

Zurich, 27 February 2018

Swiss Life increases net profit by 9 percent

- Swiss Life achieved further operational progress in 2017: adjusted profit from operations increased by 5% to CHF 1475 million. Net profit increased by 9% to CHF 1013 million.
- Fee income increased by 8% to CHF 1480 million; the fee result was 11% higher than the previous year at CHF 442 million.
- The Swiss Life Group generated premiums of CHF 18.6 billion, equating to 6% growth.
- Direct investment income from insurance business was CHF 4.3 billion (previous year: CHF 4.3 billion). The direct investment yield was 2.8% (previous year: 3.0%) and the net investment yield 2.5% (previous year: 3.3%).
- In its third-party business, Swiss Life Asset Managers generated net new assets of CHF 7.1 billion. Third-party assets under management came to CHF 61.4 billion at the end of 2017, an increase of 24%.
- The value of new business increased by 18% from CHF 296 million to CHF 351 million; the new business margin increased from 2.1% to 2.5%.
- Equity increased by 13% to CHF 15.5 billion. The adjusted return on equity was 9.3% (previous year: 9.6%).
- The company has achieved its target for the fee result under the “Swiss Life 2018” Group-wide programme one year earlier than planned, and is ahead of schedule for value of new business and cash remittance to the holding company.
- The Board of Directors proposes to the Annual General Meeting an increase in the dividend from CHF 11.00 to CHF 13.50.

Patrick Frost, CEO of the Swiss Life Group: “We can place our 2017 results seamlessly alongside our good results in previous years. All units developed positively and increased their contribution to the result. The fee business accounted for a fundamental proportion of our good results. That plus the pleasing increase in the value of new business emphasise that we are advancing very well with

the development of our business model: we are either on or ahead of schedule to achieve all our targets under “Swiss Life 2018”.

Results up in all units

The Swiss Life Group increased its net profit from CHF 926 million to CHF 1013 million in 2017. That corresponds to an increase of 9%. Adjusted profit from operations increased by 5% to CHF 1475 million. The savings result was CHF 817 million (previous year: CHF 808 million), the risk result was practically at the level of the previous year at CHF 389 million (previous year: CHF 391 million). Swiss Life achieved a pleasing increase of 11% in its fee result to CHF 442 million (previous year: CHF 399 million). Swiss Life has thus already achieved its target range of CHF 400 to 450 million one year earlier than planned.

Swiss Life achieved stable direct investment income from insurance business of CHF 4.3 billion. That corresponds to a direct investment yield of 2.8% (previous year: 3.0%). The net investment yield at the end of 2017 was 2.5% (previous year: 3.3%).

In its home market of **Switzerland**, Swiss Life increased its segment result by 2% to CHF 829 million. The savings result was CHF 550 million (previous year: CHF 532 million). The risk result was CHF 251 million (previous year: CHF 253 million) and the fee result CHF 14 million (previous year: CHF 12 million). In **France**, Swiss Life achieved a 5% increase in its segment result to EUR 235 million. The development of the fee result was very strong, rising from EUR 39 million to EUR 60 million. The savings result and risk result remained more or less stable. **Germany** posted a segment result of EUR 137 million, up by 19%. The increase in the result includes a one-off effect (EUR 17 million) and, in addition, is based on an improved cost result. The fee result remained stable at EUR 57 million. Swiss Life **International** achieved a segment result of EUR 46 million, corresponding to 12% growth. Swiss Life **Asset Managers** grew its segment result by 6% to CHF 258 million. The segment result from third-party asset management rose by 8%.

Higher fee income – growth in assets under management

The Swiss Life Group increased its fee income by 8% in local currency to CHF 1480 million. This growth stemmed from higher contributions from own and third-party products and services (+12%), Swiss Life Asset Managers (+8%) and owned IFAs (+4%). Swiss Life grew its premiums in local currency by 6% to CHF 18.6 billion in 2017, despite an unchanged focus on profitability. Insurance reserves to the benefit of the company’s policyholders rose by 4% in local currency.

Swiss Life **Switzerland** achieved premiums of CHF 9.3 billion. The 6% decrease is mainly due to group life business, where the focus remained on capital efficiency. Fee income was

CHF 230 million, which was practically the same as in the previous year (CHF 233 million).

France posted a 15% increase in premiums to EUR 4.8 billion. This growth was driven by the life insurance business with a very high proportion (52%) of unit-linked solutions (previous year: 42%). Fee income rose due to this pleasing development by 23% to EUR 272 million. In **Germany**, Swiss Life achieved premiums of EUR 1.2 billion, which was unchanged from 2016. Fee income rose by 4% to EUR 359 million, mainly due to growth in owned IFAs. Swiss Life **International** increased its premiums to EUR 2.4 billion (previous year: EUR 1.6 billion). Fee income was up from EUR 195 million to EUR 202 million due to growth in owned IFAs and higher policy fees.

As of 31 December 2017, Swiss Life **Asset Managers** had a total of CHF 224 billion assets under management (plus 10%). In its third-party business, Swiss Life Asset Managers generated net new assets of CHF 7.1 billion. Third-party assets under management thus rose to CHF 61.4 billion – 24% higher than in 2016.

“Swiss Life 2018” Group-wide programme ahead of schedule

Besides the fee result, Swiss Life is also ahead of its targets under “Swiss Life 2018” in value of new business and cash remittance to the holding company. The value of new business increased by 18% from CHF 296 million to CHF 351 million. In spite of the persistently challenging environment, the new business margin increased to 2.5% (previous year: 2.1%) due to disciplined margin management and a further improvement in the new business mix. The risk result of CHF 389 million is within the target range. Swiss Life's efficiency targets are also on schedule. The Group's efficiency ratio for insurance business improved by a further two basis points to 0.56%. Swiss Life achieved an adjusted return on equity of 9.3% in 2017 (previous year: 9.6%), which is within the 8-10% target range. The cash remittance to Swiss Life Holding increased to CHF 625 million (previous year: CHF 598 million). Equity came to CHF 15.5 billion (plus 13%). Swiss Life expects its SST ratio to be above 170% as of 1 January 2018 (based on the internal model approved with conditions). Swiss Life will announce its new strategic targets at its Investors' Day on 29 November 2018.

Increase in dividend to CHF 13.50 per share

At the Annual General Meeting of Shareholders on 24 April 2018, the Board of Directors will propose to the shareholders an increase in the dividend in the form of a withholding tax-free distribution from the capital contribution reserves to CHF 13.50 per share (2016: CHF 11.00).

Nomination to the Board of Directors

Gerold Bühler (born 1948) will resign from the Swiss Life Board of Directors at the next Annual General Meeting, due to having reached the statutory age limit. Martin Schmid (born 1969), a member of the Council of States, will be proposed to the shareholders for election. Swiss Life's

Board of Directors will gain a highly experienced and competent person for corporate law and economic issues in the former cantonal councillor and lawyer from Graubünden.

Telephone conference for investors and analysts

Patrick Frost, Group CEO, and Thomas Buess, 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

There is also an audio webcast on the website www.swisslife.com. Please dial in ten minutes before the start of the conference.

Media conference for media representatives

Patrick Frost, Group CEO, and Thomas Buess, Group CFO, will hold a media conference in German for media representatives today at 11 a.m. (CET). The media conference will be held at the Swiss Life head office, General-Guisan-Quai 40, in Zurich.

Information

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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 and Mayfair Capital are also part of the Swiss Life Group. The Group employs a workforce of around 8000 and approximately 5000 certified financial advisors.



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