

Press release

Swiss Re reports a net income of USD 2.2 billion for the first nine months of 2024

Ad hoc announcement pursuant to Article 53 LR

- **Property & Casualty Reinsurance (P&C Re) net income of USD 603 million; combined ratio of 92.8%ⁱ**
- **Life & Health Reinsurance (L&H Re) net income of USD 1.2 billion**
- **Corporate Solutions net income of USD 642 million; combined ratio of 89.4%ⁱⁱ**
- **Return on investments (ROI) of 3.9%; recurring income yield of 4.0%**

Zurich, 14 November 2024 – Swiss Re reported a net income of USD 2.2 billion and a return on equity (ROE) of 13.4% for the first nine months of the year. The result was driven by resilient underwriting 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.

Swiss Re's Group Chief Executive Officer Andreas Berger said: "Enhancing the overall resilience of the Group has been a key priority for the management team. With the decisive actions in the third quarter, which follow a comprehensive review, we have reached our goal of positioning overall property and casualty reserves at the higher end of the best-estimate rangeⁱⁱⁱ."

Swiss Re's Group Chief Financial Officer John Dacey said: "All our Business Units continue to deliver attractive underlying performance thanks to disciplined underwriting and capital allocation. This is further supported by a significant positive contribution from investment income."

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

Swiss Re reported a net income of USD 2.2 billion and an ROE of 13.4% for the first nine months of 2024. For the third quarter, the Group reported a net income of USD 102 million. Outside the US liability reserving actions, the main drivers for this result were disciplined underwriting, helping the business to successfully navigate a third quarter with increased natural catastrophe activity, and recurring investment income.

Media Relations

Zurich
Telephone +41 43 285 7171

New York
Telephone +1 914 828 6511

Singapore
Telephone +65 6232 3302

Investor Relations

Telephone +41 43 285 4444

Swiss Re Ltd
Mythenquai 50/60
CH-8022 Zurich
Telephone +41 43 285 2121

www.swissre.com

 @SwissRe

Additional information

For press releases, logos and photography of Swiss Re executives, directors or offices go to www.swissre.com/media

Insurance revenue^{iv} for the Group amounted to USD 33.7 billion. The insurance service result^v, which reflects profitability of the underwriting activity, was USD 2.9 billion.

The Group achieved a return on investments (ROI) of 3.9% in the first nine months of 2024, driven by a continued strong contribution from recurring income. The recurring income yield for the period was 4.0% and the reinvestment yield for the third quarter was 4.6%.

Swiss Re maintains a strong capital position with a Group Swiss Solvency Test (SST) ratio of 284% as of 1 July 2024. The Group SST ratio reflects methodology updates, which reduce the reported ratio, while significantly lowering the sensitivity to future interest rate movements.

P&C Re delivers strong underlying underwriting performance

P&C Re reported a net income of USD 603 million for the first nine months of 2024, as the strong current year underwriting performance more than offset the decisive strengthening of prior year US liability reserves in the third quarter. The insurance revenue for the first nine months of 2024 was USD 15.0 billion.

P&C Re added USD 2.4 billion^{vi} to its prior year US liability reserves in the third quarter, bringing the total reserve additions to USD 3.1 billion for the first nine months of 2024. The additions were partly offset by releases in other lines of business, resulting in a net prior year reserve strengthening of USD 2.0 billion in the third quarter of 2024. The reserve strengthening has accelerated the achievement of the Group's goal to position overall P&C reserves at the higher end of the best-estimate range. The recent introduction of an uncertainty allowance on new business will continue to support the strength of the reserves going forward.

Large natural catastrophe claims amounted to USD 813 million in the first nine months of 2024, with USD 743 million attributed to the third quarter. This mainly related to the severe hailstorm which affected Calgary, Canada; Storm Boris in Europe and hurricanes Debby and Helene.

P&C Re achieved an insurance service result of USD 1.0 billion and a combined ratio of 92.8%. The net impact of reserve strengthening in the third quarter accounted for 13.3 percentage points of the nine-month combined ratio; as a result P&C Re is now expected to miss its combined ratio target of less than 87% for 2024.

L&H Re's result driven by large in-force book

L&H Re reported a net income of USD 1.2 billion in the first nine months of 2024. The result reflects strong investment income alongside healthy in-force margins. US mortality experience remained slightly favourable relative to expectations for the first nine months of 2024, offset by unfavourable developments mainly in EMEA.

L&H Re achieved an insurance revenue of USD 12.6 billion and an insurance service result of USD 1.2 billion.

Following a successful first nine months of 2024, L&H Re continues to target a net income of approximately USD 1.5 billion for the full year.

Corporate Solutions maintains strong business performance

Corporate Solutions reported a net income of USD 642 million for the first nine months of 2024. The continued strong result reflects a robust underlying business performance throughout the first nine months of the year, supported by solid investment income.

Insurance revenue for the first nine months of 2024 was USD 5.8 billion. Stringent portfolio steering and disciplined underwriting resulted in strong in-force and new business margins, complemented by low man-made loss experience. Large natural catastrophe losses of USD 294 million were mainly driven by Tropical Cyclone Megan in Australia, Hurricane Helene in the US, and the Calgary hailstorm.

Corporate Solutions achieved an insurance service result of USD 739 million and a combined ratio of 89.4% for the first nine months of 2024. The Business Unit is well on track to achieve a combined ratio below 93% for the full year.

Withdrawal from iptiQ proceeding as planned

iptiQ reported a net loss of USD 241 million for the first nine months of 2024, including one-off impairments of goodwill and intangibles of (pre-tax) USD 111 million related to the withdrawal from the business announced in May 2024.

As announced on 5 November 2024, Allianz Direct will take over iptiQ's European P&C business, including more than 100 employees currently working in Switzerland, Germany, Spain, the Netherlands and Italy, and all distribution agreements. The transaction is expected to close in 2025, subject to customary closing conditions, including regulatory approvals.

Outlook

As disclosed on 7 November 2024, Swiss Re expects to achieve a Group net income of more than USD 3 billion for 2024, assuming normal loss activity for the remainder of the year.

Swiss Re currently expects its losses resulting from Hurricane Milton to be less than USD 300 million, which will impact Group results in the fourth quarter of 2024.

Swiss Re's Group Chief Executive Officer Andreas Berger said: "The significant strengthening of reserves in the third quarter creates a resilient base for success in the coming years. The Group's capital position remains strong, putting us in a favourable position for the upcoming renewals. We expect to update the market with new targets for 2025 next month."

Details of 9M 2024 performance

	9M 2024
USD millions, unless otherwise stated	
Consolidated Group (total)	
Net income	2 190
Insurance revenue (gross)	33 711
Insurance service result	2 908
Return on equity (% annualised)	13.4
Return on investments (% annualised)	3.9
Recurring income yield (% annualised)	4.0
	30.09.24
Shareholders' equity	21 600
Book value per share (USD)	73.47
	9M 2024
P&C Reinsurance	
Net income	603
Insurance revenue (gross)	14 977
Insurance service result	1 010
Combined ratio (%)	92.8
L&H Reinsurance	
Net income	1 204
Insurance revenue (gross)	12 555
Insurance service result	1 240
Corporate Solutions	
Net income	642
Insurance revenue (gross)	5 792
Insurance service result	739
Combined ratio (%)	89.4

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

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

ⁱⁱⁱ Swiss Re defines its best-estimate range as the distribution of reasonable estimates within which the currently booked reserves are expected to fall. Following the reserving actions of the third quarter, the Group estimates overall P&C reserves to be positioned at the 90th percentile of the best-estimate range.

^{iv} 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.

^v 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.

^{vi} Represents a nominal (undiscounted) amount.

Financial calendar

13 December 2024	Management Dialogue 2024
27 February 2025	Annual Results 2024
13 March 2025	Publication of the Annual Report 2024
11 April 2025	161st Annual General Meeting

Media conference call

Swiss Re will hold a virtual media conference this morning at 08:30 CET.

To join, please use the following dial-in details:

Switzerland/Europe: +41 (0) 58 310 50 00

United Kingdom: +44 (0) 207 107 06 13

United States: +1 (1) 631 570 56 13

Other international numbers available [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.

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 80 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 in any jurisdiction, including the United States. Any such offer will only be made by means of a prospectus or offering memorandum, and in compliance with applicable securities laws.