where high losses had to be realised in the process of reducing the company's equity exposure, to stand at CHF 5.8 billion. In the year under review investment maturities were extended, resulting in the duration gap between assets and liabilities being narrowed, and the interest-rate risk thus being reduced. The return on insurance portfolio investments came to 4.7% after costs (previous year: 3.3%). Net equity exposure stood at 2.1% as of 31 December 2003.

Benefits paid including changes in insurance reserves fell 4% to CHF 15.5 billion. However, there was actually a 12% rise in insurance benefits paid, which came to CHF 14.5 billion. This increase is mainly attributable to contract terminations in Switzerland. Changes in insurance reserves for future benefits, on the other hand, dropped from CHF 2.6 billion to CHF 693 million, a consequence of the lower premium volume and contract terminations. The outlay on policyholder bonuses and participation in surplus rose by more than 150% to CHF 871 million, owing to the rise in investment income.

As a result of the cost-reduction programme, operating expenses fell 16% from their prior-year level to stand at CHF 2.9 billion. The reductions of CHF 515 million in operating costs and 1500 FTE positions targeted for the end of 2004 had already been exceeded by the end of 2003, with CHF 532 million in cost savings and an FTE reduction of 1800. As of 31 December 2003 the Swiss Life Group employed a workforce of 10015 on a full-time equivalent basis.

As of 31 December 2003 total equity stood at CHF 5.0 billion. The 19% increase compared to the end of 2002 resulted, above all from the mandatory convertible securities issued in December (CHF 320 million) and the increase in unrealised gains on investments (CHF 177 million), as well as from profit. Core capital for capital adequacy purposes, which includes deferred Group-related funds in addition to core capital, improved by 17% to stand at CHF 8.8 billion. Aditional write-downs were taken on investments totalling CHF 735 million along with reductions in goodwill and tax loss carryforwards of CHF 468 million.

Assets under management came to CHF 184.2 billion on 31 December 2003, representing a slight increase in spite of the sale of STG Schweizerische Treuhandgesellschaft (previous year: CHF 184.0 billion).

Segment results

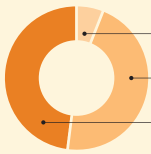
Swiss Life improved its operating result in all segments compared to the previous year. The only segment with a negative result was Private Banking, where the loss of CHF 105 million ensuing from the sale of STG Schweizerische Treuhandgesellschaft led to a loss of CHF 19 million.

Life Core Following a loss of CHF 561 million in the previous year, Swiss Life generated CHF 341 million in operating income from the Life Core segment in 2003. Measures to restore profitability were a key feature of the 2003 financial year. While gross premium income edged down 2 % to CHF 16.1 billion, operating expenses were reduced by 7 %.

Switzerland For Swiss Life, the keynotes of the 2003 financial year in its domestic market, Switzerland, were the implementation of its new strategy and the restoration of confidence among clients and the public. The central feature of the strategic realignment was the clear focus on profitability following the previous year's loss of CHF 566 million. Swiss Life adjusted its product and pricing structure accordingly with effect from the beginning of the year. Important factors in this adjustment were the strong rise in disability claims (reflecting the state of the economy) and the moves to pass administrative charges back to the parties originating the costs. The cost-reduction programme went forward faster than planned, resulting in a 20 % decline in operating expenses compared with the year before. With an operating result of CHF 76 million, Swiss Life managed to return to the profit zone.

Since Swiss Life was now emphasising profitability, it knew it would have to accept a decline in premium income. Gross written premiums fell back by 19 % compared to the previous year, to CHF 6643 million. The drop was due above all to the decline in single premiums, which went down 34 % from the prior-year figure to stand at CHF 3094 million. The very low level of interest rates continued to have a negative impact on premium volume for this product category. Swiss Life recorded a rise of 1% in periodic premiums compared to the 2002 figure, bringing them to CHF 3370 million for 2003. A reduction of 19 % was recorded in insurance benefits (including changes in insurance reserves), which fell to CHF 7748 million. This reflected the departure of certain major clients as well as the decline in premiums. Both causes were also a factor in the development of technical provisions, which were 2 % lower as of 31 December 2003 than at the end of 2002.

Premiums, Life Core business, by type of insurance



Key figures, Life Core

in CHF m	2003	2002	+/– %
Gross written premiums, policy fees and deposits under investment contacts	**16 081**	16 394	–1.9
Net earned premiums and policy fees	**12 532**	12 661	–1.0
Financial result	**5 038**	3 913	28.8
Other income incl. fees	**–50**	107	n.a.
Total revenue	**17 520**	16 681	5.0
Benefits paid	**–13 557**	–13 805	–1.8
Policyholder bonuses and participation in surplus	**–805**	–349	130.7
Interest expenses	**–941**	–1 070	–12.1
Total benefits, losses and interest expenses	**–15 303**	–15 224	0.5
Total operating expenses	**–1 876**	–2 018	–7.0
Operating result	**341**	–561	n.a.
Assets under management	**117 963**	119 925	–1.6
Technical reserves	**93 533**	89 268	4.8
Number of employees	**5 933**	6 526	–9.1

The company saw a 14% decline in group premiums over the year, bringing the figure to CHF 4914 million. While income from periodic premiums went up 3%, single premiums decreased by 26% to CHF 2452 million. The favourable impact of the measures to boost profitability is also revealed in the generation of new business; in contrast to the two previous years this figure turned positive again in 2003.

Swiss Life's written premiums for individual insurance dropped 31% from the prior-year figure to stand at CHF 1663 million. Throughout the industry single premium business in particular suffered from historically low interest rates, which made this product category unattractive to customers concerned about their returns. Swiss Life continued to feel the influence of the previous year's loss of confidence. In addition, a large number of contracts dating back to promotional campaigns in 1998 reached the end of their terms and expired. It only proved possible to arrange for reinvestment of a very limited portion of these funds.

Market development stands in the foreground for 2004 following the return to profitability. The company is also aiming to recapture the market share lost in the previous year by pursuing a systematic orientation towards high-quality service and by further optimising the product range. Swiss Life changed the compensation system for its distribution channels as of 1 January 2004 in order to reinforce customer loyalty and improve its competitive position for the future. Customer servicing is now being given more weight in the distribution organisation's remuneration, and with it the quality created by a longer-term customer relationship.

France In 2003, Swiss Life's emphasis in France was on boosting profitability and carrying out a restructuring. The operating result was thus improved by 16% to stand at CHF 123 million. Premium income fell 1% below the prior-year level. Premium volume came to 4760 million in Swiss francs, amounting to a rise of 2% over 2002. As a provider of individual protection products for the French market, Swiss Life is also active in health insurance in France. Premium volume in this sector went up 2% in local currency terms from the previous year's level. Swiss Life subjected its contracts in this sector to close review for profitability, and gave notice on contracts it found unprofitable.

Bolstered by the higher financial result, reflecting the positive influence of the financial market recovery (in contrast to the large losses that had to be taken in the previous year), Swiss Life's revenue increased by 13% to stand at CHF 3257 million. Operating expenses rose 10% from their prior-year level (up 6% in local currency), chiefly due to the higher outlay on commissions.

Swiss Life proceeded systematically with the implementation of its new strategy and the matrix organisation in France in 2003. The distribution organisation was streamlined and simplified. Additional highlights of the period under review included moving into the new head office on Boulevard Haussmann in Paris and transferring the chairmanship from Jean-Antoine Chabannes to Jacques Richier, who was already responsible for Swiss Life's business operations in France as CEO.

The pension reform passed by the French parliament in August 2003 opens up new possibilities for insurers in that market. Among the main priorities for Swiss Life in 2004 are launching and marketing insurance solutions in connection with the pension reform, strengthening the cross-selling of health and life insurance products and instituting further measures to raise efficiency.

Germany Following an operating loss in Germany of CHF 9 million in the previous year, Swiss Life recorded CHF 40 million in operating income for 2003. Along with a higher financial result, the improvement in the operating result is attributable to clear progress on the operations side and a good sales performance. The improvement to the financial result reflected the recovery on the financial markets, which meant the big losses of the previous year did not recur. The largest portion of the financial returns was passed on to policyholders in the form of bonuses or allocated to surplus reserves in accordance with the applicable German law. Thanks to the systematic realisation of the cost-reduction programme launched in 2002, Swiss Life lowered administrative costs to the point where operating expenses were brought down by 1% despite the pronounced growth in premiums in the local currency. The migration of data to the new IT platform went according to plan, creating the preconditions for further increases in efficiency.

In the framework of the efficiency drive which started in 2002, Swiss Life reorganised its distribution system in 2003 and cut the number of regional managements by eight locations, bringing the total to 29. The company strengthened the sales channel representing financial services providers with new approaches to relationship management. The confidence-building campaign launched in 2003 and the high level of competence in occupational pension benefits further cemented Swiss Life's relations with the brokers, who constitute its most important sales channel in Germany.

Given the continued uncertainty about state social security benefits, Swiss Life expects new business to show another significant rise in 2004. Service quality is to be steadily increased, the position as the brokers' provider of choice is to be built up further and the remaining potential for boosting efficiency is to be utilised.

Netherlands Swiss Life generated CHF 101 million in operating income in the Netherlands for 2003 (previous year: CHF 34 million). A new contract with the pension fund for HBG, a Dutch construction company, was a highlight of the financial year. The contract involved a single premium of around EUR 570 million, which in turn resulted in premium growth of 63% in local currency terms. Swiss Life designed a model that will guarantee the pension fund's commitments to the insured persons. Total premium volume for the Netherlands came to CHF 2356 million (+68%). Even without the contract just mentioned, Swiss Life would have increased its premiums received: the volume of new group business went up 65% from the prior-year level while new individual business showed a 13% increase. New products and an improved operating performance made significant contributions to this growth. In tandem with the expansion in volume, insurance benefits advanced by 76% while technical reserves were augmented by 23%. Operating expenses climbed 11% to CHF 199 million, mainly due to higher acquisition costs and clearly outpacing premium growth. In local currency terms the rise in operating expenses came to 7%.

Third-pillar provisions are continuing to gain in significance in the Netherlands as well, in view of demographic trends and the strain on public sector budgets. In addition, independent pension funds are increasingly turning to insurance companies for solutions. Swiss Life intends to utilise these changes and opportunities in the market in 2004 to further reinforce its position as *the* life and pension insurer in the Dutch market. Swiss Life also wants to make further progress on customer satisfaction so it can rank among the best in this area in 2005.

Belgium/Luxembourg The operating result with a profit of CHF 1 million was a marked improvement on the previous year, which showed an operating loss of CHF 126 million. The 31% reduction in operating expenses to CHF 74 million in connection with the restructuring programme was a major contributing factor, along with the higher financial result of CHF 137 million (previous year: CHF 41 million). Premium volume rose 6% to CHF 556 million, with the Belgian market accounting for 80% and the Luxembourg market 20%. In the local currency, this represented a 2% increase.

Business in Belgium was hampered in the first half of 2003 by the streamlining of the distribution structures conducted during that period and by the still-perceptible loss of confidence from the previous year. The second half of the year saw an increase in premium volume brought about by confidence-building measures and also thanks to greater effectiveness on the sales front. Swiss Life also achieved a modest upturn in premium volume in Luxembourg.

A new law coming into force in Belgium in 2004 introduces the second pillar for the self-employed and reorganises the system of group coverage for small and medium-size enterprises (SMEs). Swiss Life plans to exploit the resultant increased demand for employee benefit products selectively and concentrate above all on the self-employed, as well as SMEs. In Luxembourg, Swiss Life will continue to forge ahead with the expansion of cross-border insurance business.

Life Non-Core In the Life Non-Core segment («La Suisse», United Kingdom, Spain, Italy) premium income fell by 20% to CHF 1646 million, as Swiss Life sold its company in Spain and stopped writing new business in the UK, in line with its concentration on core business. Operating expenses decreased by 48% to CHF 189 million. With a financial result 43% higher at CHF 450 million, the operating result came to CHF 67 million, in contrast to the loss of CHF 157 million registered the previous year.

Non Life In the Non Life segment Swiss Life generated CHF 23 million in operating income in 2003 (after a loss of CHF 95 million the year before). The main contributing factors to this significant improvement were the lowering of the loss ratio and the cost-cutting measures taken. The combined ratio improved from 121% to 108%.

Conservative underwriting practices and the restructuring of the insurance portfolio led premium volume of CHF 1075 million to remain at practically the same level as the previous year.

Private Banking Continuing its concentration on core business, Swiss Life sold STG Schweizerische Treuhandgesellschaft for CHF 197 million to the LGT Group, effective 25 June 2003. Consequently, the Private Banking segment now consists primarily of Banca del Gottardo. The loss from the sale of STG resulted in a loss of CHF 19 million in this segment. Compared with the previous year, when Banca del Gottardo recorded extraordinary write-downs, valuation adjustments and provisions, this represents an improvement of CHF 90 million. Without the loss from the STG transaction the segment would have registered a profit of CHF 86 million. Assets under management on 31 December 2003 amounted to CHF 41.8 billion. An increase of CHF 0.3 billion was generated despite the loss of assets managed by STG. The number of full-time positions decreased by 400 to 1205, the 329 jobs at STG making up the lion's share of this reduction.

Investment Management The Investment Management segment encompasses the management of Swiss Life's insurance assets, as well as third-party assets. Swiss Life recorded operating income of CHF 95 million in this segment. In addition to ongoing business, the focus in 2003 was on defining and introducing new processes in asset and liability management.

Although the first signs of a recovery in the world economy and equity markets were perceived at the end of 2003, for long stretches of the financial year conditions for asset management business remained challenging. The 10% fall in the operating result compared with the previous year can be traced to the markedly lower financial result (CHF 42 million less, a reduction of 16%), whereby the sale of Swiss Life Hedge Fund Partners Ltd. the year before realised a profit of CHF 92 million. The 17% decline in fee income to CHF 188 million is principally a consequence of the concentration on core business. All in all, the CHF 238 million in income is 14% lower than in the preceding year. On the other hand, operating costs decreased by 17% to CHF 142 million. The cost-reduction programme introduced in 2002 had a positive impact, as did the various divestments. Compared to the previous year, assets under management rose by 8% to CHF 99.4 billion.

In 2003, in the course of concentrating on core business, Swiss Life Asset Management Spain was dissolved and Swiss Life Asset Management UK was sold. Fund business was also reorganised.

Corporate Governance

In 2003, the Swiss Life Group made further improvements to corporate governance. The revision of the Organisational Regulations with effect from 1 December 2003 was another step in the ongoing process of aligning corporate governance with best practice standards.

In order to clearly delineate the various internal competencies and responsibilities and create an optimum structure for cooperation between the Board of Directors, management and internal control bodies, the Board of Directors revised the Organisational Regulations along with the regulations for each Board of Directors committee and for the Corporate Executive Board as of 1 December 2003.

Board of Directors The Swiss Life Holding Board of Directors is composed entirely of non-executive directors; there is a strict division of functions between the Chairman of the Board of Directors and the Chairman of the Corporate Executive Board. This organisational structure upholds the separation of powers between the decision-makers and guarantees the autonomy of the Board of Directors. As of the balance sheet date the Board of Directors was composed of the following members:

Name	Functions	Year appointed	Elected until
Bruno Gehrig	Chairman Chairman's Committee 3) Investment and Risk Committee	2003	2006
Gerold Bührer	Vice Chairman Chairman's Committee Investment and Risk Committee 3)	2002 1)	2005
Volker Bremkamp	Member Audit Committee 3)	2003	2004
Paul Embrechts	Member Audit Committee	2003	2005
Rudolf Kellenberger	Member Chairman's Committee	2003	2004
Georges Muller	Member Audit Committee	2002 2)	2006
Peter Quadri	Member Audit Committee	2003	2004
Pierfranco Riva	Member Investment and Risk Committee	2003	2006
Franziska Tschudi	Member Investment and Risk Committee	2003	2005

1) member of the Swiss Life/Rentenanstalt Board of Directors from 2000

2) member of the Swiss Life/Rentenanstalt Supervisory Board from 1995, and from 1997 member of its Board of Directors

3) Chairman

Chairman's Committee The Chairman's Committee assists the Chairman of the Board of Directors in fulfilling his leadership and coordination role, and assists the Board of Directors with matters concerning corporate governance. It additionally assists the Board of Directors in decisions concerning the appointment of personnel at the highest levels of management (nomination function) and in setting guidelines for compensation of members of the Board of Directors and the Corporate Executive Board, and determining how these guidelines will be applied to the compensation and terms of employment of the CEO and the other members of the Corporate Executive Board (compensation function). The Chairman's Committee normally meets six times a year.

Investment and Risk Committee The Investment and Risk Committee assists the Board of Directors in matters concerning investment management, financial management and risk management within the company. The tasks and competencies of the Investment and Risk Committee include, among others, submitting proposals to the Board of Directors concerning the principles of asset and liability management and the definition of investment policy, monitoring capital adequacy, verifying compliance with Group guidelines on investments, and establishing the risk tolerances in insurance and investment operations. The Investment and Risk Committee meets at least four times a year.

Audit Committee The Audit Committee assists the Board of Directors in its supervision of the accounting function and financial reporting activities as well as compliance with the legal requirements. It reviews the appropriateness of the internal control structures and processes used to comply with the legal requirements. It monitors the activities of Corporate Internal Audit and the external audit services. The Audit Committee meets at least four times a year. The frequency of meetings will depend on the financial budgeting and reporting process.

Corporate Executive Board The Corporate Executive Board of Swiss Life Holding is composed of the following members:

Name	Function	since
Rolf Dörig	Chief Executive Officer	06.11.2002
Reto Himmel	Chief Technology Officer	20.01.2003
Michael Koller	Chief Risk Officer	01.01.2003
Paul Müller	Chief Markets Officer	15.01.2003
Bruno Pfister	Chief Financial Officer	01.08.2002
Martin Senn	Chief Investment Officer	01.01.2003
René van der Smeede	Head of International Markets	01.01.2003

Compensation Pursuant to the Organisational Regulations, the Board of Directors as a whole is responsible for determining the level and make-up of compensation for its members. The Chairman's Committee, in its capacity as a Compensation Committee, is responsible for putting forward corresponding proposals. The Board of Directors also establishes guidelines for the compensation policy within the Group. In so doing, it takes into consideration the compensation policies of other organisations of comparable size and in comparable industries, with its findings drawn from publicly available information or, as necessary, studies by external experts. Based on these guidelines, the Chairman's Committee determines the compensation for individual members of the Corporate Executive Board.

Compensation paid to incumbent members of the Board of Directors and the Corporate Executive Board during the period under review was as follows:

Board of Directors	CHF	1 168 540 [1]
Corporate Executive Board	CHF	6 920 656

1) of which CHF 532 000 was paid in the first half and CHF 636 540 in the second half of 2003.

Swiss Life Holding registered shares with a par value of CHF 50 each were allocated to members of the Board of Directors and the Corporate Executive Board as follows during the 2003 financial year:

Board of Directors	368 shares allocated at a value of CHF 184.70. These are subject to a three-year vesting period.
Corporate Executive Board	42 124 shares allocated at an average value of CHF 76 and CHF 116.40. 27 124 shares are subject to a three-year vesting period.

The highest total compensation for a member of the Board of Directors in 2003 was paid to Bruno Gehrig, as Chairman of the Board. The total compensation paid since he assumed this position on 1 July 2003, after being elected at the General Meeting of Shareholders of 27 May 2003, is as follows:

Compensation	CHF 277 500	equivalent to an annual compensation of CHF 555 000
Shares	none	
Share options	none	
Total compensation	CHF 277 500	

Largest shareholders (as of 31 December 2003)

Fondiara-SAI Group	10.05 %
Threadneedle Asset Management	5.31 %
Fidelity International	5.22 %
Queensgate Bank + Trust Company (trustee for the "MCS Share Trust", established in connection with the "MCS II [2003–2004]" convertible bond issue in 2003)	6.76 %
Swiss Life/Rentenanstalt, Swiss Life Cayman Finance Ltd. and Banca del Gottardo (of which 7.54 % as allocation reserve for the compulsory conversion into Swiss Life Holding shares of the securities issued under MCS I [2002–2005])	8.06 %

The complete text on corporate governance can be found in the Annual Report or at www.swisslife.com. Its structure and scope are based on the Directive on Information Relating to Corporate Governance issued by the SWX Swiss Exchange, which came into force on 1 July 2002.

Consolidated Statement of Income

Consolidated statement of income for the years ended 31 December

in CHF million	2003	2002
Revenue		
Net earned premiums and policy fees[1)]	**14 822**	15 265
Net investment income	**5 552**	5 505
Net realised and unrealised gains/losses on investments	**334**	–2 304
Net trading income	**–50**	1 512
Investment management, banking and other fee income	**553**	574
Other income	**–123**	72
Total revenue	**21 088**	20 624
Benefits, losses and interest expenses		
Benefits paid and changes in insurance reserves	**–15 726**	–16 329
Policyholder bonuses and participation in surplus	**–871**	–340
Interest credited to investment contracts, customer deposits and other funds on deposit	**–818**	–946
Interest on borrowings	**–177**	–363
Other interest expenses	**–59**	–11
Total benefits, losses and interest expenses	**–17 651**	–17 989
Operating expenses		
Investment management and banking expenses	**–635**	–917
Insurance-underwriting and policy-acquisition costs	**–1 546**	–1 690
Other operating and administrative expenses	**–699**	–829
Total operating expenses	**–2 880**	–3 436
Operating result	**557**	–801
Amortisation of goodwill	**–80**	–1 046
Net result before tax and minority interests	**477**	–1 847
Income tax expenses	**–202**	92
Net result before minority interests	**275**	–1 755
Minority interests	**–42**	61
Net result	**233**	–1 694
Basic earnings per share (in CHF)	**10.8**	–104.6
Diluted earnings per share (in CHF)	**10.6**	–104.6

1) Under the accounting principles adopted, deposits made under investment contracts are not recognised as income

	2003	2002
Net earned premiums and policy fees as reported	**14 822**	15 265
Deposits under investment contracts	**3 382**	3 716
Net earned premiums, policy fees and deposits	**18 204**	18 981
Gross written premiums, policy fees and deposits under investment contracts	**18 760**	19 473

Consolidated Balance Sheet

Consolidated balance sheet as of 31 December

in CHF million	2003	2002
Assets		
Investments		
Held-to-maturity securities	**5 252**	4 416
Available-for-sale securities	**88 118**	80 821
Financial assets held for trading	**3 024**	3 552
Investment property	**11 082**	10 770
Loans originated by the enterprise	**25 600**	31 650
Investments in associates	**64**	181
Other investments	**853**	1 003
Total investments	**133 993**	132 393
Other assets		
Cash and cash equivalents	**6 250**	4 217
Insurance and other receivables	**4 715**	4 259
Reinsurance assets	**1 608**	1 533
Deferred acquisition costs	**2 793**	2 576
Property and equipment	**1 468**	1 625
Goodwill and other intangible assets	**1 071**	1 386
Deferred tax assets	**944**	1 721
Other assets	**978**	1 075
Separate account (unit-linked) assets	**8 658**	8 781
Total other assets	**28 485**	27 173
Total assets	**162 478**	159 566
Liabilities and equity		
Liabilities		
Financial liabilities held for trading	**1 225**	1 585
Investment contracts, customer deposits and other funds on deposit	**29 352**	28 086
Insurance reserves	**103 862**	100 638
Borrowings	**5 802**	6 534
Deferred tax liabilities	**1 825**	2 516
Insurance and other payables	**4 779**	3 792
Other liabilities	**1 780**	3 002
Separate account (unit-linked) liabilities	**8 674**	8 738
Total liabilities	**157 299**	154 891
Minority interests	**215**	505
Equity		
Share capital	**1 252**	1 172
Share premium	**1 948**	1 716
Treasury shares	**–21**	–36
Gains/losses recognised directly in equity, net	**714**	537
Foreign currency translation differences	**–117**	–174
Retained earnings	**1 188**	955
Total equity	**4 964**	4 170
Total liabilities and equity	**162 478**	159 566

Important dates

Annual General Meeting
18 May 2004
(Hallenstadion Zurich)

Presentation of half-year figures
7 September 2004

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Read the complete Swiss Life Group Annual Report on the Internet at http://www.swisslife.com/report

Caution regarding forward-looking statements

This Summary Review contains forward-looking statements about Swiss Life which involve certain risks and uncertainties. The reader should be aware that such statements represent projections which could differ materially from actual outcomes and results.
All forward-looking statements are based on the data available to Swiss Life at the time the present Summary Review was compiled.

This Summary Review is also available in German, French and Italian.
The German text is definitive.

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