Full-year results 2019
(the spoken words take precedence)

Philipp Gmür, CEO Helvetia Group

(Slide 1) Full-year results 2019
Ladies and gentlemen, welcome to our analysts’ conference-call on the results of the 2019 financial year. Within the next 45 minutes, we would like to give you detailed information on our business development and the key financials of the reporting period.

(Slide 2) Agenda
Following my introduction, our CFO Paul Norton will go through the financial figures. Then I would like to give you an update on the implementation of our strategy helvetia 20.20. After my presentation, Paul Norton and I, as well as our Chief Investment Officer André Keller, will be pleased to answer your questions, as always.

(Slide 3) Key figures and highlights at a glance
On slide 3, I would like to share with you a brief overview of the main performance indicators. Paul will give you detailed information on the developments of these figures later on.
In 2019, we achieved a business volume at Group level of approximately CHF 9.5 billion. On a currency-adjusted basis, this represents an increase of 5.6 percent. The main growth driver was non-life business, which achieved 8.3 percent higher premiums in original currency year-on-year. The European units as well as Specialty Markets significantly contributed to this pleasing growth. By line of business, the most important growth drivers were property business on the one hand, which also benefited from the expansion of the B2B2C channel in Switzerland, and engineering and active reinsurance on the other hand. In life business, business volume increased by 3.0 percent in original currency. This was mainly driven by higher volumes in investment-linked products in Switzerland, Germany and Italy and by the Swiss group life business. Here, particularly noteworthy is the strong development of new business with capital-efficient insurance solutions (Swisscanto and BVG Invest).
Helvetia generated an IFRS profit after tax of CHF 538 million in 2019, which was significantly higher than the IFRS net profit of CHF 431 million in 2018. In addition to solid underwriting results in both life and non-life business, strong investment results due to the favourable development of the stock markets were the drivers of the good result. Finally, Helvetia benefited from a one-off positive tax effect. This was mainly due to the revaluation of deferred tax provisions in the course of the federal tax reform and related cantonal tax reductions in Switzerland.

The net combined ratio at Group level was 92.3 percent, somewhat higher than in the previous year. However, the ratio remains at a very good level within the strategic target of below 93 percent. Paul will give you more details on the development of claims and the cost ratio in a few minutes.

I am also pleased with the development of new business in life: The new business margin rose to 2.9 percent and is thus above the strategic target of helvetia 20.20. The improvement was driven by the Swiss group life business. The new business margin was positively affected by a model adjustment which resulted in lower capital requirements on the one hand and a more favourable business mix on the other hand.

Our strong positioning in combination with our profitable growth strategy creates added value for our shareholders. Helvetia again generated a strong operating cash production of CHF 279 million. Thus, the Board of Directors will propose to this year's Shareholders' Meeting to increase the dividend by CHF 0.20 to CHF 5.00, which gives an attractive dividend yield of 3.7%. Aside from Switzerland, the European entities as well as Specialty Markets also contribute to the Group dividend.

Above all, we are on the home stretch on implementing our strategy. I will come back to this later in the second part of my presentation.
With that, I would like to hand over to our CFO, Paul Norton, who will now provide you with the most important information about the financial figures. >>>>