

Zurich, 1 March 2016

Swiss Life increased its net profit by 7% in 2015 to CHF 878 million

- **Swiss Life continued to improve its earning power in 2015, generating adjusted profit from operations of CHF 1.3 billion (plus 17%). All units contributed to this growth.**
- **Net profit increased by 7% to CHF 878 million.**
- **Swiss Life once again improved its fee result, growing 36% to CHF 342 million, and increased its risk result by 4% to CHF 395 million.**
- **Premium income of CHF 18.9 billion corresponds in local currency to 5% growth and to a fall of 1% in Swiss francs.**
- **Swiss Life Asset Managers continued on its growth path, with net new assets from its third-party business at CHF 7.2 billion (2014: CHF 4.5 billion).**
- **Swiss Life was able to withstand the low interest rate environment, posting a robust net investment return of 3.7% (2014: 3.8%).**
- **The new business margin stood at 1.7% (2014: 1.8%) and the value of new business was up 5% to CHF 268 million.**
- **Shareholders' equity declined 5% to CHF 12.2 billion. The adjusted return on equity came to 9.7% (2014: 9.6%).**
- **The Board of Directors proposes to the Annual General Meeting an increase in the dividend from CHF 6.50 to CHF 8.50.**

"Low and negative interest rates are not the only challenges facing financial providers. The whole sector is confronting an unstable global economy, restrictive regulatory requirements, rapid technological advances and, last but not least, changing customer behaviour. All of which made it anything but certain that we would be able to continue gaining momentum this past year, and enjoy profitable growth," says Patrick Frost, CEO of the Swiss Life Group. "The pleasing results are an expression of the great work done by our employees in recent years, and provide an excellent basis for the Swiss Life Group to develop further."

Earning power increases in all units – sustainable business model

In 2015 the Swiss Life Group once again grew its earnings power. Net profit rose from CHF 818 million to CHF 878 million (plus 7%). Adjusted operating income was CHF 1.3 billion, up 17%. All units contributed to this positive development. The savings result rose by 18% to CHF 773 million; the risk result by 4% to CHF 395 million; and the fee result increased by 36% to CHF 342 million.

Despite continuing low interest rates and the negative currency effect, Swiss Life generated direct investment income of CHF 4.3 billion in 2015 (2014: CHF 4.5 billion). The net investment result improved from CHF 5.1 billion to CHF 5.2 billion, producing a net investment return of 3.7% (2014: 3.8%). Patrick Frost notes: "Once again we have been able to achieve attractive investment returns, which is of considerable value to our customers in view of the continuing low interest rate environment and volatile financial markets. The robust investment return allowed us in 2015 to again strengthen the insurance reserves by CHF 1.2 billion, and thus improve the sustainability of our business model."

Swiss Life **Switzerland** increased its segment result by 10% to CHF 734 million. The main driver was the savings result of CHF 499 million (plus 19%). The risk result remained stable at a good level (CHF 267 million) and the fee result was slightly negative due to investments in growth initiatives (minus CHF 4 million). In **France** Swiss Life saw the segment result enhanced by 20% to EUR 219 million. In addition to the savings result of EUR 163 million (plus 12%), the risk result of EUR 82 million (plus 18%) and the fee result of EUR 43 million (plus 38%) also contributed to this increase. **Germany** posted a segment result of EUR 121 million, up 51% over 2014. The earnings comprise: The savings result of EUR 86 million (plus 33%), the fee result of EUR 37 million (plus 159%) and the risk result of EUR 26 million (plus 8%). Swiss Life **International** improved its segment result of EUR 30 million to EUR 38 million (plus 26%). The main driver was the fee result of EUR 29 million (plus 61%). An equally pleasing increase in the segment result was achieved by Swiss Life **Asset Managers** with 28% growth to CHF 242 million.

Profitable growth

Swiss Life thus continued its profitable growth in 2015, with premium income up by 5% year-on-year in local currency to CHF 18.9 billion. In Swiss francs, this corresponds to a fall of 1%. The Group saw its fee business and commission income up 8% in local currency to CHF 1.3 billion (in CHF minus 1%).

In the home market of **Switzerland**, premium volume rose by 5% to CHF 10.5 billion. In group life business Swiss Life saw a 6% increase in premiums to CHF 8.9 billion, while the market grew by only 1%. In individual life business, premiums of CHF 1.6 billion were at previous year's level

(minus 1%) while outperforming the market (minus 2%). In addition, Swiss Life Switzerland successfully pursued its full-range provider strategy for corporate clients, growing the share of new business, alongside full insurance, with semi-autonomous insurance solutions to 11% (2014: 4 %).

In **France** Swiss Life grew premiums by 2% to CHF 4.2 billion. The quality of new life insurance business once again saw a pleasing development, with the proportion of unit-linked solutions increasing to 60%. The focus on profitable business led in **Germany** to a 2% decline in premiums to EUR 1.3 billion: The planned reduction of traditional business was largely offset by the increase in the share of modern savings products as well as disability and long-term care insurance solutions. Swiss Life **International** posted premium growth of 14% to EUR 2.3 billion.

As at 31 December 2015, **Swiss Life Asset Managers** had a total of CHF 185 billion under management (plus 1%), including CHF 39 billion in real estate. Swiss Life also administers CHF 28.6 billion in real estate for third parties, which makes Swiss Life, with its CHF 67.6 billion in real estate under management and administration, one of Europe's leading real estate asset managers. In its third-party investment business, Swiss Life Asset Managers posted net new assets of CHF 7.2 billion. The company thus had CHF 38.8 billion in assets under management for third parties by the end of 2015.

Improved efficiency – solid solvency

Efficiency ratios improved Group-wide by 2 basis points to 0.60%. Despite low interest rates, the new business margin was maintained at 1.7% (2014: 1.8%), above the ambition of 1.5%. The value of new business rose from CHF 255 million in 2014 to CHF 268 million (plus 5%). Swiss Life generated an adjusted return on equity of 9.7% in 2015 (2014: 9.6%), and thus once again attained the upper end of its target band of 8 to 10%. Shareholders' equity amounted to CHF 12.2 billion (minus 5%, particularly due to lower unrealised gains on bonds and negative currency translation effects). Swiss Life expects its SST ratio to be around 140% as of 1 January 2016 (based on the internal model approved with conditions).

Increase in dividend to CHF 8.50 per share

At the Annual General Meeting on 26 April 2016, the Board of Directors will propose to shareholders an increase in the dividend to CHF 8.50 per share (2014: CHF 6.50) paid in the form of a withholding tax-free distribution from the capital contribution reserves. All Members of the Board of Directors are standing for re-election.

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) 203 059 58 62
USA: +1 (1) 631 570 56 13

Telephone conference for media representatives

Patrick Frost, Group CEO, and Thomas Buess, 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

An audio webcast 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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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 two subsidiaries Livit and Corpus Sireo are also part of the Swiss Life Group. The Group employs a workforce of around 7600 and approximately 4500 certified financial advisors.



[A journey through Swiss Life Group](#)

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