



Facts and Figures 2007

The private insurance
industry

ASA | SVV

Schweizerischer Versicherungsverband
Association Suisse d'Assurances
Associazione Svizzera d'Assicurazioni
Swiss Insurance Association

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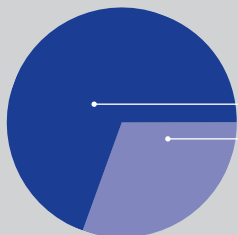
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Foreword	5
Swiss private insurance companies	6
Life and P&C insurance business in Switzerland, total	8
Life insurance business in Switzerland	10
Property and casualty insurance business in Switzerland	16
Reinsurance	22
International insurance ratios	25
Capital investments	26
Retirement planning in Switzerland	28

Premium volume of the Swiss private insurance industry in 2005

in billions of Swiss francs



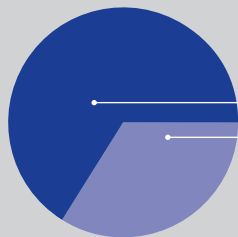
Abroad		122.3
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Switzerland		53.5
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Total		175.8
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Employee statistics Swiss private insurance companies

1 January 2006



Abroad		90 000
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Switzerland		45 606
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Total		135 606
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Dear readers

The Swiss Insurance Association is the umbrella organisation for the private insurance industry. Our organisation is comprised of small and large primary insurers and reinsurers active on the national and international level.

Our 80 member companies account for more than 95 % of all premiums earned by the private insurance industry on the Swiss market.

We are committed to promoting a sustainable market environment and competition that are both liberal and adhere to socially accepted principles. We also strive to maintain acceptable economic conditions.

Our «Facts and Figures» brochure presents the most important data in brief and at a glance. For further up-to-date information visit www.svv.ch/Figures

Yours, Swiss Insurance Association

Employee statistics

at 1 January	2003	2004	2005	2006*
Total employed	157 929	134 291	134 960	135 606
in Switzerland	46 175	43 514	42 186	45 606
abroad	111 754	90 777	92 774	90 000
Breakdown of those employed in Switzerland				
women	17 942	17 259	16 590	19 207
men	28 233	26 255	25 596	26 399
full-time employees	39 125	36 122	35 056	37 094
part-time employees	7 050	7 392	7 130	8 512
administration	35 865	35 479	35 114	37 634
sales force	10 310	8 035	7 072	7 972
female trainees	1 226	1 181	1 015	1 054
male trainees	885	839	796	815
total trainees	2 111	2 020	1 811	1 869

* In 2006, the data base was extended to include health insurance companies for the first time. The health insurance figures also comprise those employees dealing with compulsory insurance business.

Premium volume worldwide in 2005

Total in CHF billion	Switzerland	Foreign	Total
Life	29.8	30.5*	60.3
Non-life	20.8	53.8*	74.6
Total direct insurance	50.6	84.3*	134.9
Re	2.9*	38.0*	40.9
Overall total	53.5	122.3	175.8
Breakdown in percent	30.4%	69.6%	100%

* Swiss Insurance Association estimate

Source: Federal Office of Private Insurance

2005 premium volumes for the 12 largest Swiss private insurers worldwide

Total in CHF billion	* in USD billion
Zurich	46.8*
Swiss Re	30.5
Winterthur	21.3
Swiss Life	20.2
Bâloise	6.8
Helvetia	5.2
Allianz Suisse	3.6
Mobiliar	2.6
Converium	2.0*
Generali	2.0
Vaudoise	2.0
Swiss National	1.7

Source: 2005 Annual Reports

8 | Life and P&C insurance business in Switzerland, total

Premium revenue

	2003	2004	2005	Change % 2003/2004
Life	32 181	30 234	29 773	-1.52
Medical	5 574	6 202	6 218	0.26
Motor	4 732	4 977	5 179	4.06
Fire / natural hazards, other property damage	3 453	3 450	3 484	1.0
Accident	2 553	2 591	2 707	4.48
Compr. general liability	1 867	1 873	1 903	1.6
Credit, bond and fidelity, financial loss and road service	488	560	556	-0.71
Ocean marine, aviation, transport insurance	466	493	447	-9.33
Legal protection	268	280	297	6.07
Total in CHF million	51 584	50 662	50 564	-0.2

Benefits

Gross payments for insurance claims	2003	2004	2005	Change % 2003/2004
Life	14 623	13 750	13 057	-5.04
Medical	4 253	4 473	4 390	-1.85
Motor	3 151	3 381	3 307	-2.18
Fire / natural hazards, other property damage	1 835	1 621	2 182	34.6
Accident	1 624	1 604	1 636	2.0
Compr. general liability	871	794	825	3.9
Credit, bond and fidelity, financial loss and road service	217	184	213	15.76
Ocean marine, aviation, transport insurance	219	452	215	-52.43
Legal protection	153	160	166	3.75
Total in CHF million	26 946	26 420	25 991	-1.6

Sources: Federal Office of Private Insurance

Premiums

	2004	2005
Total in CHF million	30 234	29 773

Premium revenue, gross	2004	of which single- premium	2005	of which single- premium
Endowment insurance	5 725	1 184	5 537	982
Annuity insurance	1 278	1 125	1 253	1 095
Occupational pensions	21 418	11 659	19 666	13 243
Unit-linked life insurance	1 813	628	3 317	2 079
Total individual and group in CHF million	30 234	14 496	29 773	17 399

Benefits

Gross claims paid	2003	2004	2005
Total in CHF million	36 285	36 429	30 297
Insurance benefits	14 626	13 750	13 057
Surrendered policies, lump-sum	21 659	22 679	17 234
Total	36 285	36 429	30 291*
With-profits bonuses	1 376	871	916
Total including with-profits bonuses in CHF million	37 661	37 300	31 207
Individual insurance			
Guaranteed endowment and death benefits, annuity benefits and benefits from unit-linked life insurance	9 556	7 815	7 700
Benefits disbursed as the result of surrendered policies, transfer of vested benefits, or policy cancellation	1 816	1 581	1 613
Group insurance			
Guaranteed endowment and death benefits, annuity benefits and benefits from unit-linked life insurance	5 068	5 934	5 357
Benefits disbursed as the result of surrendered policies, transfer of vested benefits, or policy cancellation	19 843	21 099	15 621
Total in CHF million	36 285	36 429	30 291*

* rounding differences

Sources: Federal Office of Private Insurance

Total payments

	2003	2004	2005
Individual – Endowment	9 556	7 543	7 014
– Annuity	1 416	1 494	1 504
Group	24 913	27 003	20 982
Unit-linked life insurance	400	389	797
Total in CHF million	36 285	36 429	30 297

Credited with-profits bonuses

excluding unit-linked insurance	2003	2004	2005
Individual	609	529	462
Group	767	342	454
Total in CHF million	1 376	871	916

Policies in force

	2003	2004	2005
Individual endowment insurance	243 528	242 506	241 285
Individual annuity insurance	1 947	1 963	2 003
Group endowment insurance	390 771	408 364	461 295
Group annuity insurance	8 261	8 300	8 581
Total in CHF million	644 507	661 133	713 164

Endowment policies in force, individual

	2003	2004	2005
Mixed and similar insurance	165 099	165 357	165 840
Term life insurance	78 429	77 149	75 445
Total in CHF million	243 528	242 506	241 285 *
of which restricted-access pension schemes (pillar 3 a)	85 428	86 908	92 276
of which free-access pension schemes (pillar 3 a)	158 100	155 598	149 005

Endowment policies in force, individual

	2003	2004	2005
Retirement annuities	693	670	661
Widow, widower and orphan pensions, terminable annuities	204	197	201
Current pensions, perpetual and terminable annuities	1 049	1 096	1 141
Total in CHF million	1 946	1 963	2 003
of which restricted-access pension schemes (pillar 3 a)	209	199	220
of which free-access pension schemes (pillar 3 a)	1 737	1 764	1 783

* rounding difference

Sources: Federal Office of Private Insurance

Endowment policies in force, group

	2003	2004	2005
Mixed and similar insurance	89 952	83 871	81 979
Term life insurance	300 820	324 493	379 316
Total in CHF million	390 772	408 364	461 295
of which for occupational pensions	386 396	403 974	456 916

Annuity policies in force, group

	2003	2004	2005
Deferred annuities			
– Retirement annuities	376	390	401
– Survivorship annuities	6 535	6 483	6 690
Current annuities			
– Retirement annuities	1 064	1 135	1 190
– Survivorship annuities	286	292	300
Total in CHF million	8 261	8 300	8 581
of which for occupational pensions	8 188	8 222	8 580

Policies

	2003	2004	2005
Individual			
– Individual endowment insurance	3 127 649	3 083 993	3 100 777
– Individual annuity insurance	204 536	203 899	200 460
Total policies	3 332 185	3 287 892	3 301 237
Group			
– Number of policies	154 824	159 425	170 718
– Number of insureds	2 866 333	2 143 695	2 640 942

Premium reserves

	2003	2004	2005
Individual endowment insurance	66 189	65 149	64 718
Individual annuity insurance	21 124	21 427	22 286
Group insurance	122 556	118 768	120 103
Unit-linked life insurance	9 983	11 320	15 086
Total in CHF million	219 852	216 664	222 193
of which foreign-currency policies	2 941	2 983	4 445

Sources: Federal Office of Private Insurance

16 | Property and casualty insurance business in Switzerland

Premium revenue

Total premiums

	2003	2004	2005
Accident insurance (excluding health insurers)	2 553	2 591	2 707
Medical insurance (excluding health insurers)	5 575	6 202	6 218
Liability and motor insurance	7 066	7 343	7 529
Fire and property insurance	3 453	3 450	3 484
Other	755	841	853
Total in CHF million	19 402	20 427	20 791

Accident insurance

	2003	2004	2005
Individual accident insurance	362	384	388
Compulsory occupational accident insurance pursuant to the Accident Insurance Act (UVG)	423	299	317
Compulsory non-occupational accident insurance pursuant to the Accident Insurance Act (UVG)	984	1 131	1 224
Voluntary accident insurance pursuant to the Accident Insurance Act (UVG)	33	33	36
Supplemental accident insurance pursuant to the Accident Insurance Act (UVG)	342	339	334
Motor passenger accident insurance	199	196	192
Other group accident insurance	210	209	216
Total in CHF million	2 553	2 591	2 707

Medical insurance

	2003	2004	2005
Voluntary individual medical insurance	2 988	3 373	3 349
Group medical insurance	2 587	2 829	2 869
Total in CHF million	5 575	6 202	6 218

Liability and motor insurance

	2003	2004	2005
Motor liability insurance	2 277	2 420	2 534
Other motor insurance types	2 455	2 557	2 645
Motor insurance, total	4 732	4 977	5 179
Ocean marine, aviation and transport insurance	467	493	447
Comprehensive general liability	1 867	1 873	1 903
Total in CHF million	7 066	7 343	7 529

Fire and property insurance

	2003	2004	2005
Fire insurance	1 172	1 151	1 153
Natural hazard insurance	217	226	231
Other property insurance	2 064	2 073	2 100
Total in CHF million	3 453	3 450	3 484

Sources: Federal Office of Private Insurance

18 | Property and casualty insurance business in Switzerland

Premium revenue			
Other insurance types			
	2003	2004	2005
Legal protection insurance	268	280	297
Credit	84	72	81
Bond and fidelity	100	105	101
Road service	134	148	150
Miscellaneous financial losses	169	236	224
Total in CHF million	755	841	853

Claims paid

Total payments

	2003	2004	2005
Accident insurance (excluding health insurers)	1 624	1 604	1 636
Medical insurance (excluding health insurers)	4 253	4 473	4 390
Liability and motor insurance	4 241	4 628	4 347
Fire and property insurance	1 835	1 621	2 182
Other	369	344	378
Total in CHF million	12 322	12 670	12 933

Accident insurance

	2003	2004	2005
Individual accident insurance	207	218	212
Compulsory occupational accident insurance pursuant to the Accident Insurance Act (UVG)	326	223	255
Compulsory non-occupational accident insurance pursuant to the Accident Insurance Act (UVG)	704	778	812
Voluntary accident insurance pursuant to the Accident Insurance Act (UVG)	31	38	30
Supplemental accident insurance pursuant to the Accident Insurance Act (UVG)	204	201	187
Motor passenger accident insurance	43	36	32
Other group accident insurance	109	110	108
Total in CHF million	1 624	1 604	1 636

Sources: Federal Office of Private Insurance

20 | Property and casualty insurance business in Switzerland

Claims paid

Medical insurance

	2003	2004	2005
Voluntary individual medical insurance	2 061	2 293	2 298
Group medical insurance	2 192	2 140	2 092
Total in CHF million	4 253	4 473	4 390

Liability and motor insurance

	2003	2004	2005
Motor liability insurance	1 731	1 872	1 825
Other motor insurance types	1 420	1 509	1 482
Motor insurance, total	3 151	3 381	3 307
Ocean marine, aviation and transport insurance	219	453	215
Comprehensive general liability insurance	871	794	825
Total in CHF million	4 241	4 628	4 347

Fire and property insurance

	2003	2004	2005
Fire insurance	690	504	714
Natural hazard insurance	96	62	408
Other property insurance	1 049	1 055	1 060
Total in CHF million	1 835	1 621	2 182

Other insurance types

	2003	2004	2005
Legal protection insurance	153	160	166
Credit	79	38	10
Bond and fidelity	2	15	18
Road service	84	82	95
Miscellaneous financial losses	51	49	89
Total in CHF million	369	344	378

Note: These figures do not include reserves established for claims reported but not yet settled, claims which have been incurred but not yet reported, and the associated administration expenses.

Earned premiums**Non-life business**

	2003	2004	2005
Accident	1 002	1 060	1 144
Medical	128	129	185
Motor	3 795	3 348	3 350
Ocean marine, aviation and transport	2 258	2 026	2 298
Fire, natural hazard and property & casualty	9 111	10 155	10 797
Comprehensive general liability	3 647	5 827	4 513
Credit, bond and fidelity	1 303	1 388	1 265
Other sectors	1 493	757	554
Total in CHF million*	23 470	24 837	24 399

Life business

	2003	2004	2005
Individual – Endowment	7 233	9 291	12 284
– Annuity	18	9	9
Group	2 142	653	672
Unit-linked life insurance	22	26	26
Total in CHF million*	9 527	10 057	13 021

Total

	2003	2004	2005
Total in CHF million*	32 996	34 894	37 419
Retroceded portion	3 479	3 889	12 300
Total net in CHF million*	29 517	31 005	25 119

Claims paid, gross**Non-life**

	2003	2004	2005
Accident	438	351	-45
Medical	148	89	132
Motor	2 403	743	1 595
Ocean marine, aviation and transport	1 194	851	1 128
Fire, natural hazard and property & casualty	5 302	4 044	6 012
Comprehensive general liability	1 457	2 549	2 742
Credit, bond and fidelity	503	608	421
Other sectors	397	762	621
Total in CHF million*	14 176	10 785	13 177

* The total also includes figures from institutions which were unable to provide a breakdown of their incoming reinsurance business by sector.

Life business


























	2003	2004	2005
Individual			
– Endowment	3 046	4 087	4 405
– Annuity	11	2	1
Group	1 439	749	495
Unit-linked life insurance	16	16	22
Total life*	4 594	4 908	4 969

Total

	2003	2004	2005
Total	18 770	15 694	18 146
Retroceded portion	2 090	2 863	1 246
Total net in CHF million	16 680	12 830	16 900

* The total also includes figures from institutions which were unable to provide a breakdown of their incoming reinsurance business by sector.

International insurance ratios¹ 2005

	Per capita premiums in USD	of which life insurance in USD	
Switzerland	5 558.4	3 078.1	
United Kingdom	4 599.0	3 287.1	
Ireland	4 177.0	2 759.7	
Belgium	3 985.6	2 988.7	
Denmark	3 876.2	2 489.9	
USA	3 875.2	1 753.2	
Japan	3 746.7	2 956.3	
Netherlands	3 739.7	1 954.2	
France	3 568.5	2 474.6	
Finland	3 389.3	2 707.8	
Norway	3 302.3	2 043.1	
Sweden	3 092.1	2 105.2	
Australia	2 569.9	1 366.7	
Hong Kong	2 544.9	2 213.2	
Canada	2 449.0	1 071.9	
Austria	2 342.8	1 095.1	
Germany	2 310.5	1 042.1	
Italy	2 263.9	1 449.8	
Singapore	1 983.4	1 591.4	
South Korea	1 706.1	1 210.6	
New Zealand	1 485.5	219.7	
Spain	1 454.5	615.8	
Israel	1 104.5	510.2	
Russia	122.8	6.3	
China	46.3	30.5	

¹ Amount spent on insurance premiums per capita and country (not including social security).

Source: sigma/Swiss Re

Total

	2003	2004	2005
Life	297 676	291 710	293 505
Non-life	112 132	116 334	128 162
Re	91 569	102 571	124 000
Total in CHF million	501 377	510 615	545 667

Income

	2003	2004	2005
Total in CHF million	20 707	18 800	19 213

Breakdown 2005

	Life	Non-life	Re	Total
Fixed-interest securities	139.0	44.5	33.4	216.9
Investments, equity holdings	15.8	39.9	23.0	78.7
Land and buildings and mortgages	51.8	9.8	2.7	64.3
Stock and investment fund shares	25.3	8.0	9.9	43.2
Funds deposited with ceding companies in reinsurance business	0.4	6.5	34.3	41.2
Fixed-term deposits, other investments	17.0	3.2	6.7	26.9
Policy loans	5.1	5.4	12.8	23.3
Borrower's note loans	20.0	7.0	–	27.0
Other	19.1	3.9	1.2	24.2
Total in CHF billion	293.5	128.2	124.0	545.7

Sources: Federal Office of Private Insurance

1st pillar

Basic amounts applicable to Old-age and Surviving Dependants' / Disability Insurance pensions (AHV / IV)

2007**Full single old-age pension**

Minimum amount	per year	13 260
	per month	1 105
Maximum amount	per year	26 520
	per month	2 210

Full married couple old-age pension (current pensions)

Minimum amount	per year	19 890
	per month	1 658
Maximum amount	per year	39 780
	per month	3 315

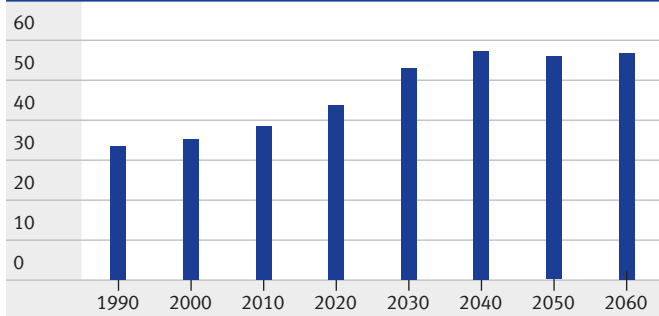
Pensions as a % of the single old-age pension

Widow's / widower's pension	80%
Orphan's pension (one parent dead), children's pension	40%
Orphan's pension (both parents dead)	60%
Permanent disability pension	100%
Long-term care benefits	40%

The prerequisites to be satisfied pursuant to the Federal Law Pertaining to the Old-age and Surviving Dependants' Pension Scheme (AHV) and Disability Insurance Scheme (IV) are applicable to these benefits.

Working population trend

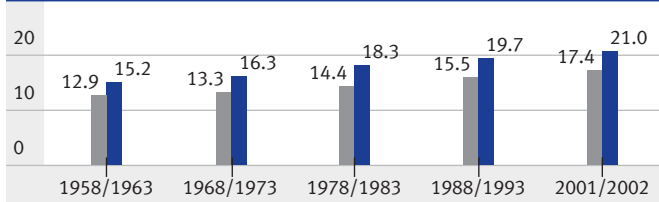
AHV: Funded by pay-as-you-go system



■ Number of pensioners for every 100 employed persons

Source: Federal Statistical Office, "Trend" scenario

Life expectancy at age 65 in years



■ Men ■ Women

Source: Federal Statistical Office

2nd pillar

The minimum annual wage and occupational cover boundaries serve to establish the minimum salary limit to compulsory cover, the upper and lower insured salary limits ("coordinated salary"), and the minimum insured salary.

	2007
Annual salaries exceeding the following amounts are subject to compulsory insurance cover	19 890
Coordination deduction = $\frac{7}{8}$ of the maximum single old-age pension	23 205
Upper salary limit subject to compulsory insurance = Triple the maximum single old-age pension	79 560
Maximum salary subject to compulsory insurance = Coordinated salary	56 355
Minimum amount If the coordinated salary is less than $\frac{1}{8}$ of the maximum single old-age pension, it must be rounded up to this minimum amount.	3 315

History of the minimum interest rate

Period	Rate
1 Jan. 1985 – 31 Dec. 2002	4.0%
1 Jan. 2003 – 31 Dec. 2003	3.25%
1 Jan. 2004 – 31 Dec. 2004	2.25%
since 1 January 2005	2.5%

Conversion rates up to 2014

Year of retirement	Woman (standard AHV retirement age 64)	Men (standard AHV retirement age 65)
2007	7.15	7.10
2008	7.10	7.05
2009	7.00	7.05
2010	6.95	7.00
2011	6.90	6.95
2012	6.85	6.90
2013	6.80	6.85
2014		6.80

Pillar 3a

		2007
Deductible contributions to restricted-access pension schemes (self-employed and employed)		
Persons with 2nd pillar cover up to 8% of the upper BVG salary limit	max.	6 365
Persons without 2nd pillar cover up to 20% of pay, maximum of 40% of upper BVG salary limit	max.	31 824

Earned income of employed persons: gross earnings after deduction of AHV/IV/EO and ALV contributions; earned income of self-employed persons: amount remaining subsequent to applicable credits, offsets and deductions and any tax adjustments.

Tax treatment

General remarks

Income-tax relief

- Occupational pensions: contributions fully deductible.
- Restricted-access pensions: contributions fully deductible, but subject to a ceiling.
- Free-access pensions: limited deductibility of contributions.

Taxation of benefits

- Benefits from occupational and restricted-access pension schemes:
 - Both pensions and cash benefits are fully subject to income tax. Lump-sum payments are taxed separately from other income at a reduced rate. Benefits in the event of survival, death and disability are all subject to the same tax.
- Benefits from free-access pension schemes:
 - No income tax payable on cash benefits from insurance policies with regular premium payment. Cantonal inheritance and gift taxes may, however, be payable.

- Income from single-premium endowment life insurance policies which can be surrendered is subject to direct federal income tax and cantonal income tax when the endowment benefit is disbursed or the policy is surrendered. A policy can be used for a pension if it was taken out prior to the insured's 66th birthday, the insured was over 60 when the benefit was disbursed, and the insurance policy had a term of a minimum of 5 years. Death benefits are not subject to income tax. Cantonal inheritance and gift taxes may, however, be payable.
- Benefits from non-surrenderable endowment life insurance policies are fully subject to income tax and are taxed separately from other income at a reduced rate.
- 40% of income from periodic annuity payments from life annuity insurance is subject to income tax.

Net worth tax

- No taxation of entitlements from occupational and restricted-access pension plans before the benefits are due.
- Net worth tax payable on the surrender value of private endowment and deferred life annuities.

Stamp duty

- 2.5% on surrenderable single-premium endowment and annuity insurance policies.
- Periodic premium payments and contributions to occupational and restricted-access pensions are not subject to stamp tax.

Withholding tax on insurance benefits

- Disbursed cash benefits in excess of CHF 5 000 and pensions in excess of CHF 500 are subject to withholding tax. The Swiss Federal Tax Administration is generally informed of this withholding tax duty via notification. In the event of an objection being lodged by the policyholder or claimant, a tax deduction of 8% is applied to cash benefits and 15% to pensions.

Withholding tax applicable to pension benefits

- Generally speaking, benefits from pillars 2 and 3a for individuals residing outside of Switzerland are taxed at source.
- Occupational and restricted-access pensions paid to persons resident outside of Switzerland are likewise subject to a deduction depending on the country of residence.
- The recipient may be entitled to a refund under the terms of a double taxation agreement with the country concerned.

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