

Press release

Swiss Re increases net income to USD 3.2 billion and delivers a 15% ROE for 2024

Ad hoc announcement pursuant to Article 53 LR

- **Property & Casualty Reinsurance (P&C Re) net income of USD 1.2 billion; combined ratio of 89.9%¹**
- **Corporate Solutions net income of USD 829 million; combined ratio of 89.7%²**
- **Life & Health Reinsurance (L&H Re) net income of USD 1.5 billion**
- **Return on investments (ROI) of 4.0%; recurring income yield of 4.0%**
- **P&C Re increased premium volume by 7.0% in the January 2025 renewals, achieving price increases of 2.8%**
- **Strong capital position with a Group Swiss Solvency Test (SST) ratio above the target range as of 1 January 2025**
- **Board of Directors to propose a dividend increase of 8% to USD 7.35 per share at the Annual General Meeting on 11 April 2025**

Zurich, 27 February 2025 – Swiss Re reported a net income of USD 3.2 billion in 2024, with a net income of USD 1.1 billion for the fourth quarter and a return on equity (ROE) of 15.0% for the full year. The Board of Directors will propose a dividend of USD 7.35 per share.

Swiss Re's Group Chief Executive Officer Andreas Berger said: "Our focus in 2024 was on profitability and resilience. Our results for the period reflect this and show that we are on the right track: we have delivered strong net income and ROE, while achieving our goal of positioning overall P&C reserves at the higher end of our best-estimate range."

Swiss Re's Group Chief Financial Officer John Dacey said: "The strong underlying Business Unit performance is being supported by continued underwriting discipline and recurring investment income. The Group's earnings power, combined with the reserving actions taken in 2024, give us confidence to increase the pay-out to investors by proposing an 8% higher ordinary dividend of USD 7.35 per share."

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Group result continues to benefit from disciplined underwriting and recurring investment income

Swiss Re reported an IFRS net income of USD 3.2 billion and an ROE of 15.0% for full-year 2024, compared with an IFRS net income of USD 3.1 billion and an ROE of 16.2% in 2023. The result was driven by disciplined underwriting of new business and investment contributions from all Business Units, partly offset by the strengthening of reserves related to P&C Re's US liability business in the third quarter.

The insurance service result³, which reflects the profitability of underwriting activity, was USD 4.3 billion, compared with USD 4.7 billion in 2023. Insurance revenue⁴ for the Group amounted to USD 45.6 billion, up from USD 43.9 billion in 2023.

Increased recurring investment income

Swiss Re's ROI for the full year increased materially to 4.0% in 2024, up from 3.2% in 2023, driven by a continued contribution from recurring income. The recurring income yield for the period was 4.0%, up from 3.5% in 2023. The reinvestment yield for the fourth quarter was 4.6%.

Strong capital position

Swiss Re's capital position continues to be strong with an estimated Group SST ratio as of 1 January 2025 of 257%⁵, above the target range of 200–250%. The reduction compared to the mid-year 2024 Group SST ratio of 284% was primarily driven by reserving actions in the second half of the year, dividend accruals and modest increases in deployed risk capital.

The implementation of the methodology to derive the SST target capital required correction. In the past, the expected change in SST risk-bearing capital (RBC), which is deducted from total risk to derive the target capital, did not factor in the discounting of the expected RBC when implemented. This modification, which results in a reduction of the SST ratio, is reflected in the corrected SST ratios for 2024 and 2023 shown in the Addendum to the Financial Condition Report 2023. The corrected implementation of the methodology will result in a lower interest rate sensitivity.

P&C Re delivers strong underlying underwriting performance

P&C Re reported a net income of USD 1.2 billion for 2024, down 20% from USD 1.5 billion in 2023. Robust underwriting results were impacted by prior-year US liability reserve additions in the third quarter. The result includes strong investment performance.

Large natural catastrophe claims amounted to USD 1.0 billion in 2024. These claims mainly related to hurricanes Milton, Debby and Helene, the severe hailstorm which affected Calgary in Canada, Storm Boris in Europe and flooding in the Gulf region.

P&C Re decisively strengthened its prior-year US liability reserves in the third quarter. These additions were partly offset by releases in other lines of business, resulting in a net prior-year reserve strengthening of USD 2.6 billion⁶ for the full year 2024. This positions overall P&C reserves at the higher end of Swiss Re's best-estimate range which, coupled with

the uncertainty allowance on new business, continues to support reserving strength going forward.

P&C Re achieved an insurance service result of USD 1.8 billion, down 33% from USD 2.8 billion in 2023, and a combined ratio of 89.9%. The net impact of reserve strengthening in the third quarter accounted for 10.2 percentage points of the full-year combined ratio; as a result, P&C Re missed its combined ratio target of less than 87% for 2024.

Insurance revenue for 2024 was USD 19.8 billion, compared with USD 19.6 billion in 2023. Insurance revenue was supported by strong margins, continued price increases and targeted growth in property and specialty. Pruning of casualty lines continued in 2024.

Successful January P&C Re renewals

P&C Re renewed treaty contracts resulting in USD 13.3 billion in premium volume on 1 January 2025. This represents a 7.0% volume increase compared with the business that was up for renewal. Overall, P&C Re achieved a price increase of 2.8% in this renewal round. Based on a prudent view on inflation and updated loss models, loss assumptions increased by 4.2%. The resulting portfolio quality is supportive of the Group's 2025 financial targets.

Corporate Solutions outperforms combined ratio target

Corporate Solutions reported a net income of USD 829 million in 2024, up 26% from USD 658 million in 2023. The strong result reflects a consistent underlying business performance throughout the year, supported by strong investment income.

Large natural catastrophe losses of USD 344 million were mainly driven by Tropical Cyclone Megan in Australia, Hurricanes Milton and Helene in the US, and the Calgary hailstorm.

Corporate Solutions achieved an insurance service result of USD 1.0 billion in 2024, up 23% from USD 831 million in 2023. The 2024 result reflects the earn-through of robust in-force and new business margins complemented by lower-than-expected man-made loss experience. Corporate Solutions achieved a combined ratio of 89.7% for 2024, outperforming the target of below 93% for the full year.

Insurance revenue for 2024 rose to USD 8.1 billion from USD 7.6 billion in 2023. Driven by stringent portfolio steering and disciplined underwriting, Corporate Solutions' insurance revenue reflects new business growth in its focus portfolios and earn-through of previously realised rate increases.

L&H Re delivers on net income target

L&H Re reported a net income of USD 1.5 billion in 2024, achieving its target and improving on its 2023 result of USD 1.4 billion. The result reflects recognition of in-force margins supported by a strong investment income, partially offset by adverse experience and assumption reviews.

The assumption review conducted in the fourth quarter of 2024, as announced at the Management Dialogue event in December 2024, led to a reduction in L&H Re's Contractual Service Margin (CSM) of USD 1.1 billion, bringing the CSM balance to USD 17.4 billion by year-

end. These updates are fully reflected in the 2025 net income target of USD 1.6 billion.

L&H Re achieved an insurance service result of USD 1.5 billion, up 15% from USD 1.3 billion in 2023, and insurance revenue of USD 17.1 billion, compared with the 2023 result of USD 16.4 billion.

Withdrawal from iptiQ proceeding as planned

The withdrawal from iptiQ is proceeding as planned, with the sale of iptiQ's European P&C business to Allianz Direct announced in the fourth quarter of 2024 and the placement of the Americas and APAC businesses into run-off.

iptiQ reported a net loss of USD 325 million for 2024. This includes (pre-tax) USD 188 million which is attributable to one-off impairments of goodwill and intangibles related to the withdrawal from the business and a charge related to the sale of the European P&C business.

Financial targets and outlook

Swiss Re confirms the financial targets communicated at its Management Dialogue event in December 2024. For 2025, the Group aims for a net income of more than USD 4.4 billion, while L&H Re targets a net income of USD 1.6 billion. P&C Re targets a combined ratio of less than 85% and Corporate Solutions targets a combined ratio of less than 91%. The Group maintains its multi-year IFRS ROE target of more than 14% and aims for dividend per share growth of 7% or more per year for dividends paid in 2025–2027.

Swiss Re estimates its preliminary claims from the wildfires which affected Los Angeles to be less than USD 700 million, which will impact Group results in the first quarter of 2025. Its estimate for the preliminary total insured market loss from the wildfires is approximately USD 40 billion.

Swiss Re's Group Chief Executive Officer Andreas Berger said: "All our businesses have started 2025 in a strong position, thanks to the resilient foundation we have created and disciplined underwriting as evidenced by the successful January renewals. We remain focused on delivering on our targets for the year and reaching our cost efficiency goals."

Details of FY 2024 performance

	FY 2023 ⁷	FY 2024
USD millions, unless otherwise stated		
Consolidated Group (total)		
Net income ⁸	3 141	3 238
Insurance revenue (gross)	43 898	45 598
Insurance service result	4 685	4 304
Return on equity (%)	16.2	15.0
Return on investments (%)	3.2	4.0
Recurring income yield (%)	3.5	4.0
	31.12.23	31.12.24
Shareholders' equity	20 471	21 892
Book value per share (USD)	70.49	74.44
	FY 2023	FY 2024
P&C Reinsurance		
Net income	1 539	1 225
Insurance revenue (gross)	19 590	19 770
Insurance service result	2 751	1 841
Combined ratio (%)	85.0	89.9
L&H Reinsurance		
Net income	1 441	1 532
Insurance revenue (gross)	16 437	17 067
Insurance service result	1 328	1 533
Corporate Solutions		
Net income	658	829
Insurance revenue (gross)	7 556	8 083
Insurance service result	831	1 018
Combined ratio (%)	91.0	89.7

¹ P&C Re combined ratio is defined as $[-\text{Insurance service expense (net)} / \text{Insurance revenue (net)}]$.

² Corporate Solutions combined ratio is defined as $[-(\text{Insurance service expense (gross)} + \text{Reinsurance result} + \text{Non-directly attributable expenses}) / \text{Insurance revenue (gross)}]$.

³ Insurance service result reflects the discounted underwriting profit earned from providing insurance coverage in a given period, and comprises insurance revenue (gross) less insurance service expenses (gross) plus reinsurance result.

⁴ Insurance revenue (gross) reflects the expected discounted claims and expenses, release of risk capital costs, as well as release of expected profit for the services provided in a period.

⁵ Estimated Group SST ratio as of 1 January 2025, subject to regular review by FINMA.

⁶ Represents a nominal (undiscounted) amount.

⁷ FY 2023 comparative information has been revised since previous publication.

⁸ Including net income/loss attributable to non-controlling interests of USD 30 million for 2023 and USD -3 million for 2024.

Financial calendar

13 March 2025	Publication of the Annual Report 2024
11 April 2025	161st Annual General Meeting
16 May 2025	First-quarter 2025 Results
14 August 2025	Half-year 2025 Results

Media conference call

Swiss Re will hold a virtual media conference this morning at 10:30 CET. To join, please access the webcast [here](#).

Investor and analyst call

Swiss Re will hold an investors' and analysts' webcast at 14:00 CET, which will focus exclusively on Q&A. The investor and analyst presentation can be found [here](#).

About Swiss Re

The Swiss Re Group is one of the world's leading providers of reinsurance, insurance and other forms of insurance-based risk transfer, working to make the world more resilient. It anticipates and manages risk – from natural catastrophes to climate change, from ageing populations to cyber crime. The aim of the Swiss Re Group is to enable society to thrive and progress, creating new opportunities and solutions for its clients. Headquartered in Zurich, Switzerland, where it was founded in 1863, the Swiss Re Group operates through a network of around 70 offices globally.

Cautionary note on forward-looking statements

Certain statements and illustrations contained herein are forward-looking. These statements (including as to plans, objectives, targets, and trends) and illustrations provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to a historical fact or current fact.

Forward-looking statements typically are identified by words or phrases such as “anticipate”, “target”, “aim”, “assume”, “believe”, “continue”, “estimate”, “expect”, “foresee”, “intend” and similar expressions, or by future or conditional verbs such as “will”, “may”, “should”, “would” and “could”. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause Swiss Re's (the "Group") actual results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects to be materially different from any future results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects expressed or implied by such statements or cause the Group to not achieve its published targets. Such factors include, among others:

- macro-economic events or developments including inflation rates, increased volatility of, and/or disruption in, global capital, credit, foreign exchange and other markets and their impact on the respective prices, interest and exchange rates and other benchmarks of such markets;
- elevated geopolitical risks or tensions which may consist of conflicts arising in and between, or otherwise impacting, countries that are operationally and/or financially material to the Group or significant elections that may result in domestic and/or regional political tensions as well as contributing to or causing macro-economic events or developments as described above;
- the frequency, severity and development of, and losses associated with, insured claim events, particularly natural catastrophes, human-made disasters, pandemics, social inflation litigation, acts of terrorism or acts of war, including the ongoing war in Ukraine as well as conflicts in the Middle East, and any associated governmental and other measures such as sanctions, expropriations and seizures of assets as well as the economic consequences of the foregoing;
- the Group's adherence to standards related to environmental, social and governance ("ESG"), sustainability and corporate social responsibility ("CSR") matters and ability to fully achieve goals, targets, ambitions or stakeholder expectations related to such matters;
- the Group's ability to achieve its strategic objectives;
- legal actions or regulatory investigations or actions, including in respect of industry requirements or business conduct rules of general applicability, the intensity and frequency of which may also increase as a result of social inflation;
- central bank intervention in the financial markets, trade wars or other protectionist measures relating to international trade arrangements, adverse geopolitical events,

domestic political upheavals or other developments that adversely impact global economic conditions;

- mortality, morbidity and longevity experience;
- the cyclical nature of the reinsurance sector;
- the Group's ability to maintain sufficient liquidity and access to capital markets, including sufficient liquidity to cover potential recapture of reinsurance agreements, early calls of debt or debt-like arrangements and collateral calls due to actual or perceived deterioration of the Group's financial strength or otherwise;
- the Group's inability to realise amounts on sales of securities on the Group's balance sheet equivalent to their values recorded for accounting purposes;
- the Group's inability to generate sufficient investment income from its investment portfolio, including as a result of fluctuations in the equity and fixed income markets, the composition of the investment portfolio or otherwise;
- changes in legislation and regulation or the interpretations thereof by regulators and courts, affecting the Group or its ceding companies, including as a result of comprehensive reform or shifts away from multilateral approaches to regulation of global operations;
- matters negatively affecting the reputation of the Group, its board of directors or its management;
- the lowering, loss or giving up of one of the financial strength or other ratings of one or more companies in the Group, and developments adversely affecting its ability to achieve improved ratings;
- uncertainties in estimating reserves, including differences between actual claims experience and underwriting and reserving assumptions, in particular in Life & Health and in Property & Casualty Reinsurance due to higher costs caused by pandemic-related or inflation and supply chain issues;
- changes in our policy renewal and lapse rates and their impact on the Group's business;
- the outcome of tax audits, the ability to realise tax loss carryforwards and the ability to realise deferred tax assets (including by reason of the mix of earnings in a jurisdiction or deemed change of control), which could negatively impact future earnings, and the overall impact of changes in tax regimes on the Group's business model;
- changes in accounting estimates or assumptions that affect reported amounts of assets, liabilities, revenues or expenses, including contingent assets and liabilities as well as changes in accounting standards, practices or policies, including the Group's decision to transition from US GAAP to IFRS beginning 1 January 2024;
- strengthening or weakening of foreign currencies;
- reforms of, or other potential changes to, benchmark reference rates;
- failure of the Group's hedging arrangements to be effective;
- significant investments, acquisitions or dispositions, and any delays, unforeseen liabilities or other costs, lower-than-expected benefits, impairments, ratings action or other issues experienced in connection with any such transactions;
- extraordinary events affecting the Group's clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- changing levels of competition in the markets and geographies in which the Group competes;
- the effects of business disruption due to terrorist attacks, cyberattacks, natural catastrophes, public health emergencies, hostilities or other events;
- limitations on the ability of the Group's subsidiaries to pay dividends or make other distributions; and
- operational factors, including the efficacy of risk management or the transition to IFRS as well as other internal procedures in anticipating and managing the foregoing risks.

These factors are not exhaustive. The Group operates in a continually changing environment and new risks emerge continually. Readers are cautioned not to place undue reliance on forward-looking statements. Swiss Re undertakes no obligation to publicly revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.

This communication is not intended to be a recommendation to buy, sell or hold securities and does not constitute an offer for the sale of, or the solicitation of an offer to buy, securities

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