

Zurich, 13 August 2019

Swiss Life increases fee income in the first half of 2019 – profit from operations up by 6%

- **Swiss Life achieved further operational progress in the first half of 2019 and increased its adjusted profit from operations by 6% against the prior-year period to CHF 846 million. Net profit rose by 10 % to CHF 617 million.**
- **In fee income, Swiss Life achieved 13% growth in local currency to CHF 876 million. The fee result increased by 7% to CHF 260 million.**
- **Swiss Life posted premiums of CHF 14.1 billion in the first six months of the year. This extraordinary increase is due to the withdrawal of a competitor from the full insurance business in Switzerland.**
- **Direct investment income was at the prior-year level (CHF 2.24 billion). The non-annualised direct investment yield was 1.4% (previous year: 1.5%); the net investment yield on a non-annualised basis was 1.3% (previous year: 1.7%).**
- **Swiss Life Asset Managers acquired net new assets of CHF 6.2 billion in its third-party business in the first half of 2019. At the end of June 2019, assets under management for third parties came to CHF 79.5 billion, 12% higher than at the end of 2018.**
- **The value of new business increased to CHF 387 million (previous year: CHF 212 million); the new business margin was 1.8% (previous year: 2.6%).**
- **In the first half of 2019, the cash remittance to the holding company came to CHF 708 million, 8% higher than in the prior-year period.**
- **Swiss Life achieved an adjusted return on equity of 11.4% in the first six months of the year (previous year: 10.4%).**

“Swiss Life has made a good start to the new ‘Swiss Life 2021’ Group-wide programme and continued the positive development of recent years in the first half of 2019”, says Patrick Frost, CEO of the Swiss Life Group. “We succeeded in growing our fee business, significantly increasing the value of new business and remitting more cash to the holding company. The substantial growth in premiums is due to the withdrawal of a competitor from the full insurance business last year. It

shows the great importance of full insurance solutions to Swiss small and medium-sized enterprises. We expect single premiums to return to a more normal level next year.”

Increase in profit from operations and net profit

The Swiss Life Group increased its adjusted profit from operations by 6% to CHF 846 million in the first half of 2019. Net profit rose by 10% to CHF 617 million. That also includes a positive one-off of CHF 30 million in the context of the implementation of the Swiss tax reform in some cantons. The fee result increased over the prior-year period from CHF 243 million to CHF 260 million. Swiss Life Asset Managers and owned IFAs both contributed to this growth.

Swiss Life achieved unchanged direct investment income of CHF 2.24 billion in the first half of 2019. The non-annualised direct investment yield was 1.4% (previous year: 1.5%) with higher average investments. The net investment yield on a non-annualised basis was 1.3% due to lower realised gains (previous year: 1.7%).

Swiss Life **Switzerland** increased its segment result by 5% to CHF 460 million in the first six months of the year. The fee result rose from CHF 14 million to CHF 15 million. In **France**, Swiss Life achieved a segment result of EUR 136 million, 4% higher than the previous year. The fee result was EUR 34 million, having been EUR 37 million in the previous year. Swiss Life **Germany** increased its segment result from EUR 80 million to EUR 85 million, with a fee result of EUR 39 million (–4%). Swiss Life **International** achieved a segment result of EUR 35 million, 23% higher than the previous year. The fee result contributed EUR 28 million (+33%).

Swiss Life Asset Managers posted a segment result of CHF 126 million in the first half of the year, an increase of 7%.

Further growth in fee business and higher premiums

Swiss Life continued to expand its fee business in the first half of 2019: fee income rose by 13% in local currency to CHF 876 million. Growth was also supported by acquisitions in the past year and consolidation effects. Overall, Swiss Life Asset Managers increased its contribution by 22% and the owned IFAs increased their contribution by 20%, while contributions from own and third-party products and services grew by 3%. Premiums rose to CHF 14.1 billion in local currency. The 33% growth is from group life business in Switzerland. Insurance reserves for the benefit of the company's policyholders rose by 5% in local currency.

In the **Swiss** domestic market, Swiss Life grew premiums from CHF 6.1 billion to CHF 9.6 billion. Fee income increased by 6% to CHF 133 million. In **France**, Swiss Life saw a slight decline in premiums of 1% to EUR 2.5 billion. In fee business, income came to EUR 139 million (–1%). Swiss Life in **Germany** achieved premiums of EUR 603 million in the first six months of the year,

an increase of 2%. Fee income increased by 8% to EUR 213 million. Swiss Life **International** generated premiums of EUR 808 million, similar to the previous year (EUR 810 million). In fee business, meanwhile, income rose to EUR 144 million (+36%).

Swiss Life Asset Managers continued the growth of its third-party business and generated net new assets of CHF 6.2 billion. Assets under management for third parties rose by 12% over year-end 2018 to CHF 79.5 billion. Swiss Life Asset Managers increased its total income by 18% to CHF 385 million. Third-party asset management accounted for CHF 208 million of total income (previous year: CHF 175 million). In addition to operational growth, consolidation effects and the acquisition of Beos last year also contributed positively .

Increase in the value of new business and cash remittance to the holding company

Swiss Life increased the value of new business from CHF 212 million to CHF 387 million in the first half of 2019; the new business margin was 1.8% (previous year: 2.6%). These developments in new business are linked to the extraordinarily high demand for full insurance solutions in Switzerland. The average technical interest rate decreased by 6 basis points to 1.20% due to an improved business mix and reserve strengthening for the benefit of the company's policyholders. The cash remittance to the holding company increased by 8% to CHF 708 million. In the first half of 2019, Swiss Life posted an adjusted return on equity of 11.4% (corresponding period in the previous year: 10.4%; shareholders' equity excluding unrealised gains/losses). Swiss Life estimates its SST ratio at about 200% as of 30 June 2019, based on the regulatory solvency model.

Telephone conference for analysts and investors

Patrick Frost, Group CEO, and Matthias Aellig, Group CFO, will hold a telephone conference in English for financial analysts and investors today at 9 a.m. (CET).

Dial-in numbers:

Europe: +41 (0) 58 310 50 00
UK: +44 (0) 207 107 06 13
US: +1 (1) 631 570 56 13

Telephone conference for media representatives

Patrick Frost, Group CEO, and Matthias Aellig, Group CFO, will hold a telephone conference in German for media representatives today at 11 a.m. (CET).

Dial-in number:

Europe: +41 (0) 58 310 50 00

Audio webcasts of both conferences will be made available on the www.swisslife.com website.
Please dial in ten minutes before the start of the conference.

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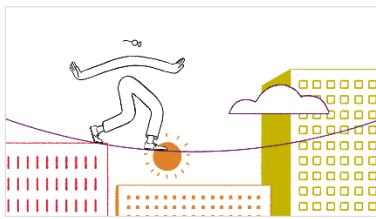
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Swiss Life

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Swiss Life Holding Ltd, registered in Zurich, was founded in 1857 as Schweizerische Rentenanstalt. The shares of Swiss Life Holding Ltd are listed on the SIX Swiss Exchange (SLHN). The subsidiaries Livit, Corpus Sireo, Beos and Mayfair Capital are also part of the Swiss Life Group. The Group employs a workforce of around 8600 and has at its disposal a distribution network of some 14 000 advisors.



[Swiss Life corporate film](#)

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