

Zurich, 6 September 2023
Ad hoc announcement pursuant to Art. 53 LR

Swiss Life increases both profit from operations and net profit on a comparable basis in the first half of 2023

Swiss Life posts a good 2023 half-year result:

- **Profit from operations: CHF 836 million (HY 22: CHF 801 million); net profit: CHF 630 million (HY 22: CHF 560 million); both HY 22 figures on a comparable basis**
- **Fee result: CHF 343 million (HY 22: CHF 350 million)**
- **Return on equity: 15.8% (HY 22: 13.6% on a comparable basis)**
- **SST ratio as at 30 June 2023: around 215% (1 January 2023: 215%)**
- **Cash remittance: CHF 1.06 billion (HY 22: CHF 0.97 billion)**
- **“Swiss Life 2024” Group-wide programme very well on track**
- **New share buyback programme of CHF 300 million from the beginning of October 2023 to the end of March 2024**

Swiss Life is presenting financial figures for the first time in accordance with the new IFRS 17 and IFRS 9 accounting standards, whereby in particular the accounting standard for insurance products has been comprehensively revised (IFRS 17). This changes the presentation of the insurance business. However, the transition to the new accounting standards has no impact on the underlying business or the way in which Swiss Life manages it.

“Swiss Life has reported a good half-year result,” says Patrick Frost, Group CEO of Swiss Life. “The fee businesses in Germany, France and International performed positively. For Asset Managers, on the other hand, fee business declined, with revenues from third-party asset management in particular coming under pressure due to a subdued real estate market environment. I am very pleased that both the cash remittance to the holding company and the return on equity increased significantly. In terms of our ‘Swiss Life 2024’ Group-wide programme, we are therefore making very good progress towards achieving or exceeding all of the Group’s financial targets.”

Increase in profit from operations and net profit on a comparable basis, subdued fee business

The Swiss Life Group achieved a profit from operations of CHF 836 million in the first half of 2023. In the prior-year period, it amounted to CHF 801 million on a comparable basis. Net profit came to CHF 630 million in the first half of 2023, while in the prior-year period it amounted to CHF 560 million on a comparable basis. To enable comparability, the prior-year figures have been calculated in the same way as the current profit figures on the basis of IFRS 17 and IFRS 9. Under IFRS 17 and the now discontinued IAS 39 standard, prior-year profit from operations would have been CHF 999 million and net profit CHF 710 million as stated in the half-year financial report.

Swiss Life further expanded its income from fee business by 6% in local currency to CHF 1.20 billion. The fee result, on the other hand, fell slightly compared to the first half of 2022 by 2% to CHF 343 million, mainly due to a subdued real estate market environment.

Direct investment income increased to CHF 2.05 billion (HY 22: CHF 1.98 billion), with the non-annualised direct investment yield standing at 1.4% (HY 22: 1.2%). Net investment income came to CHF 1.75 billion, including negative real estate fair value changes of CHF 0.4 billion net. The non-annualised net investment yield was 1.2%.

Premiums in the first half of 2023 came to CHF 11.5 billion, an increase of 8% in local currency.

The contractual service margin (CSM), a new balance sheet item reported by Swiss Life in accordance with IFRS 17 that indicates the level of future, unearned profit contributions from existing insurance business, came to CHF 15.9 billion as at 30 June 2023. At the end of 2022, it stood at CHF 16.4 billion. In the first half of 2023, the CSM release to the income statement amounted to CHF 666 million.

Insurance business performing well, Asset Managers affected by challenging market environment

In its home market of **Switzerland**, Swiss Life achieved premiums of CHF 6.04 billion, which corresponds to growth of 2%. The assets under management in semi-autonomous business increased to CHF 6.9 billion as at the end of June 2023 (31 December 2022: CHF 6.2 billion); this business is largely not reported as premiums. The fee result came to CHF 27 million (HY 22: CHF 30 million) and the segment result totalled CHF 448 million (HY 22: CHF 421 million). The cash remittance to the holding company increased by 27% to CHF 535 million.

In **France**, Swiss Life posted premiums of EUR 3.42 billion, a decline of 4%. Premiums in life business fell by 7%. The share of unit-linked solutions stood at 63% (HY 22: 62%) and thus remains well above the market. The fee result increased by 18% to EUR 80 million and the segment result by 26% to EUR 163 million. The division contributed EUR 154 million to the cash remittance to the holding company, 20% more than in the prior-year period.

In **Germany**, premiums were up 3% to EUR 719 million. The fee result increased by 24% to EUR 76 million and the segment result by 13% to EUR 115 million. The cash remittance rose by 37% to EUR 94 million, mainly due to the insurance business.

The **International** market unit posted a strong increase in premiums to EUR 1.39 billion (HY 22: EUR 0.52 billion), mainly due to the integration of the acquired elipsLife. The fee result increased by 12% to EUR 44 million. Overall, the segment result was EUR 55 million, which is 13% higher than in the prior-year period. The cash remittance to the holding company amounted to EUR 54 million (HY 22: EUR 55 million).

Swiss Life Asset Managers posted total income of CHF 441 million in the first six months of 2023. The 13% decline compared to the same period last year is due to the sale of a subsidiary in the fourth quarter of 2022, negative currency effects and a subdued real estate market. TPAM business contributed CHF 288 million (HY 22: CHF 322 million) to income. Net new assets in TPAM business amounted to CHF 6.9 billion (HY 22: CHF 3.0 billion). Assets under management in TPAM business came to CHF 112 billion as at the end of June 2023 (31 December 2022: CHF 105 billion). The segment result amounted to CHF 119 million (HY 22: CHF 154 million). The cash remittance to the holding company decreased by 20% to CHF 218 million: the decline is explained by a time lag between income recognition and the subsequent cash remittance related to real estate project developments.

“Swiss Life 2024” very well on track

The cash remittance to the holding company increased by 9% in the first half of 2023 to CHF 1.06 billion, and the annualised return on equity at 15.8% was above the previous year (HY 22: 13.6%, on a comparable basis). Swiss Life is very well on track to exceed the Group’s financial targets for these two key figures by 2024 and to achieve all the other of the Group’s financial targets set out in the “Swiss Life 2024” programme.

The value of new business increased to CHF 277 million in the first half of 2023 (HY 22: CHF 254 million). The new business margin rose to 4.0% (HY 22: 3.8%) due to higher interest rates and an improved business mix.

As is already known, the Swiss Life Group had an SST ratio of 215% as at 1 January 2023. Swiss Life expects its SST ratio to be around 215% as at 30 June 2023. The solvency ratio is thus above the strategic ambition range of 140–190%.

As previously communicated, the CHF 1 billion share buyback programme was completed in May 2023 as planned. Swiss Life is launching a new share buyback programme. Between 2 October 2023 and the end of March 2024, Swiss Life will repurchase own shares in the amount of CHF 300 million in order to reduce the number of outstanding shares.

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). There is also an [audio webcast](#) on the website.

At 11 a.m. (CET), Patrick Frost, Group CEO, and Matthias Aellig, Group CFO, will also hold a virtual media conference in German for media representatives. All the documents relating to the financial statements are available online at www.swisslife.com.

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Key figures¹ as at 30 June 2023

	HY 2023	HY 2022 comparable basis	Change (in percent)	Change (in local currency)
Total² (CHF m)				
- Profit from operations	836	801	+4%	+6%
- Net profit	630	560	+12%	+14%
- Gross written premiums	11 462	10 801	+6%	+8%
- Fee income	1 202	1 169	+3%	+6%
- Fee result	343	350	-4%	-2%
- Cash remittance	1 061	972	+9%	-

Business units	HY 2023	HY 2022 comparable basis	Change (in percent)	Change (in local currency)
Switzerland (CHF m)				
- Gross written premiums	6 044	5 907	+2%	-
- Fee income	156	163	-4%	-
- Segment result; of which fee result	448 27	421 30	+6% -10%	- -
- Cash remittance	535	422	+27%	-
France (EUR m)				
- Gross written premiums	3 417	3 547	-4%	-
- Fee income	229	210	+9%	-
- Segment result; of which fee result	163 80	129 68	+26% +18%	- -
- Cash remittance	154	128	+20%	-
Germany (EUR m)				
- Gross written premiums	719	695	+3%	-
- Fee income	379	321	+18%	-
- Segment result; of which fee result	115 76	102 61	+13% +24%	- -
- Cash remittance	94	69	+37%	-
International (EUR m)				
- Gross written premiums	1 391	522	+166%	-
- Fee income	198	166	+20%	-
- Segment result; of which fee result	55 44	49 40	+13% +12%	- -
- Cash remittance	54	55	-2%	-
Asset Managers (CHF m)				
- Total income; of which TPAM	441 288	505 322	-13% -11%	- -
- Net new assets TPAM	6 925	2 968	+133%	-
- Assets under management TPAM	112 227	105 379 ³	+6%	-
- Segment result; of which TPAM	119 35	154 60	-23% -41%	- -
- Cash remittance	218	274	-20%	-

¹ Profit from operations, net profit, segment and fee results based on IFRS 17 and IFRS 9; fee income based on IFRS; all key figures unaudited. Under IFRS 17 and the now discontinued IAS 39 standard, profit from operations would have been CHF 999 million and net profit CHF 710 million as stated in the financial report for HY 2022.

² Gross written premiums: total includes intersegment eliminations of CHF -30 million in HY 2023 and CHF -26 million in HY 2022; fee income: total includes Other segment and intersegment eliminations of CHF -188 million in HY 2023 and CHF -203 million in HY 2022.

³ As at 31 December 2022

Information

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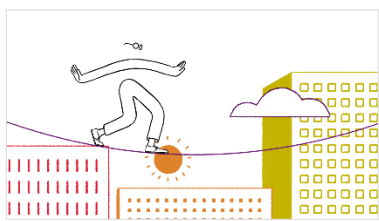
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Swiss Life

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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 Swiss Life Group also includes various subsidiaries. The Group employs a workforce of around 10 000 and has at its disposal a distribution network of around 17 000 advisors.



[Swiss Life corporate film](#)

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