



Halbjahresergebnis 2006
Medienpräsentation

Zürich, 6. September 2006

Agenda



1. Übersicht

Rolf Dörig

2. Halbjahresergebnis

Thomas Müller

3. Ausblick

Rolf Dörig

Ergebnis verbessert sich kontinuierlich



Reingewinn	➔	CHF 523 Millionen	+13%
Betriebsgewinn	➔	CHF 660 Millionen	+22%
Prämien	➔	CHF 12,7 Milliarden	+9%
Betriebsaufwand	➔	reduziert auf CHF 1,5 Milliarden	-4%
Eigenkapital	➔	CHF 7,2 Milliarden	-6%
Embedded Value	➔	CHF 10,1 Milliarden	+13%

Weitere deutliche Fortschritte gemacht



- **Internationale Märkte:** Anhaltende Wachstumsdynamik
 - Prämienwachstum von 20% erzielt; über dem Marktdurchschnitt
 - Massnahmen eingeleitet, um Profitabilität weiter zu verbessern
- **Schweiz:** Wert Neugeschäft im Einzel- und Kollektivbereich erhöht
 - Massnahmen zur Effizienzsteigerung zeigen Wirkung
 - Erfreuliche Entwicklung der renditeorientierten Vorsorgeprodukte
- **Investment Management:** Mit aktivem ALM gute Ergebnisse erzielt
 - Direkte Anlagerendite weiterhin stabil
 - Durch Hedge Accounting und Einsatz von Derivaten Handlungsspielraum geschaffen und Eigenkapital geschützt
- **Banca del Gottardo:** Solider Gewinnbeitrag an Gruppe
 - Umsetzung der Strategie verläuft nach Plan
 - Zufluss an Neugeldern vielversprechend

Agenda



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2. Halbjahresergebnis

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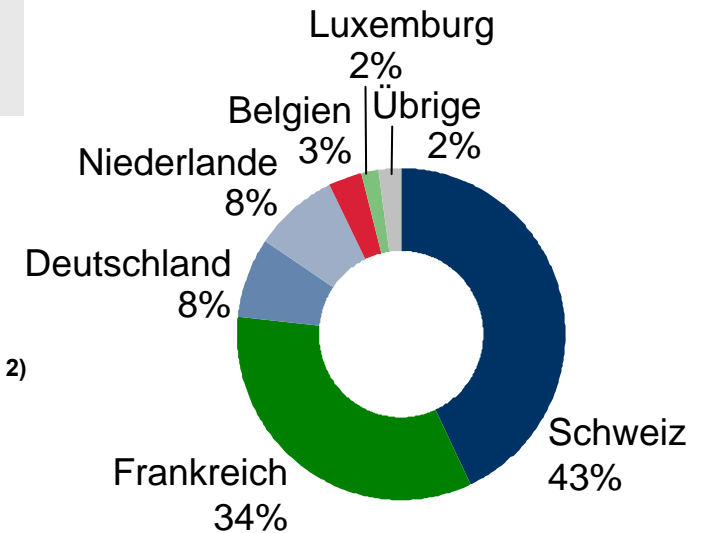
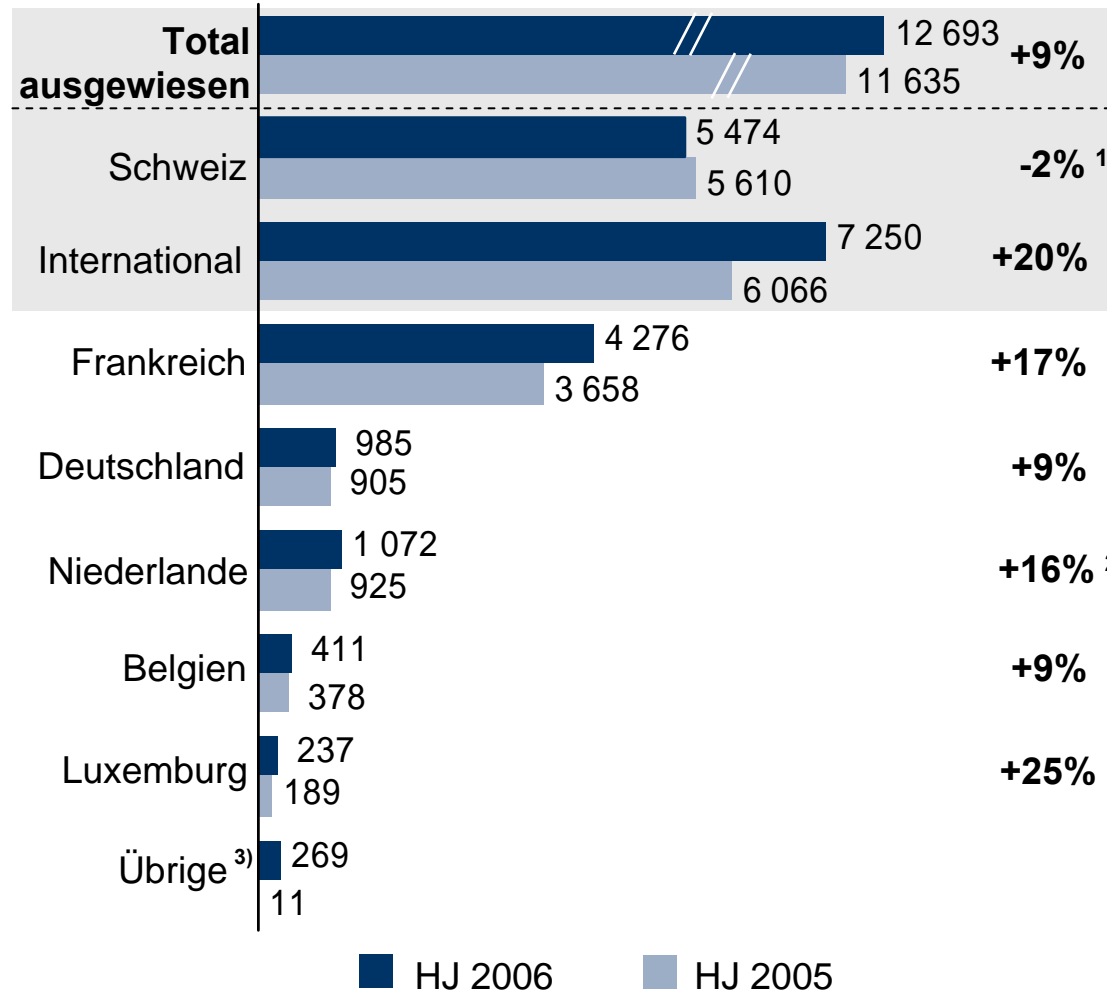
3. Ausblick

Rolf Dörig

Starkes Prämienwachstum von 20% in internationalen Märkten



Bruttoprämien und Beiträge mit Anlagecharakter; Mio. CHF (Basis: IFRS)



1) Wachstum +3% auf vergleichbarer Basis (exkl. Prämien Nichtlebensgeschäft in Höhe von CHF 289 Millionen im HJ 2005)
 2) Wachstum -6% auf vergleichbarer Basis (exkl. Bols-Vertrag 2006 in Höhe von CHF 202 Millionen)
 3) Inkl. Italien CHF 11 Millionen 2005 und CHF 10 Millionen 2006; inkl. Liechtenstein CHF 259 Millionen 2006

Reingewinn um 13% auf CHF 523 Millionen gesteigert

Mio. CHF (Basis: IFRS)



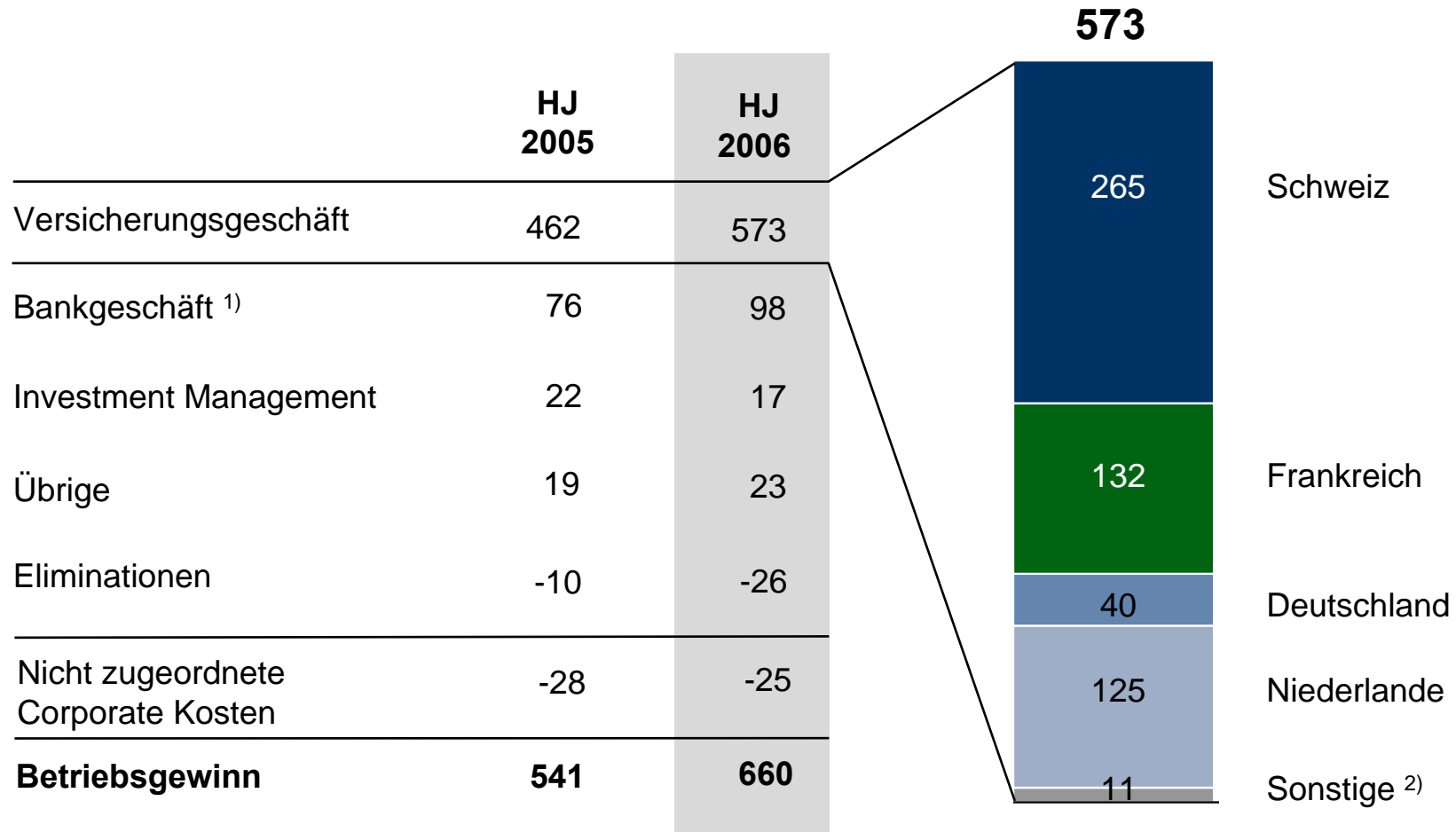
	HJ 2006	HJ 2005
Verbuchte Bruttoprämien, Gebühren und erhaltene Einlagen	12 693	11 635
Finanzergebnis auf den auf eigenes Risiko gehaltenen Kapitalanlagen	2 958	2 902
Versicherungsleistungen und Schadenfälle (netto)	-8 783	-8 529
Überschussbeteiligung der Versicherungsnehmer	-869	-870
Betriebsaufwand	-1 474	-1 528
Betriebsgewinn	660	541
Fremdkapitalkosten	-80	-95
Steuern und Ergebnisanteile an assoz. Unternehmen	-57	17
Reingewinn	523	463
Ergebnis je Aktie (in CHF) ¹⁾	14.72	12.93
Eigenkapitalrendite (ROE), annualisiert	14,3%	13,4%

1) Verwässert, auf Basis von 35 095 361 Aktien im Jahr 2006 und 35 006 638 Aktien im Jahr 2005

Steigender Gewinnbeitrag im Versicherungs- und Bankgeschäft



Segmentergebnis Mio. CHF (Basis: IFRS)



1) Inkl. Gewinne aus dem Verkauf der BdG (Monaco) und der Dreieck Industrie Leasing AG in Höhe von CHF 50 Millionen abzüglich Sondereffekte in Höhe von CHF 42 Millionen im Jahr 2006

2) Umfasst Belgien, Luxemburg, Liechtenstein, Italien und Eliminationen

Entwicklung der Bilanz in steigendem Zinsumfeld wie erwartet



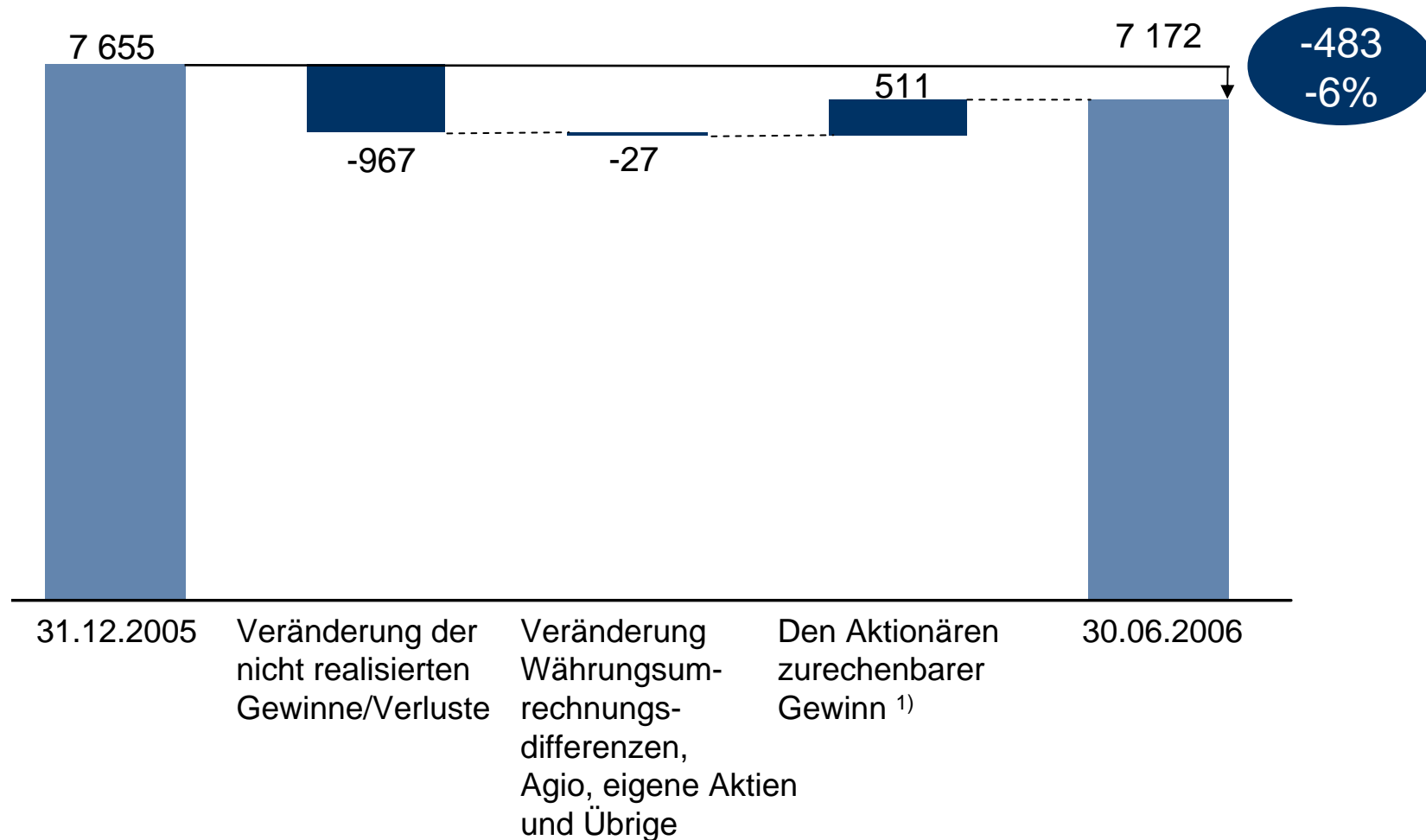
Mio. CHF (Basis: IFRS)

	30.06.2006	31.12.2005
Versicherungstechnische Rückstellungen	141 282	139 252
Verbindlichkeiten aus Versicherungsgeschäft	108 854	106 541
Kapitalanlageverträge	26 712	24 629
Verbindlichkeiten aus Überschussbeteiligung der Versicherungsnehmer	5 716	8 082
Anleihen und Darlehensverpflichtungen	5 267	4 388
Eigenkapital	7 172	7 655
Total Passiven	179 223	177 597
Eigenkapitalbasis	13 233	16 621
Eigenkapital (inkl. Minderheitsanteilen)	7 426	7 953
Hybride Kapitalinstrumente	1 701	1 689
Unter Verbindlichkeiten ausgewiesene Positionen mit Eigenkapitalcharakter	4 106	6 979

Eigenkapital auf stabilem Niveau



Mio. CHF (Basis: IFRS)

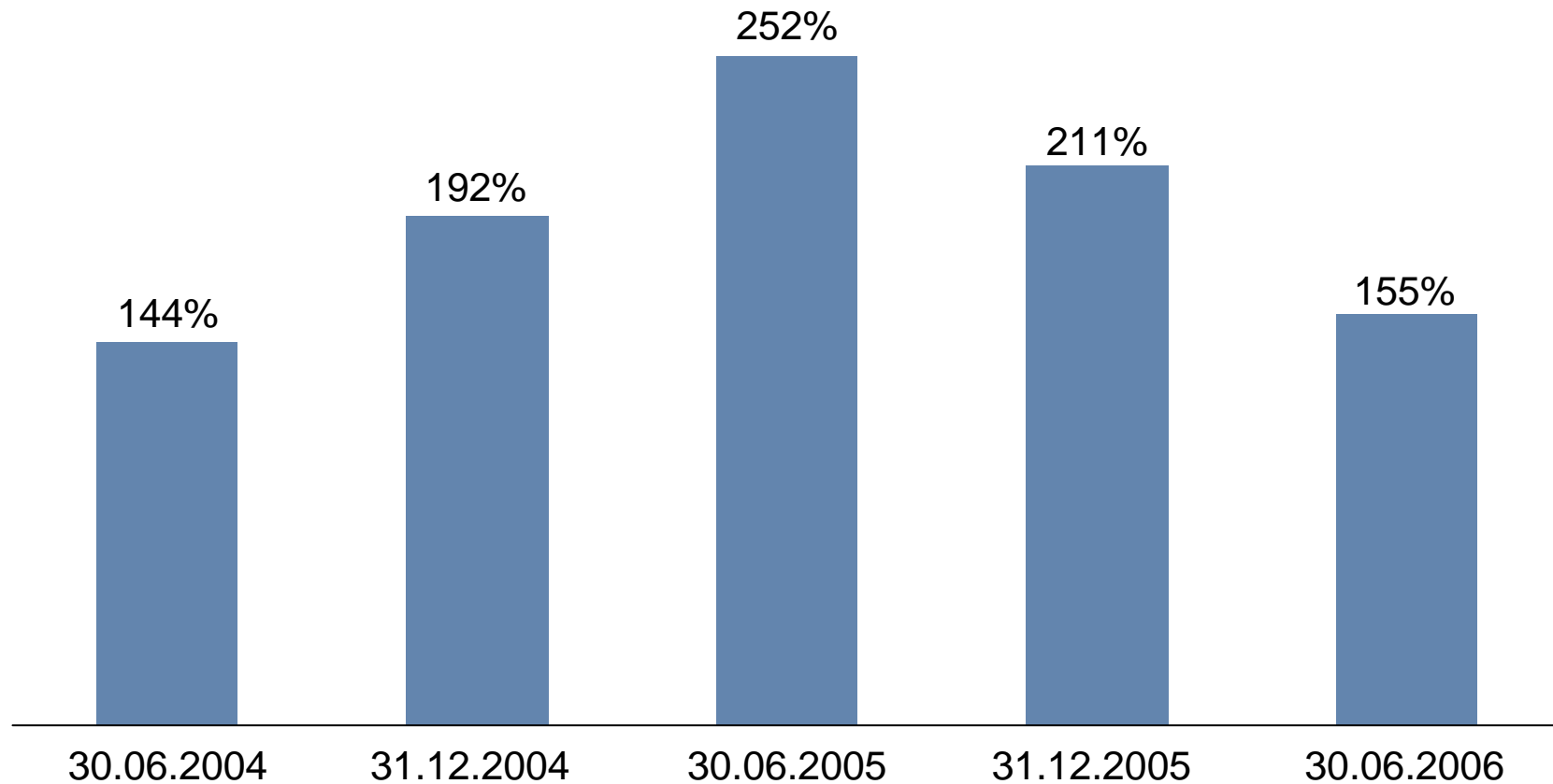


1) Gewinn in Höhe von CHF 523 Millionen, abzüglich Minderheitsanteilen in Höhe von CHF 12 Millionen

Gruppensolvabilität auf komfortablem Niveau



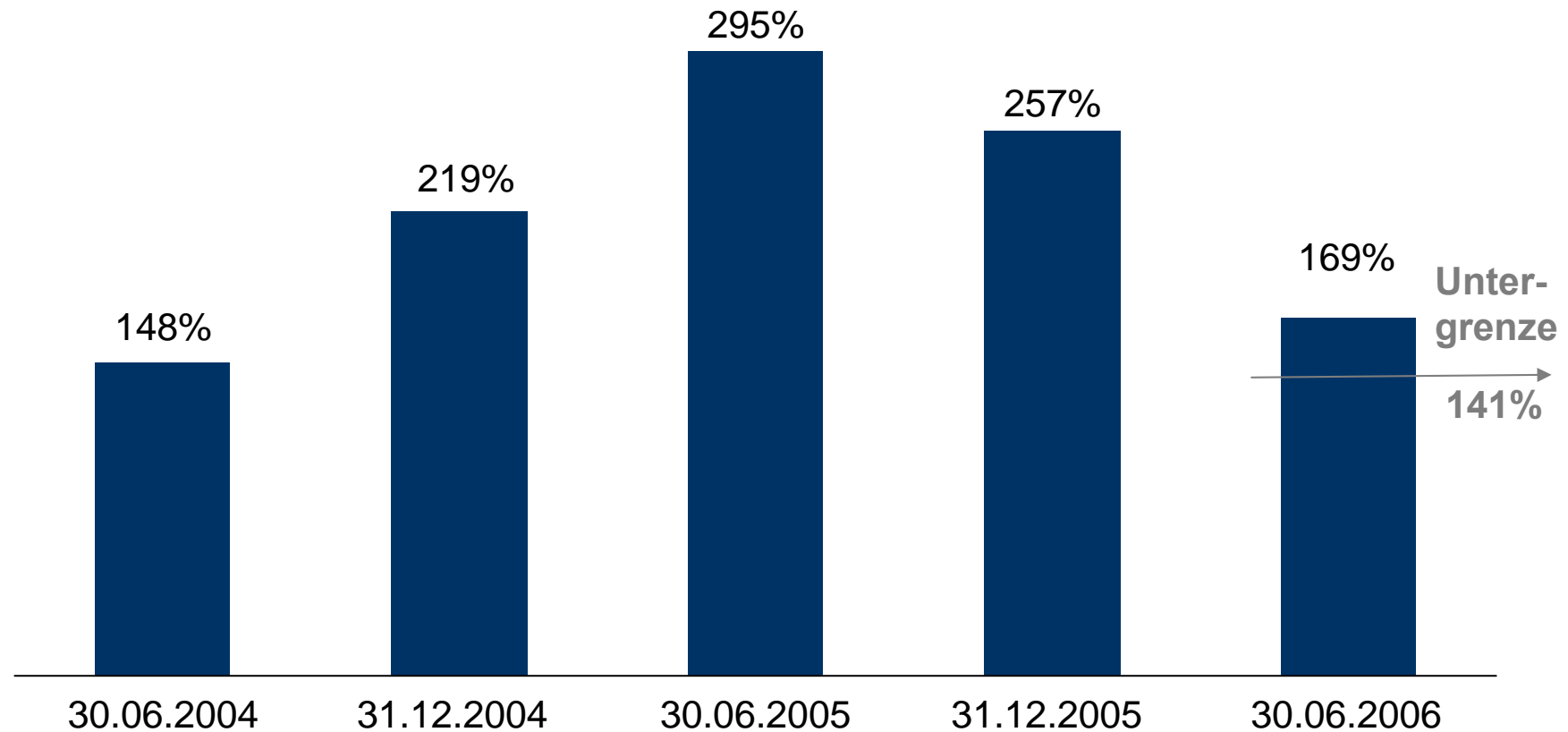
Basis: Eigenkapital gemäss IFRS, Berechnungsmethode gemäss Bundesamt für Privatversicherungen



Untergrenze der statutarischen Solvenz bei 141%



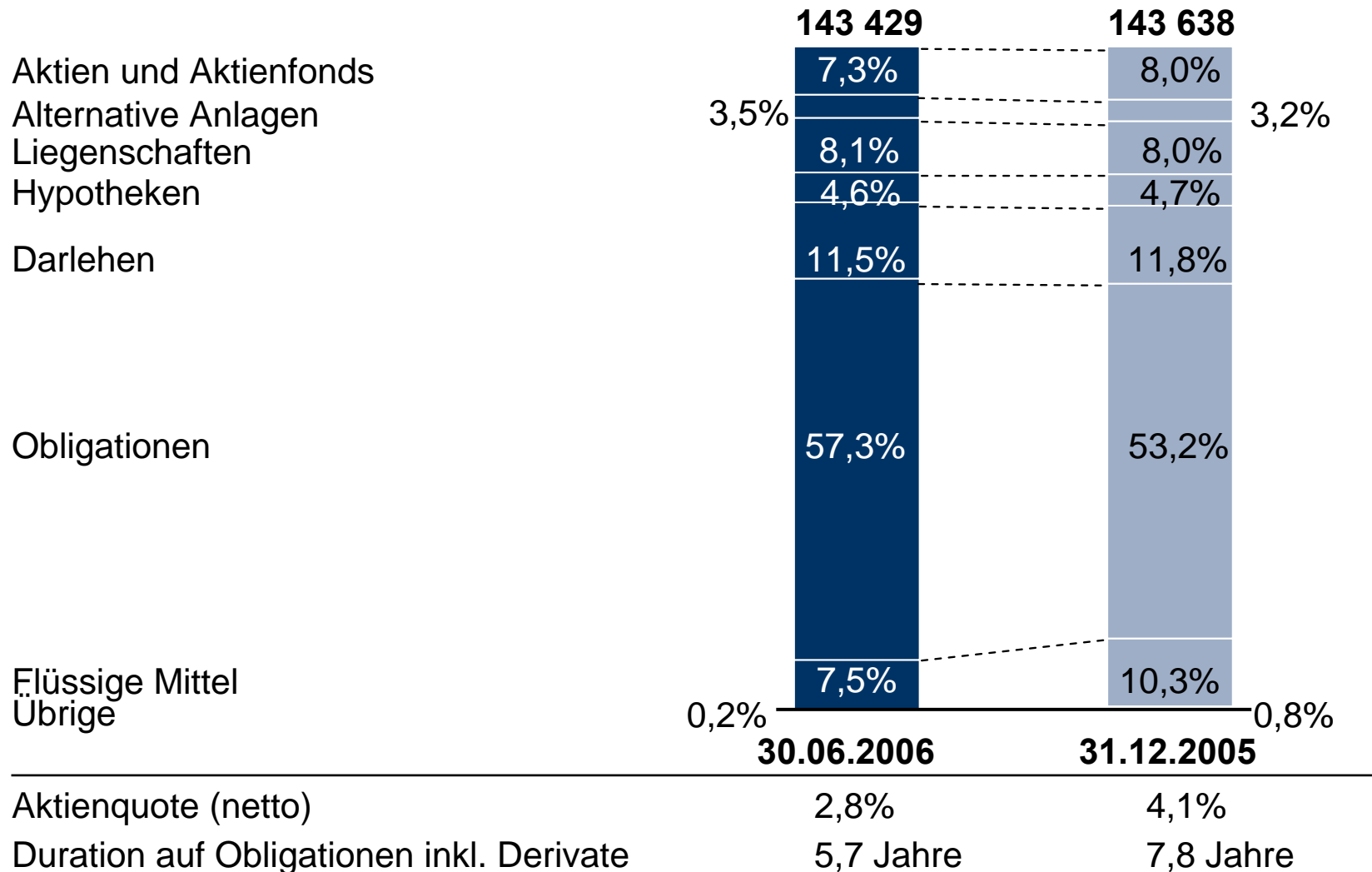
Basis: Stammhaus



Reinvestition in Obligationen bei weiterer Verkürzung der Duration



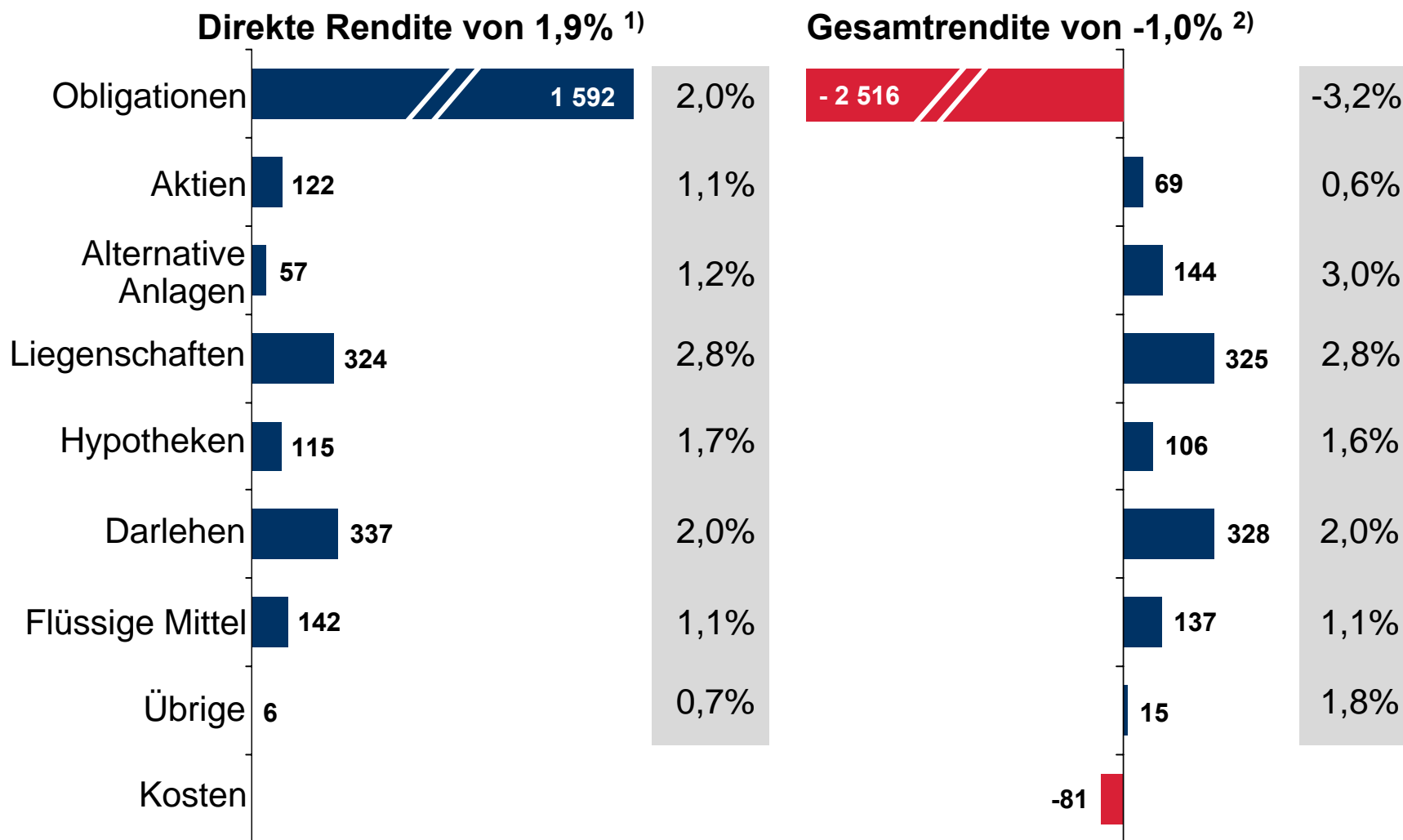
Anlagestruktur Versicherungsportefeuille; Mio. CHF (Basis: IFRS)



Direkte Rendite stabil



Anlagerendite Versicherungsportefeuille; Mio. CHF; nicht annualisiert



1) Direkte Rendite für das gesamte Geschäftsjahr 2005: 3,8%
 2) Inkl. Hedging-Effekte, vor Kosten

Embedded Value über CHF 10 Milliarden



Mio. CHF (statutarische Basis)

	30.06.2006	31.12.2005	Veränderung	RoEV ¹⁾
Embedded Value Schweiz	3 863	3 614	+6,9%	+11,2%
Embedded Value International	4 175	3 460	+20,7%	+20,0%
ANAV der Swiss Life Holding	2 037	1 813		
Swiss Life-Gruppe	10 075	8 887		+13,4%
davon ANAV	6 636	5 942		
PVFP	5 303	4 809		
Cost of Capital	-1 864	-1 864		
Embedded Value pro Aktie ²⁾	298	263		

1) Nach konzerninternen Transfers

2) Auf Basis von 33,8 Millionen Aktien

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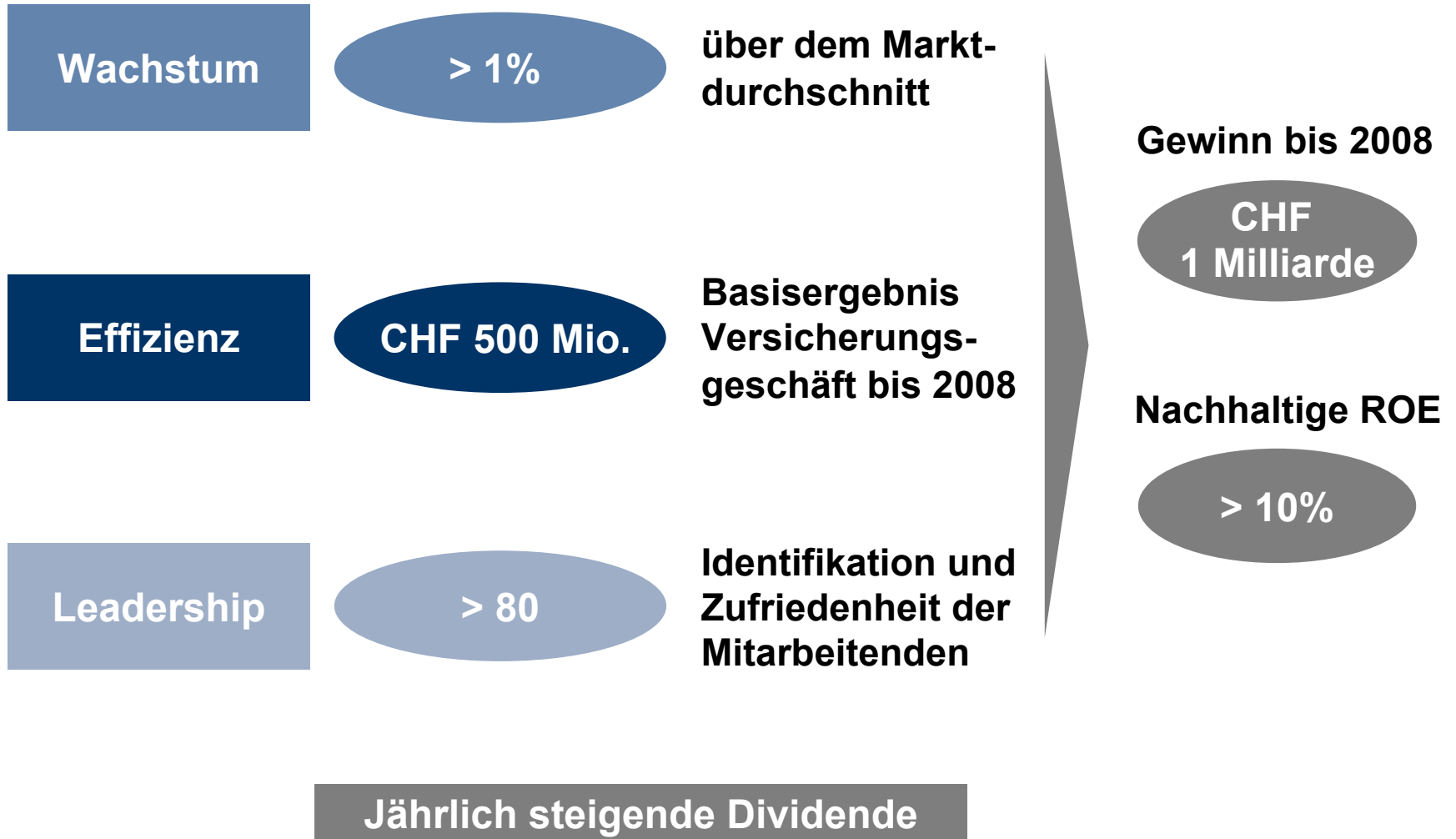
- Weitere operative Fortschritte erzielt
 - Prämienwachstum in den internationalen Märkten weiter gesteigert
 - Effizienz und Profitabilität des Neugeschäfts im Markt Schweiz erhöht
- Starke Eigenkapitalbasis trotz Zinsanstieg geschützt
- Embedded Value und Wert Neugeschäft erhöht

Unsere Prioritäten



- **Internationale Märkte**
 - Wachstumschancen wahrnehmen
 - Profitabilität des laufenden und des neuen Geschäfts steigern
- **Schweiz**
 - Effizienz und Profitabilität weiter verbessern und neue Produkte lancieren
 - Führende Stellung nutzen und Marktposition ausbauen
- **Investment Management – ALM**
 - Finanzergebnis stabil halten
 - Eigenkapitalbasis schützen
- **Banca del Gottardo**
 - Auf Private Banking konzentrieren
 - Strategie erfolgreich umsetzen

Auf Kurs für Ziele 2008





Supplementary information

Supplementary information



1. Profit and loss

2. Balance sheet

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5. Assumptions and definitions

6. Contact details

Organic premium growth



CHF million (IFRS basis)

	HY 2006	HY 2005	Change
GWP & PHD	12 693	11 635	9.1%
“Bols” deal Netherlands	-202		
Currency effects		58	
GWP & PHD (adjusted)	12 491	11 693	6.8%

Adjusted operating expenses



CHF million (IFRS basis)

	HY 2006	HY 2005	Change
Total operating expenses	1 474	1 528	-4%
Commissions and DAC amortisation	-465	-476	
Goodwill & PVP amortisation	-1	0	
Restructuring costs	-40	-60	
Divestments ¹⁾		-27	
Currency effects		5	
Operating expenses (adjusted)	968	970	0%

1) BdG (Monaco) & Dreieck Industrie Leasing

Switzerland: Life insurance premiums



CHF million (IFRS basis)

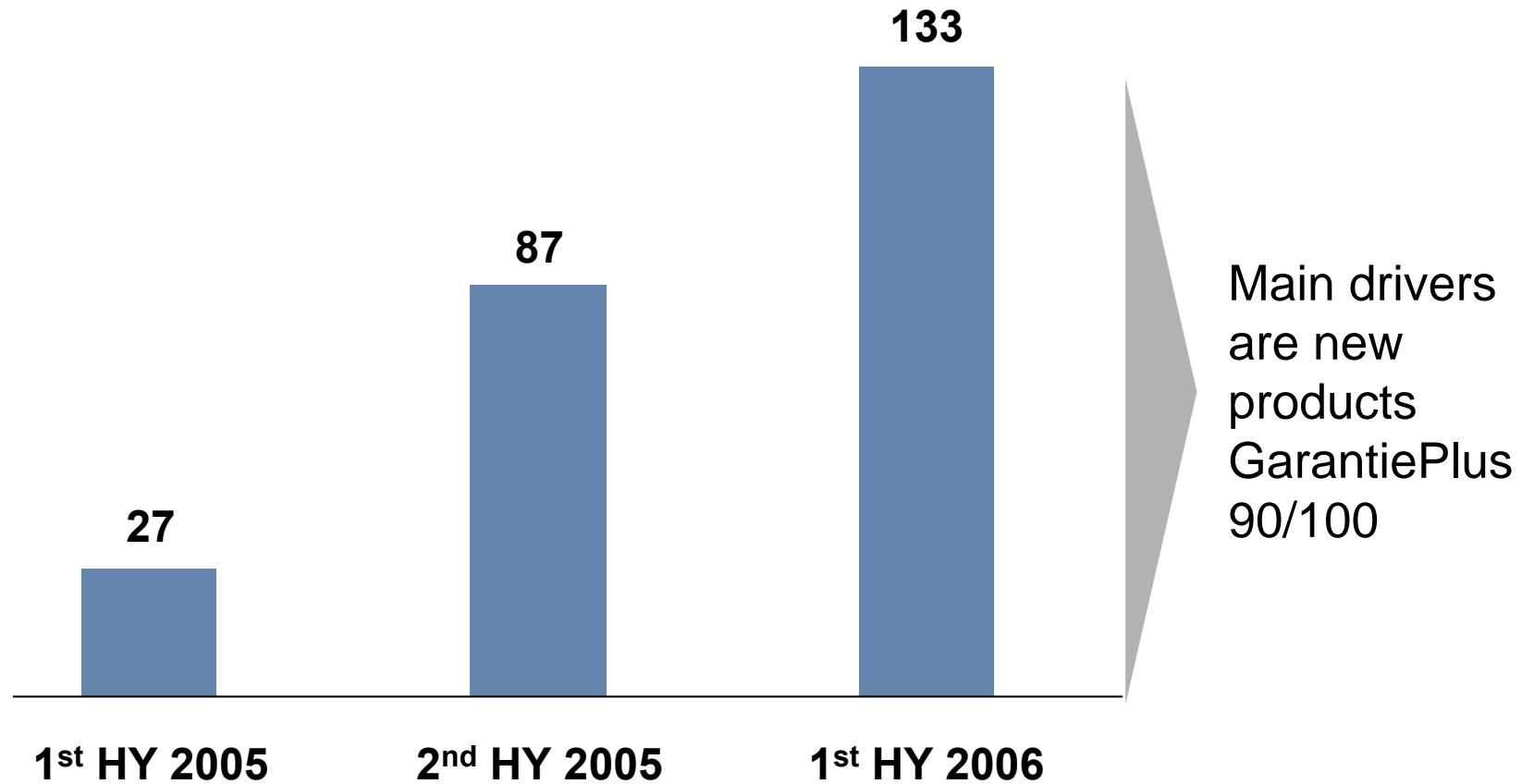
	HY 2006	HY 2005	Change
Total life GWP incl. PH deposits ¹⁾	5 474	5 321	+2.9%
Single premiums	2 184	2 064	5.8%
Periodic premiums	3 163	2 966	6.6%
Investment contract prem. & policy fees	76	250	n.m.
Reinsurance premiums assumed	51	41	24.4%
Group life	4 600	4 363	5.4%
Single premiums	1 886	1 673	12.7%
Periodic premiums	2 654	2 456	8.1%
Investment contract prem. & policy fees	60	234	n.m.
Individual life	823	917	-10.3%
Single premiums	298	391	-23.4%
Periodic premiums	509	510	-0.2%
Investment contract prem. & policy fees	16	16	-5.2%

1) Excluding non-life premium CHF 289 million in HY 2005

Switzerland: Sales volume of performance-oriented products increased



Gross premium/asset growth; unit-linked & funds (in CHF million)



Switzerland: Current issues in legislation



Group business

- **Conversion Rate:** More substantial and faster reduction recommended by the Federal Council (6.4% by 2011)
- **Minimum Interest Rate:** The majority of the BVG Commission to the Federal Council recommends keeping it at 2.5% for the next year. The Federal Council has yet to decide (approx. mid September 2006)

Broad interest in a stable 2nd pillar with secure funding and guaranteed pensions

Individual business

The following parliamentary initiatives have been put forward, but have not yet been decided upon:

Pillar 3a:

- Make pillar 3a accessible to those not working
- Expand pillar 3a from retirement age 65 to 70

Pillar 3c:

- Launch a pillar 3c to finance costs of old age care

Positive tendency to expand pillar 3: Potential to develop new business

Supplementary information



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4. Banca del Gottardo

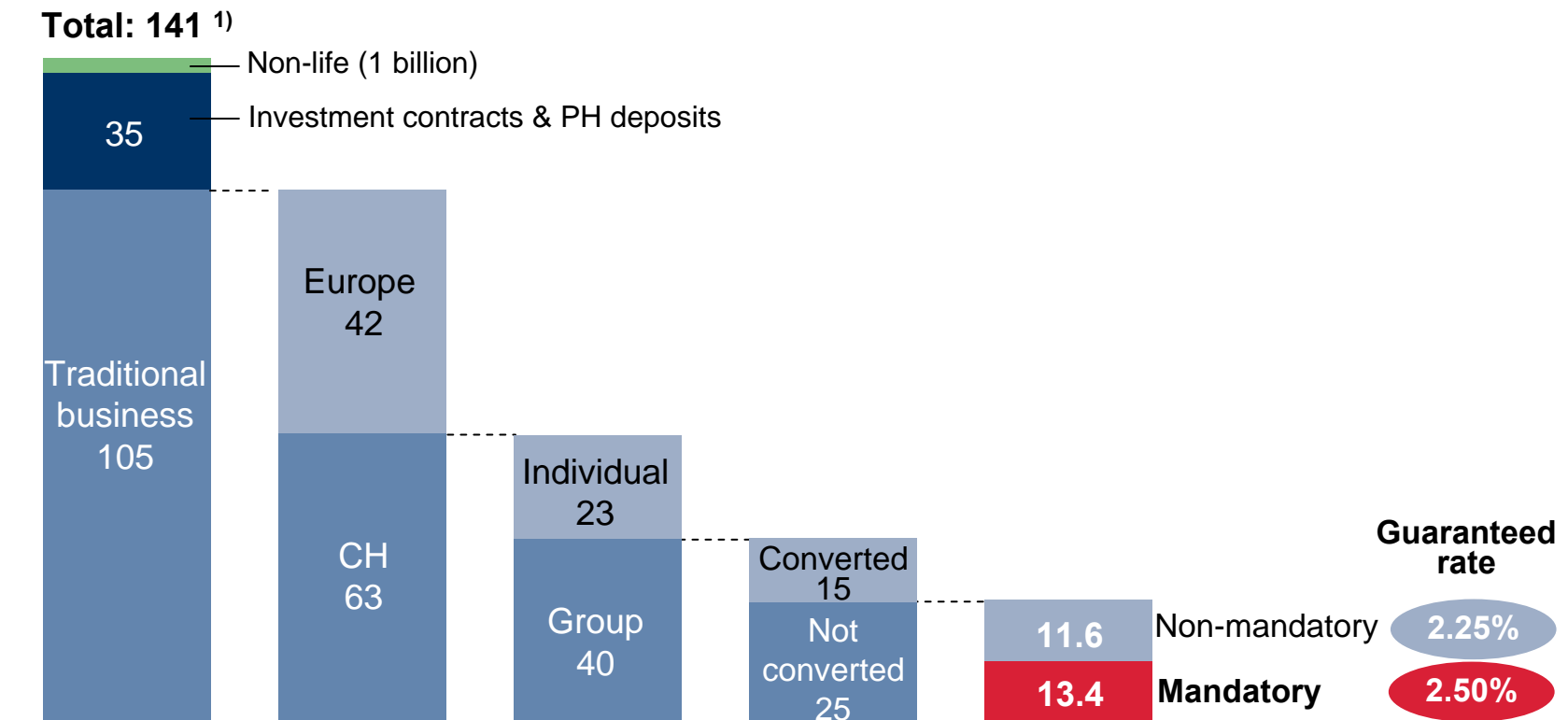
5. Assumptions and definitions

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Less than 10% of Swiss Life Group reserves are subject to BVG minimum interest rates

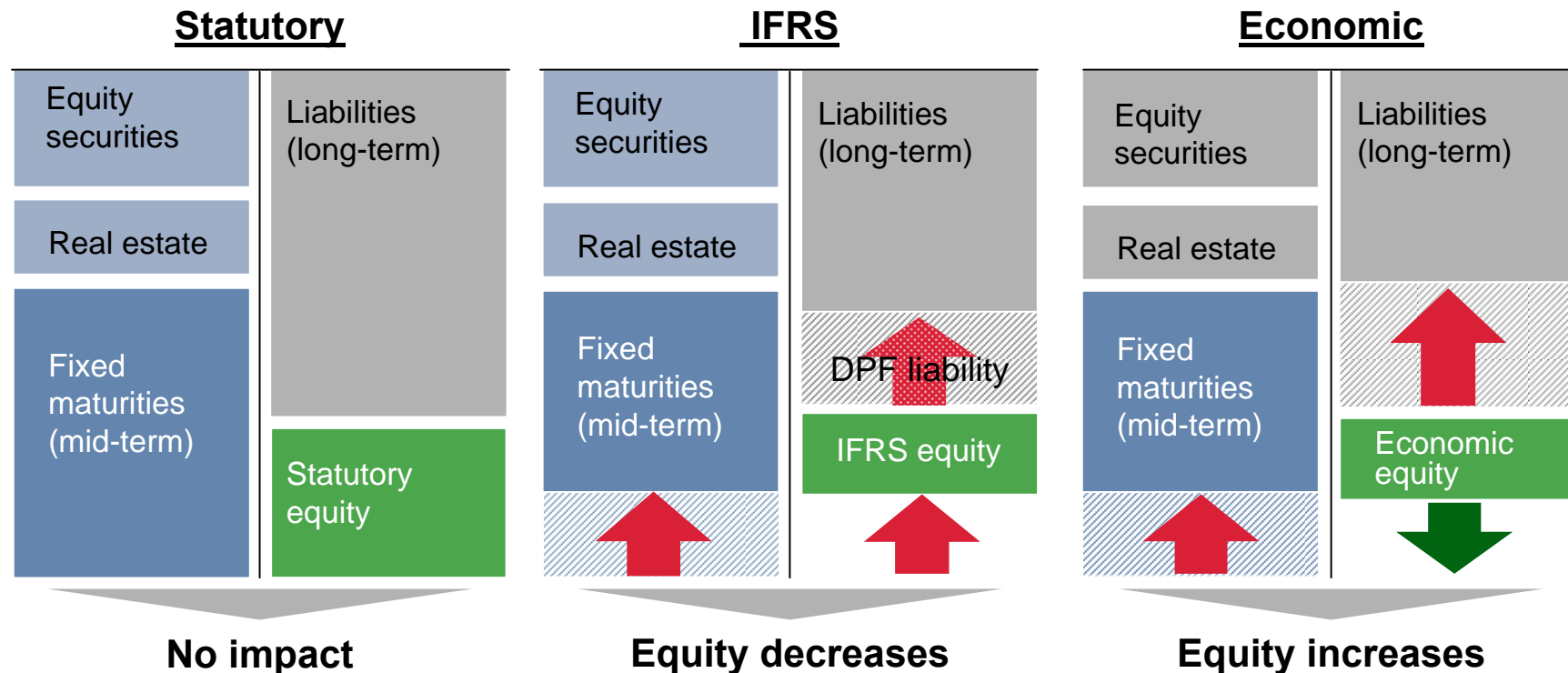


Breakdown of technical reserves as per 30.06.2006; CHF billion (IFRS basis)



1) Excludes 3rd party reserves of CHF 6 billion: Unit-linked and embedded derivatives insurance

Impact of rising interest rates



- IFRS equity is not the appropriate measure for insurance value
- Positive impact of rising interest rates visible in embedded value and economic net worth
- Derivatives and hedge accounting allow protection of IFRS equity
- IFRS equity further protected by policyholders: through DPF liability (incl. bonus reserves) and bonus adjustments potential
- Legal required statutory solvency currently floored in case of rising interest rate

Duration of bond portfolio - including interest rate hedges

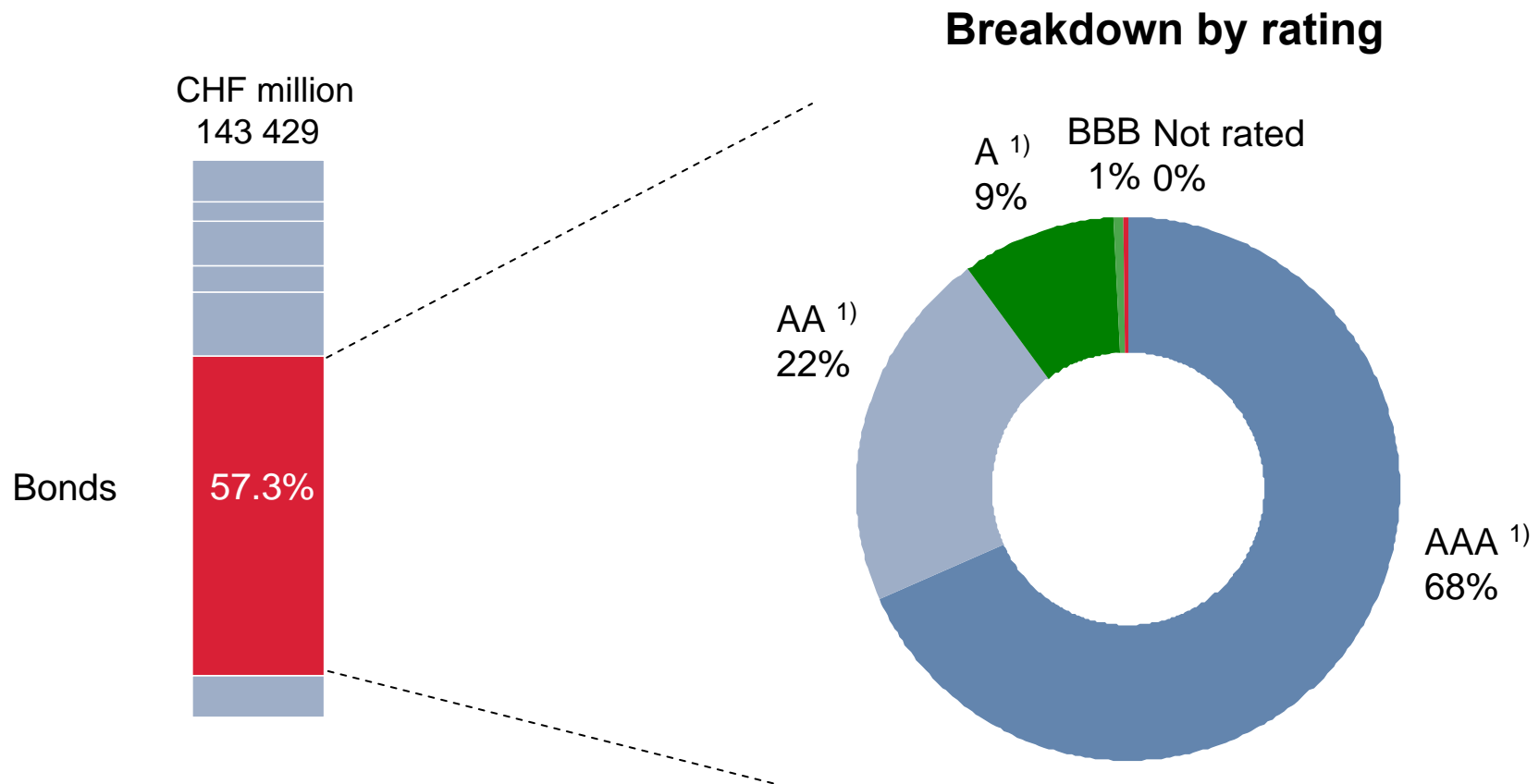


Effective duration parent company (Stammhaus); years

	30.06.2006	31.12.2005	30.06.2005
CHF	7.2	8.8	8.9
EUR	5.3	7.7	10.0
GBP	5.1	5.5	10.1
USD	2.9	3.4	11.6
Average	5.7	7.8	9.8

Bond portfolio: Ratings

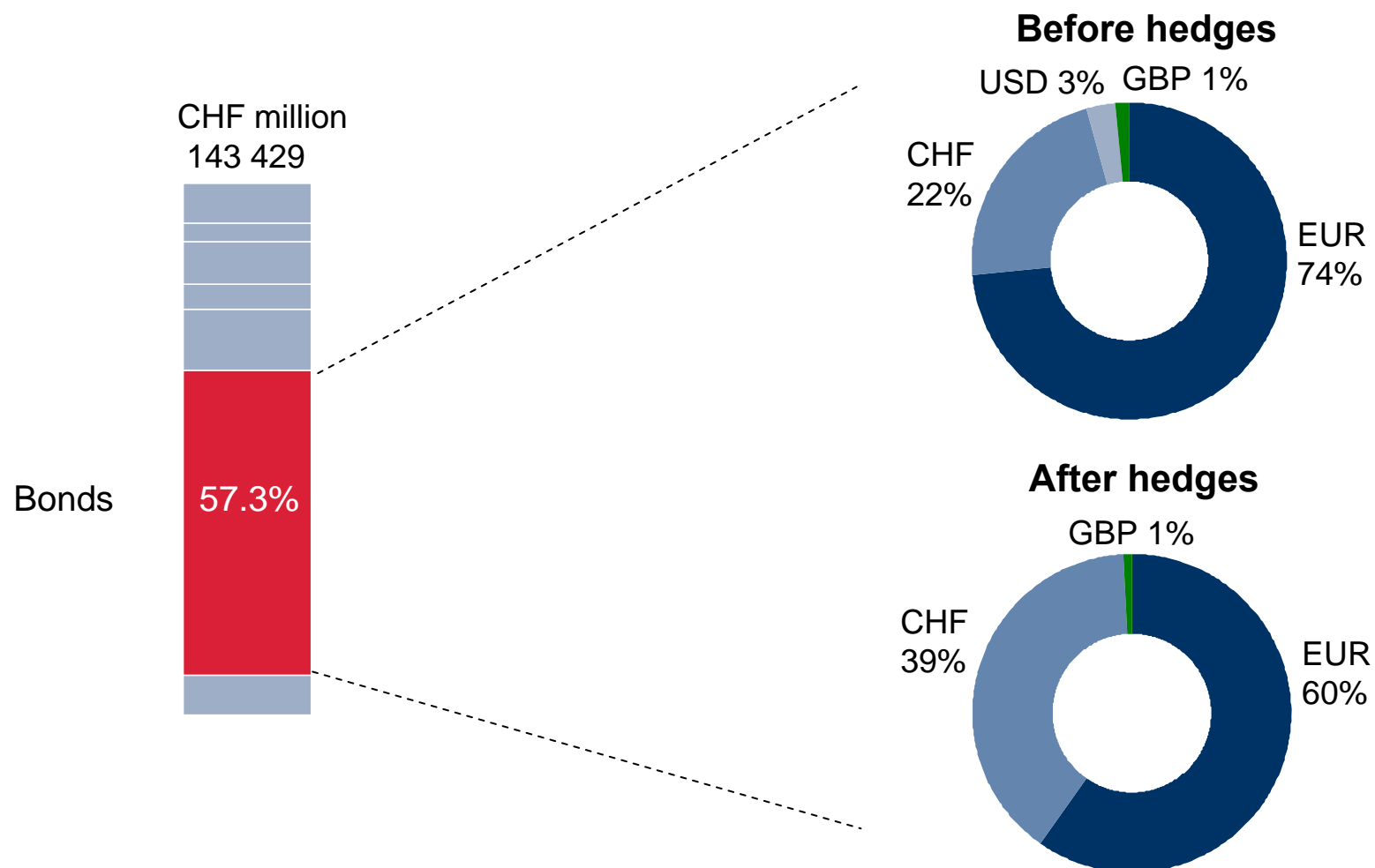
Insurance portfolio (IFRS basis)



1) Including 56% government bonds in aggregate

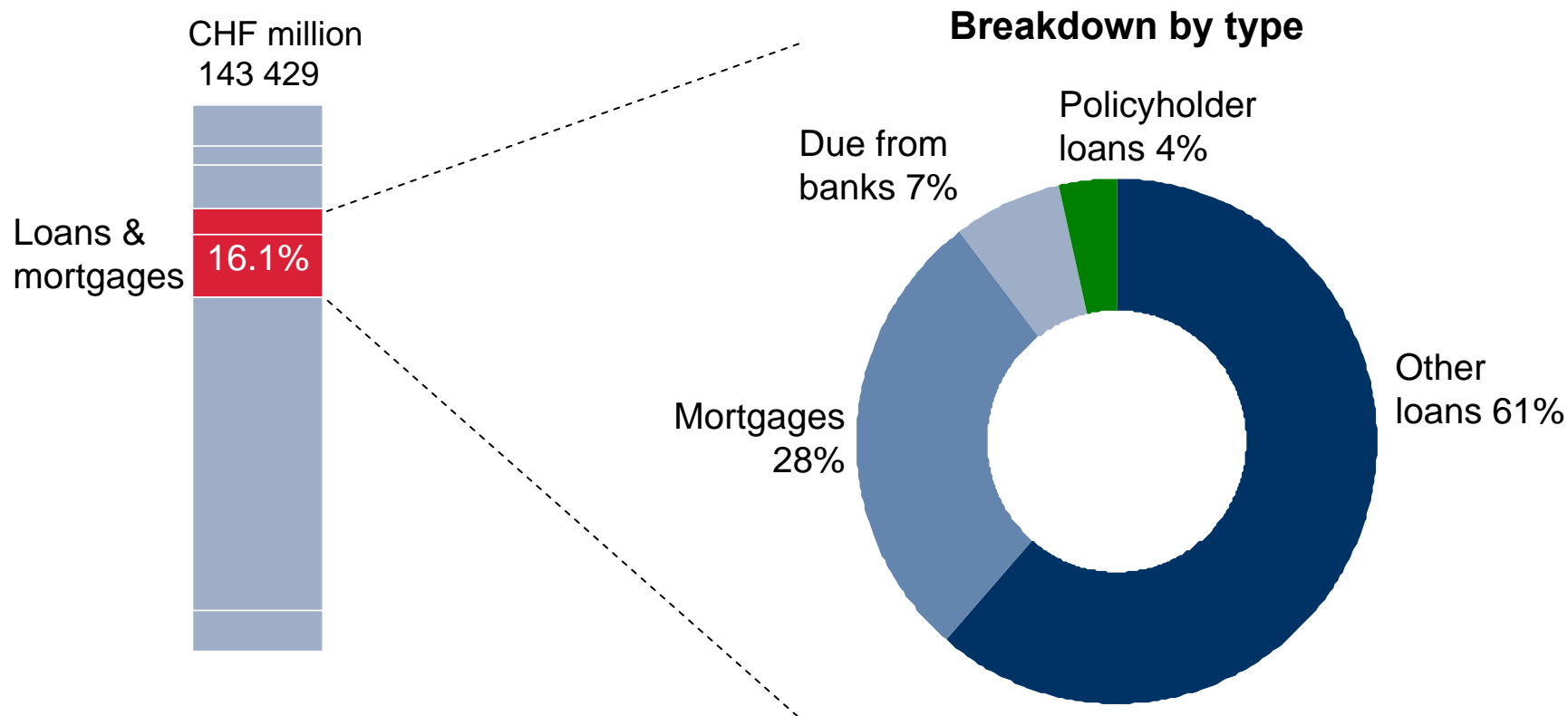
Bond portfolio: Currency exposure

Insurance portfolio (IFRS basis)



Loan and mortgage portfolio

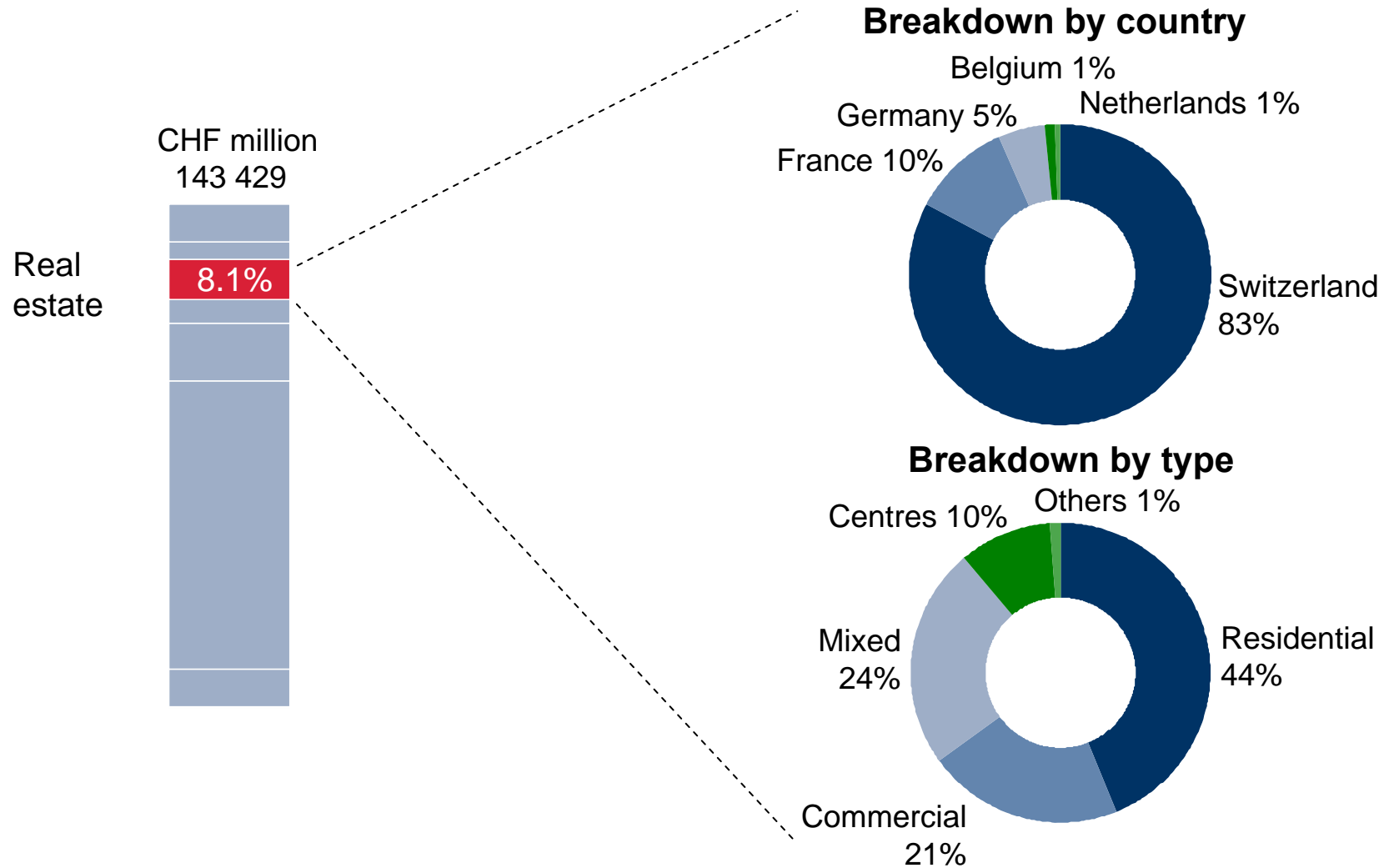
Insurance portfolio (IFRS basis)



Real estate portfolio

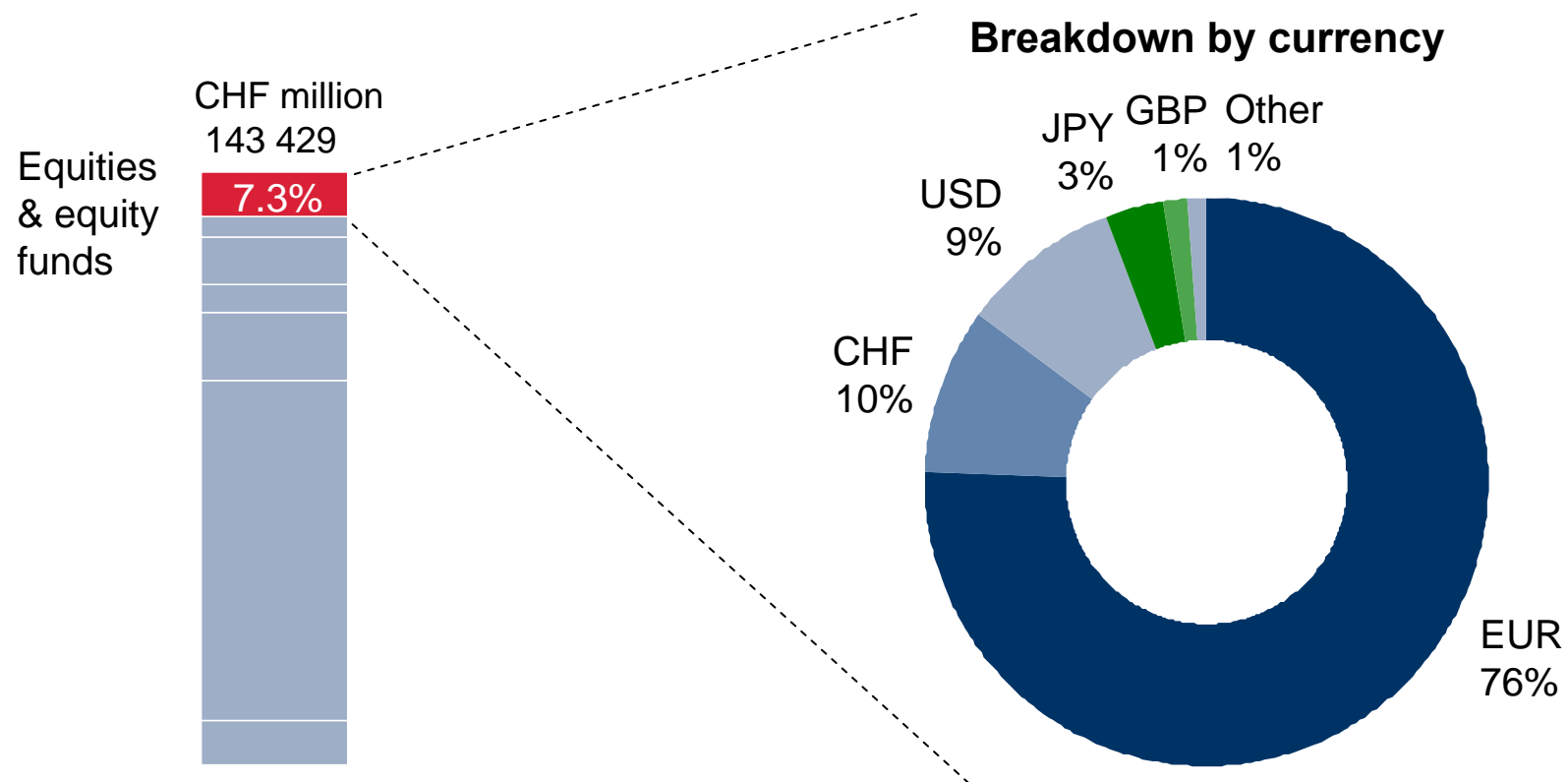


Insurance portfolio (IFRS basis)



Equity portfolio: Currency exposure

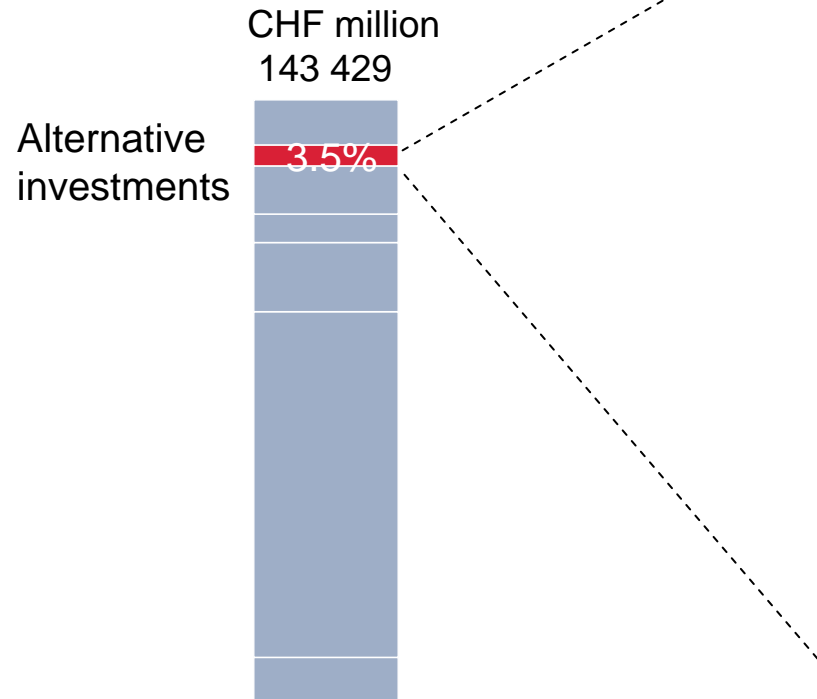
Insurance portfolio (IFRS basis)



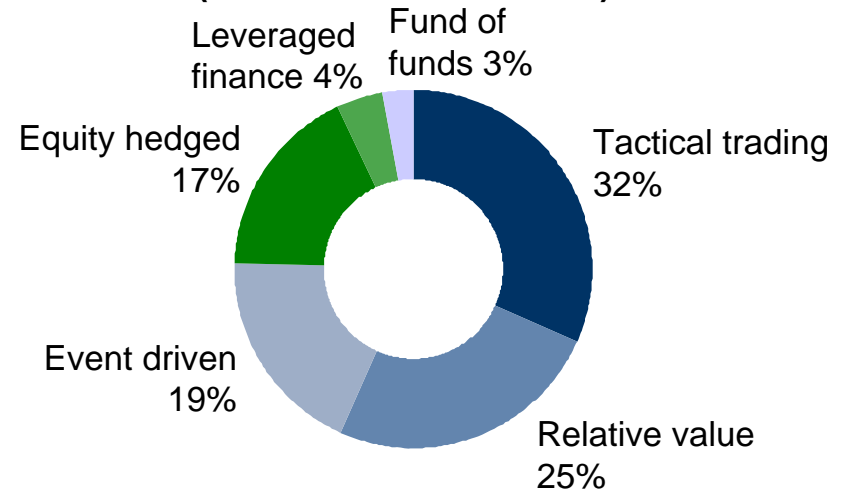
Alternative investment portfolio



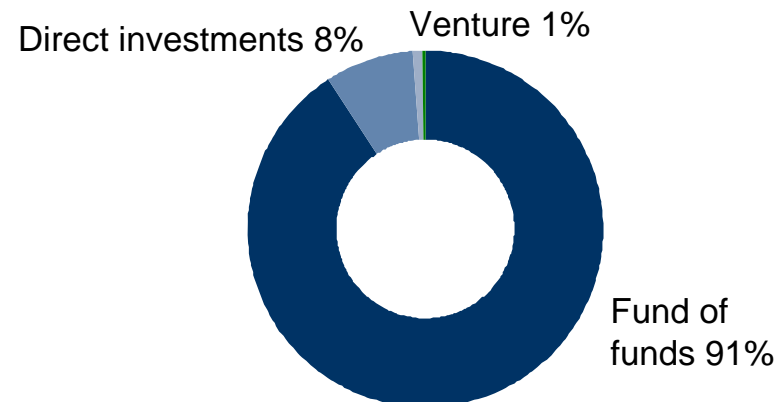
Insurance portfolio (IFRS basis)



Hedge funds: CHF 4.9 billion (2005: CHF 4.5 billion)



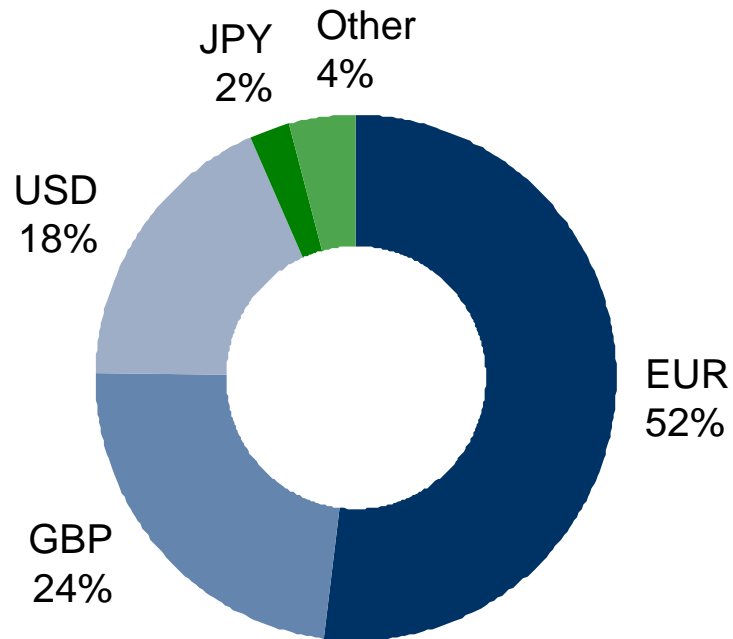
Private equity : CHF 162 million (2005: CHF 214 million)



Currency exposure



Net 3.5% of insurance portfolio



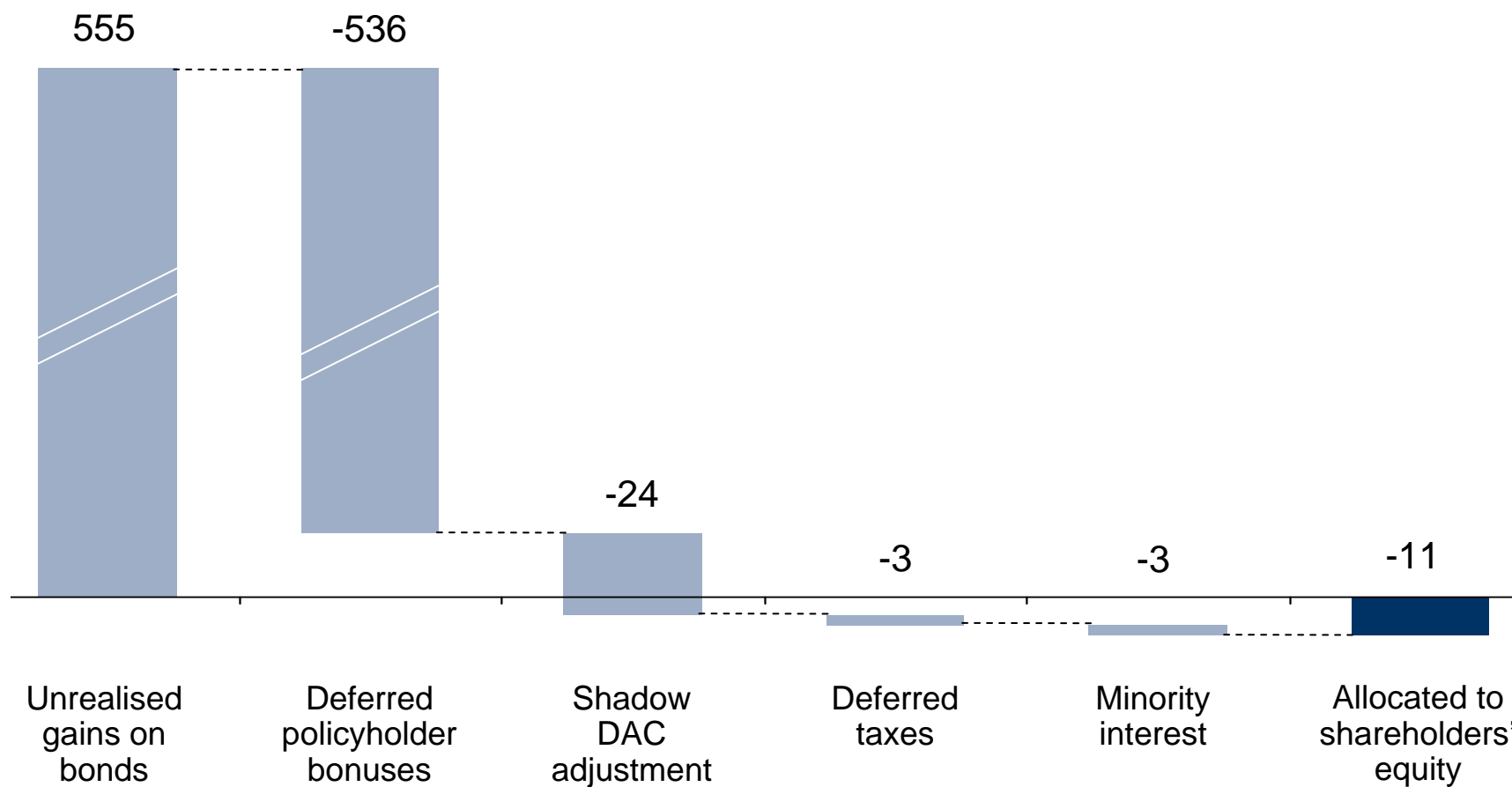
Gross currency exposure
Hedged currency exposure
Net currency exposure

CHF 28 327 million
CHF 23 875 million
CHF 4 452 million

Allocation of unrealised gains/losses on bonds

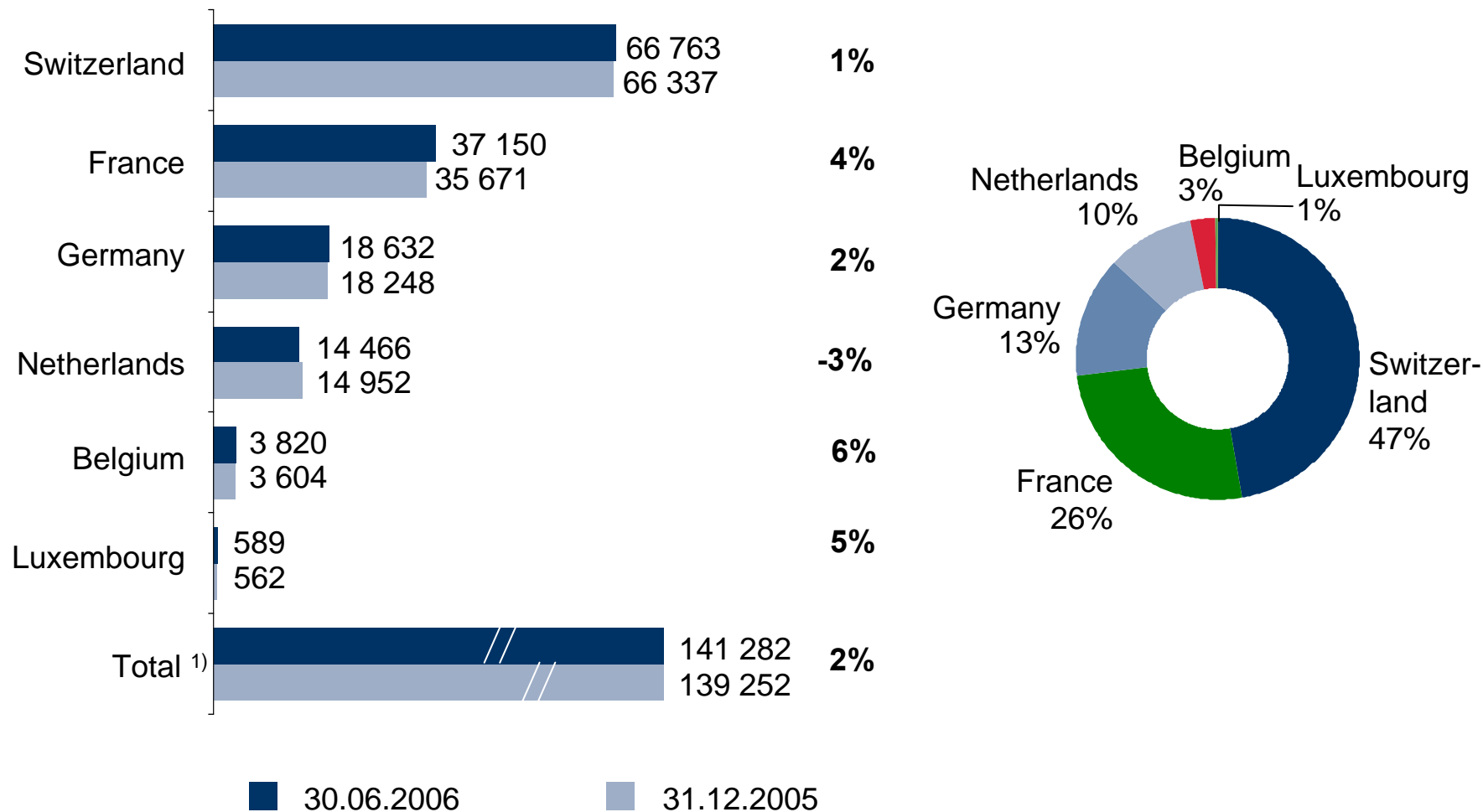


CHF million (IFRS basis)



Insurance reserves by country

CHF million (IFRS basis)



1) Includes other and intersegment eliminations: In HY 2005 CHF -122 million; in HY 2006 CHF -138 million

Average technical interest rate of 3.02%



CHF / EUR / USD / GBP million (statutory basis)

	CHF	EUR	USD	GBP
Total reserves	64 819	33 489	471	9
Mean technical interest rate	2.79%	3.29%	4.09%	3.58%

Overall: 3.02% (FY 2005: 3.03%)

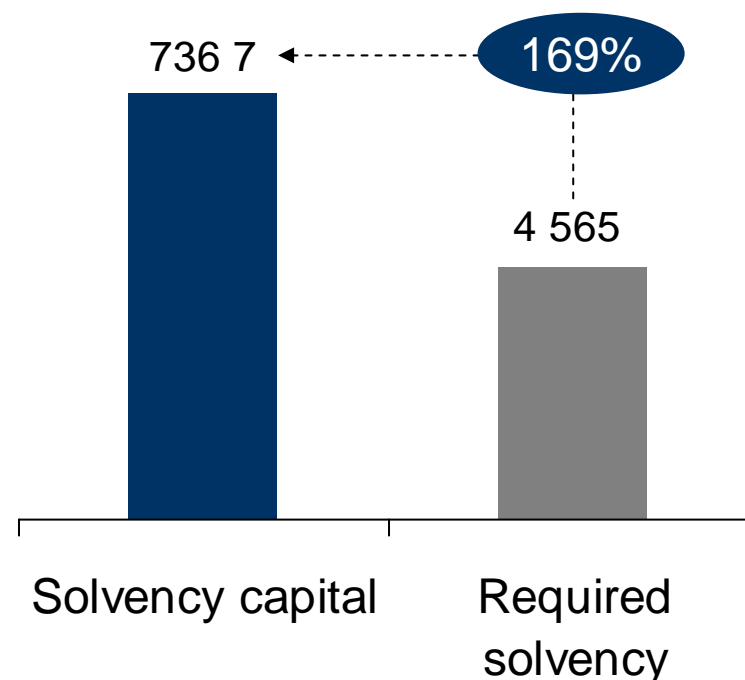
Statutory solvency at 169%

CHF million (statutory basis)

Solvency capital

Parent company statutory equity	3 032
Intangibles	-47
Hybrid capital	1 544
Fund for future appropriation	678
Additional Zillmerisation	527
Unrealised capital gains	1 311
Unattributed surplus	691
Solvency capital	7 736

Statutory solvency



Supplementary information



1. Profit and loss

2. Balance sheet

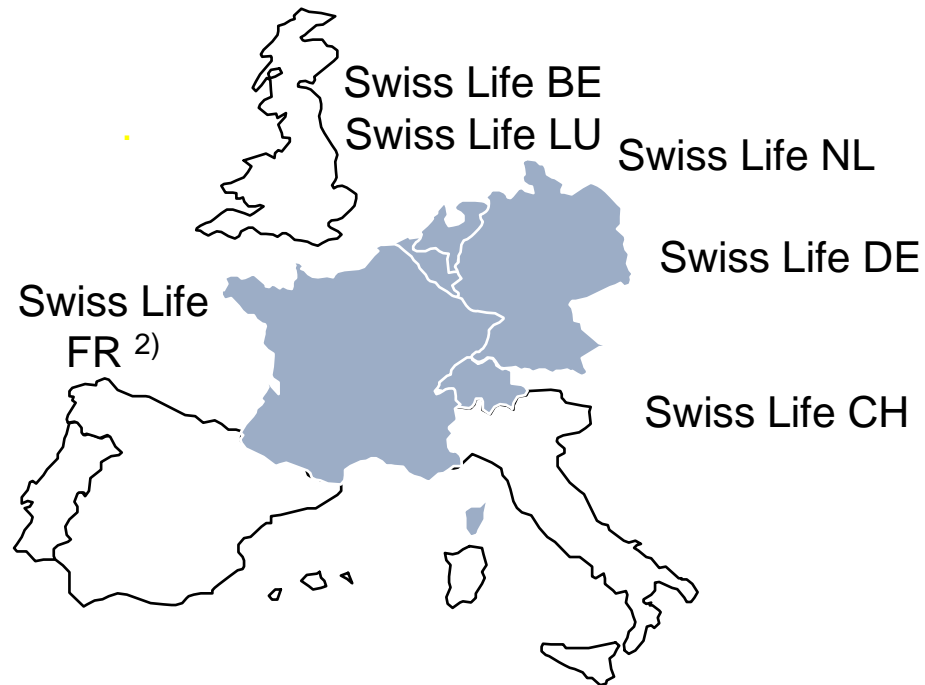
3. Embedded value

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Implementation of embedded value at Swiss Life



- ANAV and PVFP have been calculated for more than 95% of the mathematical reserves
- For other life insurance entities only the NAV has been included
- The banking ¹⁾ and non-life insurance businesses have also been included at book value
- PwC has reviewed the embedded value calculations

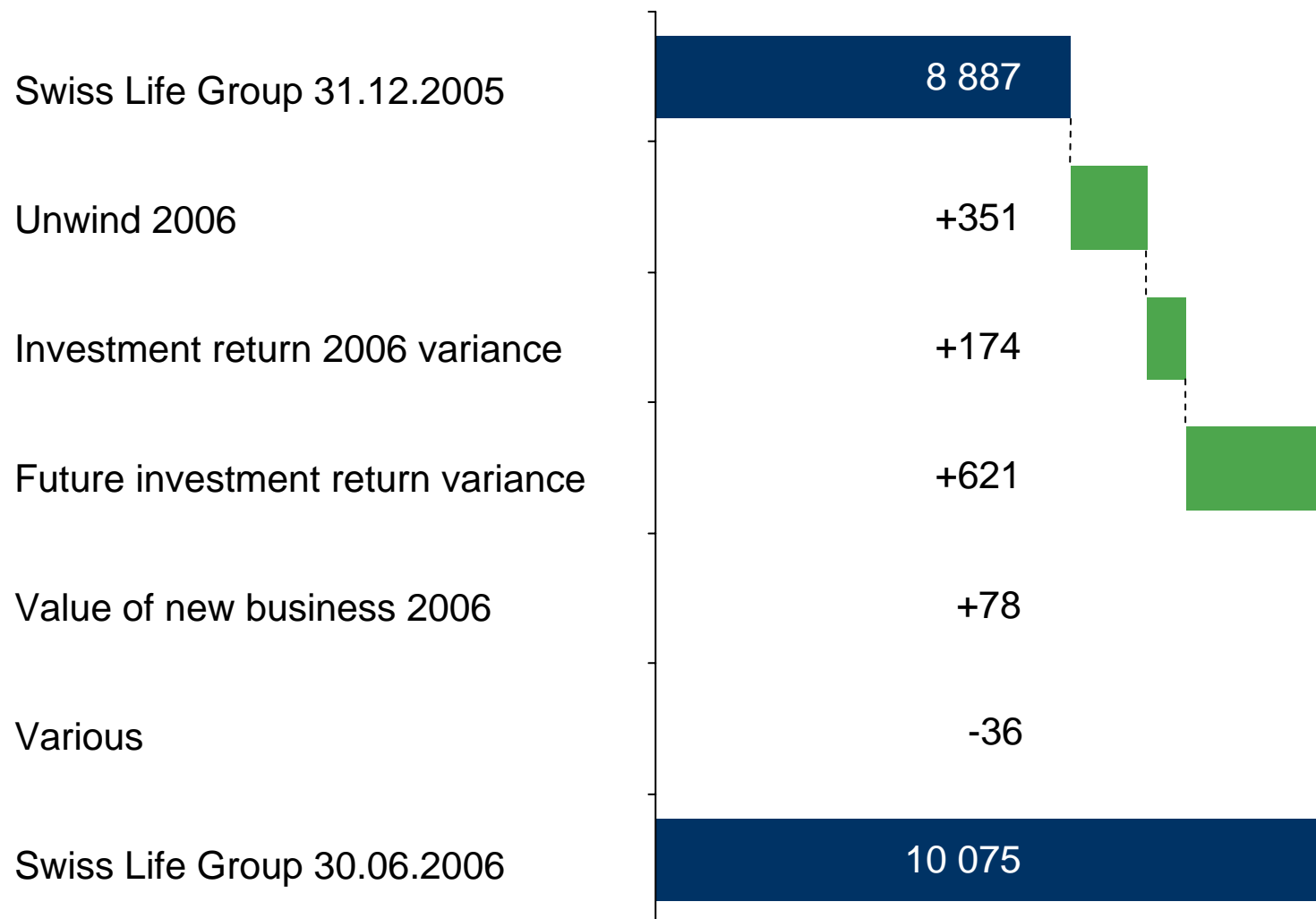
1) Including Banca del Gottardo at book value of CHF 1 340 million

2) Swiss Life France consists of: Swiss Life Assurance Retraite, Swiss Life Assurances et Patrimoine, Swiss Life Prévoyance et Santé, Erisa

Embedded value increased by 13%



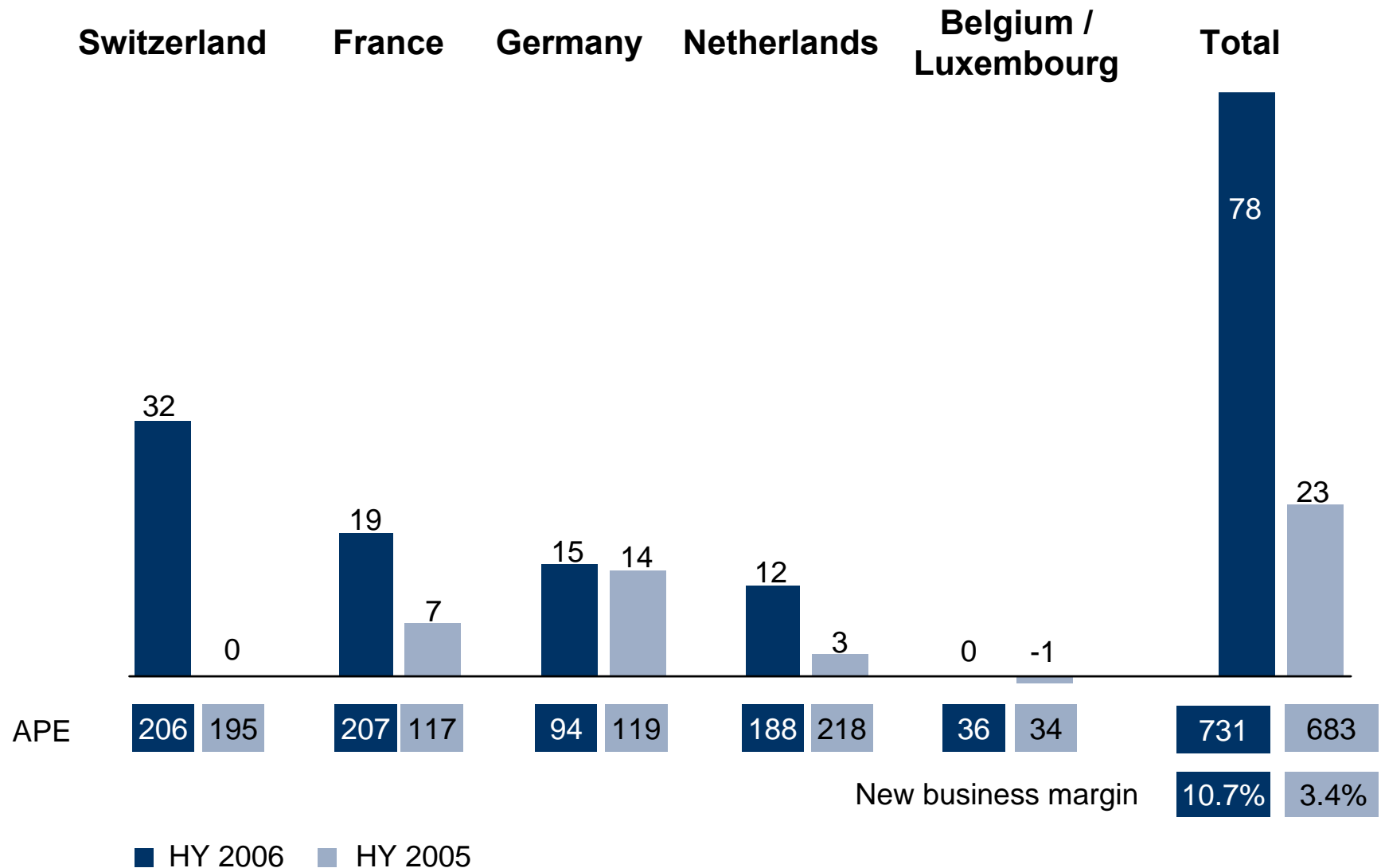
Analysis of change; CHF million (statutory basis)



Strong contribution to value of new business by all markets



CHF million (statutory basis)



Key assumptions for embedded value calculation



	30.06.2006		31.12.2005	
	CH	EU	CH	EU
Risk discount rate	7.0%	8.0%	7.0%	8.0%
Equity return	6.5%	7.5%	6.5%	7.5%
Bond return	3.1%	4.3%	2.1%	3.6%
Real estate return	4.5%	5.2%	4.5%	5.2%
Hedge fund return	6.0%	7.0%	6.5%	7.5%
Weighted new money rate	3.7%	4.5%	3.2%	3.8%

- Weighted new money return based on asset allocation
- Weighted returns are lower due to reduced assumed future investment returns
- Long-term bond return from 2011 onwards

CH	3.5%
EU	4.7%
- Long-term weighted new money rate from 2011 onwards

CH	4.1%
EU	4.9%
- No uplift for foreign currency bonds assumed

10-year government bond:	30.06.2006	31.12.2005
Switzerland (CHF)	2.9%	2.0%
Europe (EUR)	4.1%	3.3%

Asset allocation assumptions by region



	30.06.2006		31.12.2005	
	CH	EU	CH	EU
Cash and cash equivalents	1%	1%	4%	2%
Bonds and loans	65%	82%	56%	82%
Mortgages	7%	2%	9%	2%
Real estate	14%	5%	13%	5%
Equities	7%	6%	7%	7%
Participations	0%	0%	3%	0%
Alternative investments	6%	4%	8%	2%

Sensitivities of embedded value



CHF million (statutory basis)

	Switzerland	International	Total
EmbV HY 2006 (base case)	3 863	4 175	10 075¹⁾
Δ Bond returns +100 bps	145	294	439
Δ Bond returns -100 bps	-198	-310	-508
Δ Equity returns +10 ppts	192	65	257
Δ Equity returns -10 ppts	-201	-62	-263
Δ Investment returns +100 bps	496	599	1 095
Δ Investment returns -100 bps	-935	-680	-1 615
Δ Risk discount rate -100 bps	430	295	725
Δ Cost of capital at 150% ²⁾	-594	-301	-895

1) Including ANAV of Swiss Life Holding and overhead of CHF 2 037 million

2) Currently 100% cost of capital

Sensitivities of value of new business



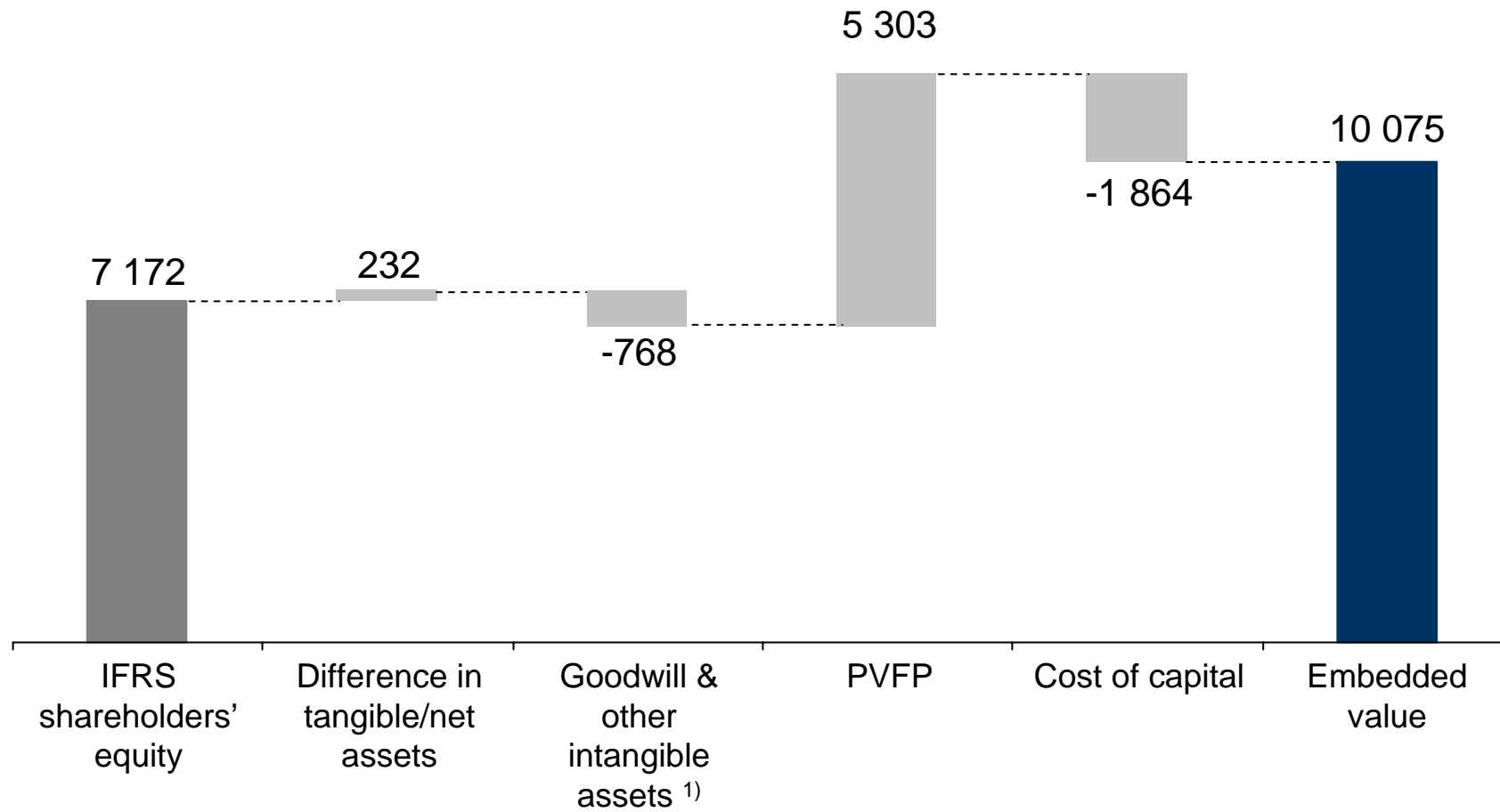
CHF million (statutory basis)

	Total
VnB HY 2006 (base case)	78
Δ Bond return +100 bps	19
Δ Investment returns +100 bps	22
Δ Risk discount rate -100 bps	26
Δ Administration costs -10 ppts	8
Δ Acquisition costs -10 ppts	14

IFRS equity to embedded value bridge



CHF million



1) Including goodwill CHF 692 million, customer relationships CHF 8 million and other intangible assets CHF 68 million

Supplementary information



1. Profit and loss
2. Balance sheet
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- 4. Banca del Gottardo**
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Banca del Gottardo: Overview of key financials



CHF million (statutory basis)

	HY 2006	HY 2005	Change
Results from interest activities	62	71	-13%
Results from commission and service fee activities	128	126	2%
Results from trading operations	37	37	-
Other ordinary result	5	3	67%
Net revenues	232	237	-2%
Personnel expenses	-88	-96	-8%
Other operating expenses	-73	-60	22%
Total operating expenses	-161	-156	3%
Gross profit	71	81	-12%
Depreciation, provisions and losses	-59	-24	146%
Extraordinary result	100	1	100%
Taxes	-29	-14	107%
Net profit ¹⁾	83	44	89%
Net new money	399	33	n.m.
PB revenue margin	1.10%	1.05%	0.05%

1) Includes CHF 70 million after tax capital gains from divestments and CHF 38 million extraordinary charges (CHF 21 million accrual credit and legal risks, CHF 12 million accrual for the transformation process and CHF 5 million for the outsourcing of IT activities and the migration to a new IT platform). Normalised profit without extraordinary items would amount to CHF 51 million

Banca del Gottardo: Key ratios



CHF million (statutory basis)

	30.6.2006	31.12.2005	Change
Return on equity	16.8% ¹⁾	8.1%	9%
Cost/income ratio	69.4% ²⁾	68.0%	1.4 ppts
BIS ratio (Tier 1)	14.7%	11.6%	3.1 ppts
BIS ratio (Tier 2)	15.2%	12.0%	3.2 ppts
Assets under management	33 819	38 741	-13%
Assets under control ³⁾	75 882	76 721	-1%
Risk-weighted assets	6 031	7 629	-21%
Shareholders' equity	1 019	1 031	-1%
Excess capital ⁴⁾	437	304	44%
FTEs	972	1 101	-12%

1) Annualised ROE excluding extraordinary effects 10.2%

2) Excluding extraordinary effects cost/income ratio 66%

3) Includes assets under custody of CHF 42.1 billion as of HY 2006 and CHF 38.0 billion as of FY 2005

4) Under Swiss Federal Law on Banks

Supplementary information

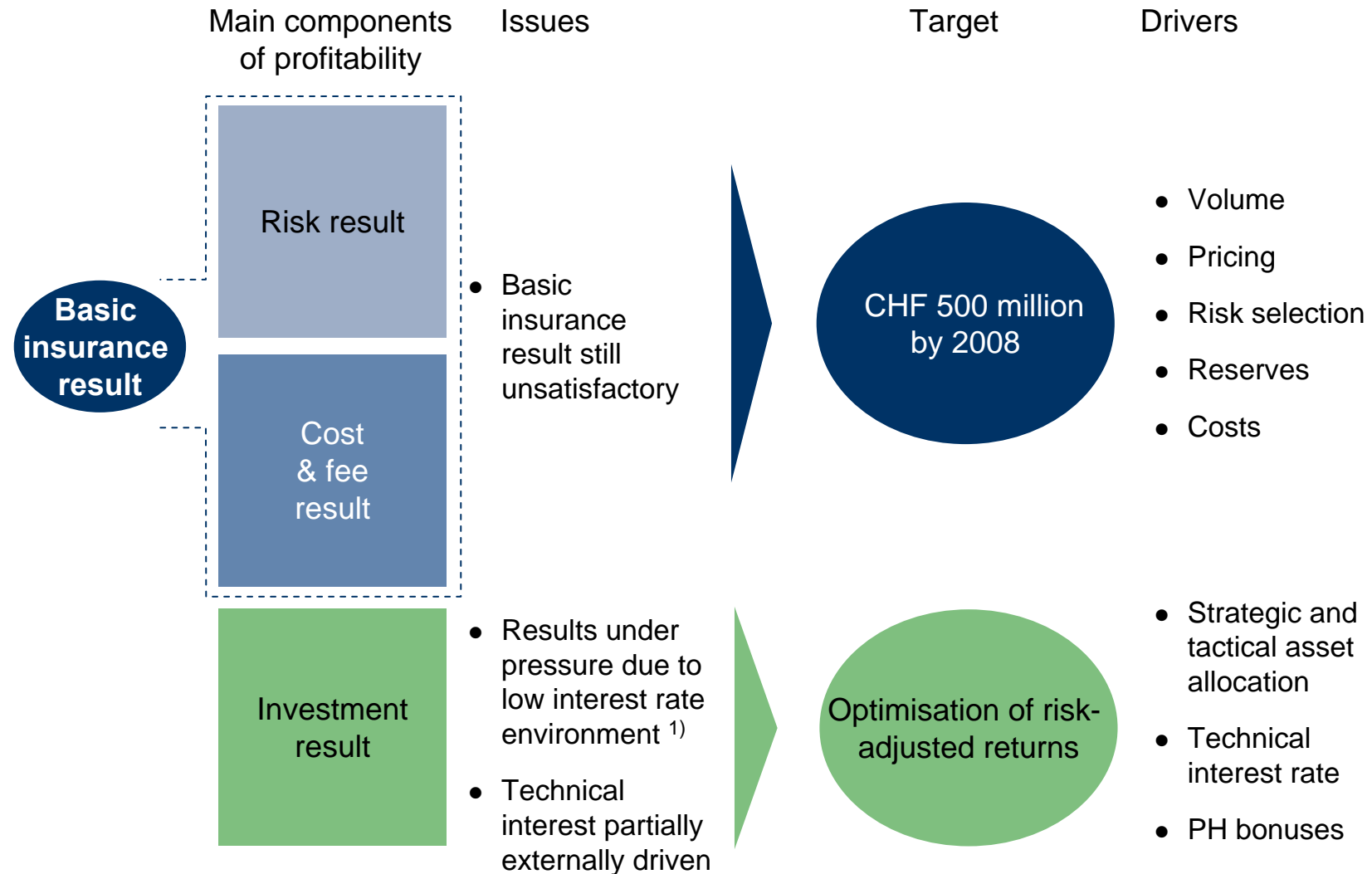


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6. Contact details

Basic insurance result best reflects operational performance

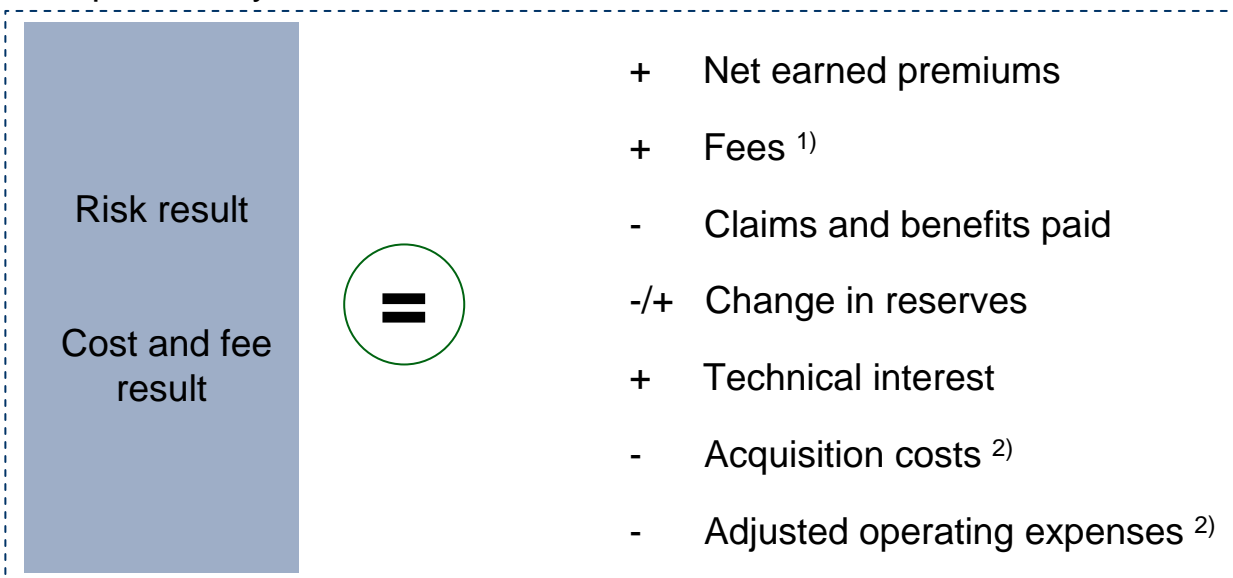


1) Due to reinvestments

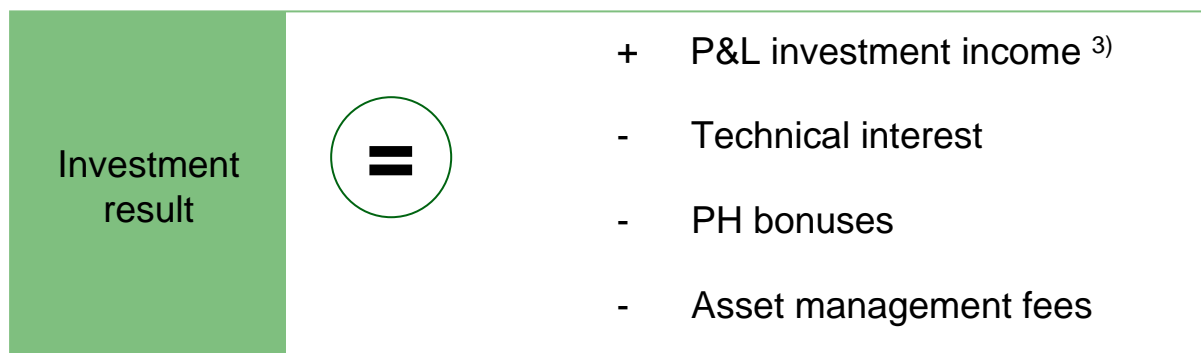
Basic insurance result: Definitions

Main components of profitability

Definition (IFRS basis)



BASIC INSURANCE RESULT



1) E.g. for unit-linked, distribution of third-party products
 2) Including cost normalisation e.g. DAC, restructuring costs
 3) Including costs

Forex and interest rates



Foreign currency exchange rates

	30.06.06	31.12.05	30.06.05	1.1.-30.06.06	1.1.-30.06.05
EUR	1.5670	1.5550	1.5470	1.5616	1.5465
GBP	2.2620	2.2640	2.3130	2.2729	2.2548
USD	1.2330	1.3100	1.2800	1.2712	1.2035

Interest rates ¹⁾

	30.06.06	31.12.05	30.06.05
CHF	2.830	1.971	1.961
EUR	4.071	3.309	3.127
USD	5.136	4.391	3.913
GBP	4.710	4.100	4.173

1) 10-year government bond

Cautionary statement regarding forward-looking information



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Supplementary information



1. Profit and loss
2. Balance sheet
3. Embedded value
4. Banca del Gottardo
5. Assumptions and definitions

6. Contact details

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