

Helvetia Group analysts' conference call
Half-year results 2019
Thursday, 29 August 2019

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(The spoken words take precedence)

Philipp Gmür, CEO Helvetia Group

(Slide 17) Update on strategy implementation

Thank you, Paul, for the details of our financial performance in the first half of the 2019 financial year.

In the last part of the presentation I would like to briefly show you the progress we have made in implementing our strategy. I will start on slide 18.

(Slide 18) Good progress on implementing our strategy

The implementation of our strategy *helvetia 20.20* is proceeding successfully. If you have followed us through the last periods, you might know that our strategy is built on three pillars: we aim 1) to strengthen our core business, 2) to explore new business models and 3) to promote targeted innovations. With our strategy, we are able to create added value for our key stakeholder groups: customers, employees and shareholders.

In the first half of the 2019 financial year we can look back on an exciting and favourable progress both in Switzerland and in Europe. We have once again intensified our efforts to transform and therefore strengthen our core business to reflect the new reality of our business environment and the changing needs of our customers. Among other things, we have further expanded the B2B2C channel. The B2B2C business contributes to the expansion of sales capacities. It enables customers to purchase insurance covers directly at the point of sale, thus taking into account the need to insure specific items individually. We pursue this approach for electrical and electronic products as well as in the automotive sector. Against this backdrop, Helvetia acquired Helvetic Warranty GmbH as of 1st July 2019. Helvetic Warranty GmbH acts as an intermediary between distribution partners and

insurance carriers and provides comprehensive services from distribution to claims settlement. Helvetic Warranty has extensive know-how in efficient claims handling.

In the first half of 2019 we have also made good progress with regard to the automation of the claims process in general, which not only brings us more efficiency but strives to achieve much more convenience for customers and partners. We progressed with our platform for Swiss tradesmen that has been launched with JAROWA last year. The idea of the platform is to provide our customers with a network of available and reliable tradesmen in case of a building damage and digitalise their relationship. The customer simply has to agree on an appointment with the tradesman. There is no need for him or her to get a quote or clarify which repairs are covered. Since March 2019, damages can be reported electronically. This enables us to increase efficiency as well as to provide transparency for customers who can access the damage reports. Within one year, over 4'000 claims were handled via the platform, thereof over 2'300 damages were reported electronically.

We have always known that strengthening the core will not be sufficient to meet the challenges that the future brings. Thus, we are also making efforts to expand our business and explore new business models. For example with our subsidiary Smile we are opening up new business models in the mobile world. I will come back to this in more detail later-on. Innovative business models are also accessed with investments into start-ups of our own Venture Fund. Just recently, we invested in an Italian company called MyPass. The company creates apps, such as mypass Venezia or mypassci, which enables consumers to stay in the same app-ecosystem to organise their trips and buy tickets, ski passes or parking cards. This corresponds perfectly with our intent to make the life of our customer more convenient and enables Helvetia to be closer to the customer. It also offers us the opportunity to sell e.g. ski insurance solutions through MyPass apps.

As just mentioned, on the following charts I want to deepen the recent developments of our subsidiary Smile. Let's move on to slide 19.

(Slide 19) Deep dive Smile (1/2): unique mobile customer experience

With Smile, the leading Swiss online insurer, Helvetia is opening up new business models in the mobile world. Smile wants to offer its customers a unique digital customer experience and is the first Swiss provider to focus on "mobile first". Although reaching the age of 25 years, Smile is regarding its culture and structures more comparable to a start-up than to an incumbent. By the start of July this year, Smile completely renewed its brand identity to position itself more as an InsurTech and to differentiate itself even better from the incumbent

insurance companies on the market. Smile strives for a cooperative partnership with customers and is the first insurer in Switzerland to address customers on their first name. Helvetia expands with Smile its target market and reaches an increasing, complementary customer segment, which demands for convenient and flexible solutions. With Smile, we offer a unique digital customer experience in the Swiss market and strive for growth in a promising segment.

(Slide 20) Deep dive Smile (2/2): unique mobile customer experience

Smile offers customers a unique digital customer experience, which will be permanently improved based on consumer data. Smile will also launch a consumer app by September this year, which serves as a hub for all customer-interaction. This makes Smile the first insurer in Switzerland to pursue a "mobile first" strategy. We believe that mobile devices are increasingly used by customers to organise their entire lives. By the new mobile solution we are even closer to the customers and are able to meet customer needs right where they arise. The "point of sale" transforms to the "point of need". The promising future of our strategy with Smile has been once again verified at the leading conference on InsurTech and insurance innovation worldwide: the digital insurance agenda or DIA. Smile and the Helvetia spin-off mitipi won the DIAMond award by combining smart home technology and insurance to create digital solutions making life safer.

(Slide 21) On track to reach our financial targets

Finally, slide 21 shows that we are well on track to reach our financial targets. We are pleased with the development of the individual financial figures so far. With regard to the business volume of 10 billion, I would like to reiterate that this is not a fixed goal but an ambition. Our organic growth is proceeding according to plan. In order to achieve the 10 billion ambition, we would also have to grow through M&A, which is difficult to plan in advance and depends on targets being available in the market.

Overall, we are happy with what we have achieved so far and we are confident that we are well prepared to remain fit for the future!

This brings us to the end of the presentation.

My colleagues and I would now be pleased to answer your questions. Thank you for your attention.