

Key data at a glance

1. Business volume

In CHF million	HY 2014	HY 2013	Delta in CHF in %	Delta in OC ¹ in %
Group²	4,821.7	4,775.0	+1.0	+1.3
Significant drivers (in CHF million)				
<ul style="list-style-type: none"> - Growth driver non-life business (+2.8% in OC); <ul style="list-style-type: none"> o Return to positive performance in Germany after completion of portfolio restructuring (+3.4% in OC) o In the extremely profitable home market of Switzerland the growth rate is again higher (+2.8%) than the previous year (+0.9%) - Life business in the Group stable at the previous year's level; almost all country markets with double-digit growth <ul style="list-style-type: none"> o Scheduled decline in Switzerland due to special effect resulting from the outsourcing of pensions by Swiss Canto and a tranche product in individual life that had only been partially reported by the end of June o Spain declines in line with the market development 				
Business activities				
In CHF million	HY 2014	HY 2013	Delta in CHF in %	Delta in OC ¹ in %
Business volume life	3,096.5	3,097.3	0.0	+0.1
Significant drivers (in CHF million)				
Individual life: 935.6 (+4.9% in OC)				
<ul style="list-style-type: none"> - Increase in investment-linked insurance premiums (+3.2% in OC) and higher deposits (+22.9% in OC) confirm our strategy of achieving growth mainly through modern capital-efficient products - Proportion of investment-linked products in the business volume of individual life at 29% (previous year 28%) 				
Group life 2,160.9 (-1.8% in OC)				
<ul style="list-style-type: none"> - Slight decrease due to special effect resulting from the outsourcing of Swiss Canto pensions in Switzerland 				
Countries				
Switzerland 2,504.9 (-2.1%)				
<ul style="list-style-type: none"> - Individual life: <ul style="list-style-type: none"> o Strong growth in modern capital-efficient products (+31.8%) o Decline in single premium products due to the difficult capital market environment and a timing effect with the tranche product Value Trend (which was only partially reported by the end of June because of the subscription deadline) - Group life: <ul style="list-style-type: none"> o Encouraging growth of 6.6% in important regular premiums o Single premium products generally volatile o Outsourcing of pensions at Swisscanto previously handled by Helvetia Swiss due to strategic repositioning by Swiss Canto - single premium products from previous purchases by retirees are therefore eliminated 				
Italy: 324.1 (+12.2% in OC)				
<ul style="list-style-type: none"> - Stepping up sales of modern products: Successful placement of 2 tranche products - Growth in individual life (+12.2% in OC, overall demand in the market back on the rise) 				

¹ Original currency

² Including deposits

Germany: 146.1 (+12.8% in OC)				
<ul style="list-style-type: none"> - Increase in investment-linked insurance (+10% in OC) due to successful marketing of investment-linked life insurance - Growth in single premiums in particular, but also in regular premiums 				
Austria: 63.7 (+13.1% in OC)				
<ul style="list-style-type: none"> - Strong demand in investment-linked insurance solutions (+16.3% in OC) confirms our growth strategy in modern, capital-efficient products. 				
Spain: 57.7 (-2.8% in OC)				
<ul style="list-style-type: none"> - Decline in premiums for individual insurance in line with the market trend - Positive development in burial insurance cannot compensate for the decline in traditional life insurance 				
In CHF million	HY 2014	HY 2013	Delta in CHF in %	Delta in OC¹ in %
Gross premiums non-life	1,621.4	1,585.3	+2.3	+2.8
Significant drivers (in CHF million)				
Insurance business lines				
<ul style="list-style-type: none"> - Growth drivers are the largest lines motor vehicles (+3.4% in OC) and property insurance (+2.3% in OC) - Premium increases also in the lines liability (+1.9% in OC), and health and accident (+9.9% in OC) - the latter mainly due to the effect of the acquisition of Chiara Assicurazioni in Italy - Transport business stable at previous year's level despite portfolio restructuring in German and Austria 				
Countries				
Switzerland: 575.9 (+2.8%)				
<ul style="list-style-type: none"> - Growth driver motor vehicles (+4.9%) - Premium increases also in the lines property and liability insurance (+1.7%/+0.9%) 				
Germany: 352.4 (+3.4% in OC)				
<ul style="list-style-type: none"> - Portfolio restructuring largely completed - Growth drivers motor vehicles (+11.9% in OC) and property insurance (+3.7% in OC) owing to rate increases in the existing portfolio due to the restructuring measures of the previous year 				
Italy: 254.4 (+1.9% in OC)				
<ul style="list-style-type: none"> - Main driver acquisition effect of Chiara Assicurazioni - Increase in health and accident business (+18.6% in OC); liability (+11.8% in OC) - Motor vehicle business affected market-wide by strong price competition - Decline in motor vehicle premiums because of ongoing restructuring measures to increase the focus on profitability 				
Spain: 152.9 (+1.2% in OC)				
<ul style="list-style-type: none"> - Growth in a challenging environment (Overall Spanish non-life market still slightly negative) - Drivers are motor vehicles (+6.1% in OC) and transport (+9.4% in OC) due to sales cooperation with France 				
France: 182.1 (+6.2% in OC)				
<ul style="list-style-type: none"> - Growth mainly a result of a one-time effect due to the harmonization of intra-year reporting process 				
Austria: 103.7 (-0.1% in OC)				
<ul style="list-style-type: none"> - Overall stable business development - Premiums developed positively in motor vehicles (+2.9% in OC), liability (+2.7% in OC) and accident and health (+3.2% in OC). - Decline in transport business due to termination of unprofitable business relationships 				

Assumed reinsurance	103.8	92.4	+12.3	+12.3
Significant drivers (in CHF million)				
<ul style="list-style-type: none"> - Growth drivers new business and portfolio increases - Broader diversification of the portfolio by sector and country 				

2. Profit for the period

In CHF million	HY 2014	HY 2013	Delta in CHF in %	Delta in OC in %
Group after-tax earnings	196.9	179.4	+9.8	+10.5
<ul style="list-style-type: none"> - Non-life clear driver of improved earnings (increase of 37.5%) - Life earnings solid and stable at prior-year level 				
Non-life	103.1	75.0	+37.5	+37.9
<ul style="list-style-type: none"> - Good technical result - Geographically broad support for profitability - almost all countries (except Germany) contribute to the improvement in earnings 				
Life	71.9	71.3	+0.9	+1.1
<ul style="list-style-type: none"> - Solid technical earnings - Lower investment result due to lower capital gains - Further strengthening of reserves in Switzerland and Germany 				
Other activities	21.9	33.1	-33.9	-31.4
<ul style="list-style-type: none"> - Declining earnings mainly due to lower investment result 				
Current income from Group investments	510.1	501.3	+1.8	n/a
<ul style="list-style-type: none"> - Increase in current income a result of higher investment volumes 				
Investment result from Group financial assets and investment property	582.1	594.4	-2.1	n/a
<ul style="list-style-type: none"> - Decline in realised profits - Currency losses on interest-bearing securities 				

3. Profitability indicators

New business margin	HY 2014	HY 2013	Delta
Group	1.0%	1.4%	-0.4%. pts.
<ul style="list-style-type: none"> - Decline in new business margin due to adjustment of economic assumptions 			
Combined ratio	93.6%	94.9%	-1.3%. pts.

Cost ratio	29.6%	29.2%	0.4% pts.
<ul style="list-style-type: none"> - Increase in cost due to: <ul style="list-style-type: none"> o Effect of acquisition of Chiara Assicurazioni with naturally higher cost ratio because of its sales structure (with lower loss ratios) - Recognition effect in expenses for pensions in Germany, most of which were not reported until the second half of 2013 			
Claims ratio	64.0%	65.7%	-1.7% pts.
<ul style="list-style-type: none"> - Encouraging improvement due to lower claims (especially storm claims) in the first half of 2014 			

4. Key balance sheet figures

In CHF million	30 June 2014	31 December 2013
Equity (without preferred securities)	4'082.6	3'831.2
<ul style="list-style-type: none"> - Increase in equity as a result of higher profits despite payment of an attractive dividend - Interest-rate related increase in unrealised gains and losses recognised in equity 		
Solvency I	238%	218%
<ul style="list-style-type: none"> - Expansion of robust capital position - further improvement of Solvency I 		
Return on equity	9.4%	9.3%
<ul style="list-style-type: none"> - Increase due to greater profitability, in spite of higher equity 		

5. Ratios

In CHF million	HY 2014*	HY 2013*
Direct yield	2.7%	2.8%
<ul style="list-style-type: none"> - Stable contribution of current investment income despite continued low interest rates, direct yield (annualised) stable at the level of the same period last year 		
Investment performance	3.7%	0.3%
<ul style="list-style-type: none"> - All asset classes contribute to the investment performance, with equities and bonds providing the highest returns 		
*annualised		

The German version is legally binding.