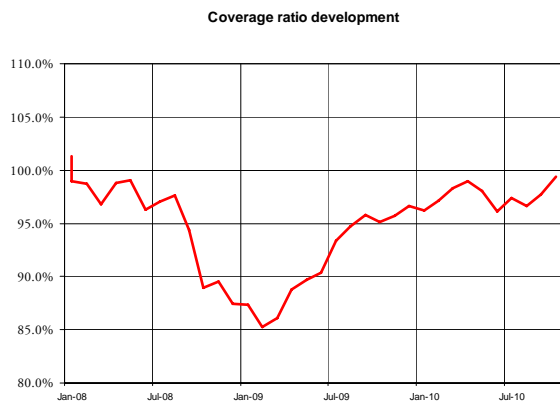


## Certain, even in uncertain times

Zurich, November 22, 2010

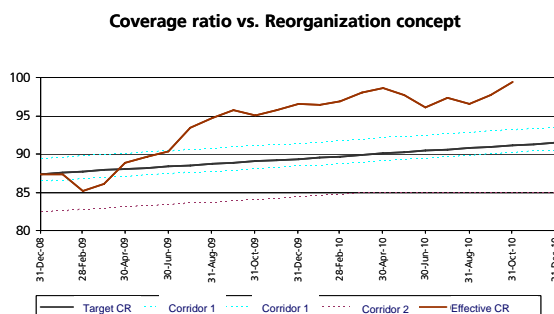
### Positive development in an uncertain environment

The 2008/2009 global financial and economic crisis has adversely affected all pension plans. In



February 2009, the Vita Joint Foundation reached its low point with a reserve ratio of 85.2%.

Only through a consistently implemented risk approach, tailored to a savings bank and outsourcing all insurance risks to Zurich, was the Vita Joint Foundation able to survive the crisis without requiring reorganization contributions. In this way, affiliated companies and policyholders were spared any additional charges.



During the crisis, the foundation council adhered to its long-term investment strategy, ensuring that the Vita Joint Foundation remained optimally positioned and able to immediately benefit from the market turnaround.

The coverage ratio recovered significantly faster than originally forecast in the reorganization concept (see [Info of July 7, 2009](#), only in German). Within only 19 months, it climbed by 14 percentage points to reach a projected **reserve ratio of 99.4%** as of the end of October 2010.

### More flexibility for better performance

The outlook for the continued positive development of the Vita Joint Foundation – especially in light of the economic recovery – is very promising. Vita has a solid and balanced structure (no retirees, low average age of 40.3 years), and can take advantage of opportunities on the financial markets to better effect. This is a definitive advantage over comprehensive insurers or partially autonomous pension plans with a higher share of retirees.

### Return to standard interest payments

In 2007, the foundation council made the fundamental decision to pay standard interest on obligatory and non-obligatory pension funds. Because of the financial crisis, the foundation council was forced to temporarily suspend this decision to improve the coverage ratio.

The quick recovery of the reserve ratio and the related overfulfillment of mid-term goals of the reorganization concept, the foundation council decided to return to the **standard interest payments** and thus also pay interest on the non-obligatory retirement savings at the BVG minimum interest rate. In 2011, therefore, interest payments on retirement savings will be at least 2%.

### Prepared for challenges on the financial markets

To prepare for surprising changes in the inflation rate, the foundation council has decided to adjust the Strategic Asset Allocation (SAA) and to invest more in real assets. With these adjustments, the Vita Joint Foundation meets the concerns raised by existing inflation or deflation scenarios.

Here are the most significant changes to the SAA, valid from January 1, 2011:

- The **equity share (including private equity)** will be raised by two percentage points **to a total of 23%**, whereby the share of Swiss equities will be reduced and the share of foreign equities and private equity (strategically allocated to the equity investments) increased
- The share of **commodities, hedge funds and convertible bond issues** will be **slightly increased**
- The share of **bonds** will be **reduced by 3.5 percentage points**.

#### Investment strategy

|                                      | until 2010                             | from 2011      |
|--------------------------------------|--|----------------|
| <b>Equities Switzerland</b>          | <b>7.00%</b>                           | <b>5.50%</b>   |
| Equities Europe                      | 4.00%                                  | 4.00%          |
| Equities USA                         | 3.75%                                  | 5.00%          |
| Equities Japan                       | 1.25%                                  | 1.50%          |
| Emerging Markets                     | 2.00%                                  | 3.00%          |
| Equities Sustainable                 | 2.00%                                  | 2.00%          |
| <b>Equities Foreign</b>              | <b>13.00%</b>                          | <b>15.50%</b>  |
| <b>Total Equities</b>                | <b>20.00%</b>                          | <b>21.00%</b>  |
| Bonds Switzerland                    | 30.00%                                 | 24.00%         |
| Bonds CHF Foreign                    | 3.50%                                  | 3.50%          |
| Bonds Credit 100                     | 8.50%                                  | 10.00%         |
| Bonds Euro                           | 2.00%                                  | 2.00%          |
| Convertibles                         | 4.00%                                  | 5.00%          |
| <b>Total Bonds</b>                   | <b>48.00%</b>                          | <b>44.50%</b>  |
| Real Estate Switzerland              | 7.00%                                  | 7.00%          |
| Real Estate Foreign                  | 3.00%                                  | 3.00%          |
| <b>Total Real Estate</b>             | <b>10.00%</b>                          | <b>10.00%</b>  |
| Hedge Fund CHF                       | 8.50%                                  | 10.00%         |
| Private Equity                       | 1.00%                                  | 2.00%          |
| Commodities                          | 1.50%                                  | 2.00%          |
| Collateralised Loan Obligations      | strategically attributed to Credit 100 |                |
| <b>Total Alternative Investments</b> | <b>11.00%</b>                          | <b>14.00%</b>  |
| <b>Mortgages</b>                     | <b>10.00%</b>                          | <b>10.00%</b>  |
| <b>Total Liquidity</b>               | <b>1.00%</b>                           | <b>0.50%</b>   |
| <b>Total</b>                         | <b>100.00%</b>                         | <b>100.00%</b> |

### Progressa Joint Foundation integrated

The transfer of the remaining follow-up agreements to the administrative system of Zurich by the end of 2010 will mark the successful completion of the integration of the Progressa Joint Foundation in the Vita Joint Foundation.

### Moving successfully into the future

In a commonly defined process, the Vita Joint Foundation and Zurich decided on the Vita Joint Foundation's long-term positioning. In future, Vita will be characterized by:

#### ▪ **Simplicity in offer and service**

The range of offers will be streamlined. As a result of modular products, efficiency will be increased and administrative costs lowered, resulting in a more easily understood offer. The documents for customers will be written simply and contain the most essential information.

#### ▪ **Security for customers**

The Vita Joint Foundation offers above-average security in the coverage of insurance risks and high security standards in the investment process. In administering pension assets, it is guided by the replacement rate (= available income at the time of retirement).

#### ▪ **Transparent and proactive information policy**

The Vita Joint Foundation is characterized by a transparent and proactive informational policy towards its policyholders and pension plans and the public in general.

We will keep you informed about progress in these areas as it happens.

Vita Joint Foundation  
Thurgauerstrasse 80  
8050 Zurich

Telephone +41 (0) 44 628 28 28

[www.vitasammelstiftung.ch](http://www.vitasammelstiftung.ch)