

Media release

2020 result – la Mobilière crosses the CHF 4 billion mark in premium income

- Mobilière Group recorded a profit of CHF 437.8 million for the financial year 2020 (2019: CHF 488.6 million). Non-life business contributed CHF 408.6 million (2019: CHF 449.0 million) to the overall profit, while life business added CHF 29.3 million (2019: CHF 39.6 million).
- La Mobilière's successful growth course of the past years was seamlessly pursued in the very challenging year 2020, with the total premium volume rising by 3.6% to CHF 4.095 billion (2019: CHF 3.951 billion).
- The premium volume in non-life business advanced by 3.3% to CHF 3.292 billion, by which la Mobilière's profitable above-market growth continued. The result was burdened by exceptionally high losses amounting to CHF 530 million incurred due to the COVID-19 pandemic. The underwriting result, which deteriorated by -20.8% to 267.8 million, was boosted by the dissolution of the disaster reserves amounting to CHF 200 million. This reserve had been accrued in favourable years in terms of claims to mitigate the burden caused by such extraordinary events. The thus attenuated claims ratio amounted to 60.9% (2019: 59.5%). The combined ratio rose to 91.3% (2019: 88.7%).
- In life insurance, the premium volume increased by 5.2% to CHF 802.3 million. In individual insurance, the 6.6% growth achieved in business with recurring premiums was again well above the average market growth of 0.7%. In group insurance (occupational pensions), the volume of annual premiums amounted to CHF 243.0 million, slightly more than in the previous year (CHF 238.6 million). At CHF -108.3 million, the underwriting result was lower than the year before (CHF -84.6 million). This total includes CHF 35.5 million in surplus participation in favour of policyholders.
- The financial result in accordance with Swiss GAAP FER amounted to CHF 311.9 million, only slightly below the previous year's figure of CHF 333.6 million despite the high volatility in this extraordinary investment year. On an average investment total of CHF 18.633 billion at book value, the Group achieved a return on investment of 1.7% (2019: 1.9%). The investment performance on the financial investments at market value came to 3.7% (2019: 6.9%).
- La Mobilière has a very strong capital base, exceeding the statutory requirements many times over. The risk bearing capacity determined by the Swiss Solvency Test (SST) shows that Mobilière Group and its individual companies all have considerable excess capacity in terms of capital. Calculated using the internal model according to SST principles approved by FINMA, the Group's solvency ratio came to 494% as at 1 January 2021.
- This year, too, la Mobilière is sharing its success with customers. Household contents and buildings insurance policyholders will be granted a premium discount for one year, while business insurance policyholders are benefiting from a premium reduction for the second year running. Overall, CHF 220 million are thereby returned to policyholders.

La Mobilière continues on its growth course and posts a very good result despite high losses incurred due to the COVID-19 pandemic.

La Mobilière successfully pursued its growth course in a very challenging year, surpassing the mark of CHF 4 billion in premium volume for the first time ever. The main factors for the ongoing success are the attractive range of high-quality and innovative products and services and the strong sales organisation with its tightly-knit network of 80 general agencies at around 160 locations.

“In view of the challenging circumstances, we can look back on a very successful business year. We had three main goals: To protect our staff, to be available for our clients and to continue to drive our strategic development. Thanks to the untiring commitment of our staff – also when working from home – we succeeded on all three counts. This makes me proud. Both in the life and the non-life sector, we managed to raise our premium volume and grow above the overall market average.” Mobilière CEO Michèle Rodoni.

Overall result

La Mobilière recorded a consolidated profit of CHF 437.8 million for 2020 (2019: CHF 488.6 million). The decline in profit compared to the previous year is due to the higher claims payments made in connection with COVID-19, which had an impact especially on the underwriting result. The contribution from financial operations, too, was lower than in the year before.

Capital and reserves and balance sheet total

Consolidated capital and reserves rose year on year by 1.0% to CHF 5.623 billion. The increase is – besides the profit contribution – mainly due to the higher revaluation reserves for capital investments, which in accordance with Swiss GAAP FER accounting principles must be reported in capital and reserves without affecting profit or loss. The return on equity came to 7.8% (2019: 9.4%). At all the Group companies, the applicable capital was well above the legally required level. The risk bearing capacity determined by the Swiss Solvency Test (SST) also shows that Mobilière Group and its individual companies all have considerable excess capacity in terms of capital. Calculated using the internal model according to SST principles approved by FINMA, the Group's solvency ratio equalled 494% as at 1 January 2021.

The balance sheet total advanced to CHF 20.616 billion (2019: CHF 20.252 billion). 34% of all capital investments, i.e., CHF 6.374 billion (2019: CHF 7.303 billion), are in fixed-interest securities. These are valued at amortised cost. Investments in equities and investment fund units increased from CHF 4.538 billion to CHF 4.964 billion. In line with la Mobilière's customary approach, due caution was applied in the calculation of allocations to technical reserves.

Date	13 April 2021	Inquiries to	Nathalie Hertig, Head of Financial Communications
Phone	+41 31 389 96 85	E-Mail	finanzkommunikation@mobiliar.ch

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Non-life business

With a market share of 20.1%, la Mobilière slightly enhanced its strong position in Swiss non-life insurance in 2020. In the property insurance sector, la Mobilière consolidated its leading position with a market share of 29.7%. In the contracting motor insurance market as well as in the liability and legal protection sectors, la Mobilière gained market shares.

The non-life premium volume advanced by 3.3% to CHF 3.292 billion. Net of a portfolio transfer, the premium growth in the overall market came to 1.8%. La Mobilière therefore once again clearly outgrew the market as a whole. In the year under review, la Mobilière incurred exceptionally high losses. CHF 530 million were paid out for COVID-19 related claims alone. In favourable years in terms of claims, la Mobilière had accrued a disaster reserve of CHF 200 million to cover extraordinary events. The dissolution of this reserve bolstered the underwriting result and mitigated the loss ratio in 2020. The latter amounted to 60.9% (2019: 59.5%). At CHF 267.8 million, the underwriting result registered a clear decline compared to the previous year (CHF 337.9 million). The cost ratio rose from 27.7% to 28.8%, while the combined ratio equalled 91.3%.

Around 68% of the growth is attributable to the business customer segment, including personal insurance. In the private customer segment, the largest contribution to the premium increase came from household contents and legal protection insurance.

Life business

Gross life premiums overall advanced by 5.2% year on year to CHF 802.3 million (2019: CHF 762.9 million). In individual insurance, la Mobilière continues to focus on business with recurring premiums, which recorded a 6.6% growth, well above the market average of 0.7%. The main contribution to this came from our convertible savings insurance products. In the individual lump-sum insurance sector, la Mobilière achieved a market share of 12.7% in terms of new business volume. In occupational pensions, the income in annual premiums was slightly above the previous year's level. Growth was also registered in the single premium segment.

At CHF -108.3 million, the underwriting result was lower than the year before (CHF -84.6 million). This result includes the surplus participation for policyholders totalling CHF 35.5 million (2019: CHF 37.0 million). The net cost ratio rose from by 0.1 percentage points to 16.2%.

Financial business

Despite high volatility and numerous uncertainties, the investment result of CHF 311.9 million was only slightly lower than the previous year's (CHF 333.6 million).

Investment income totalled CHF 574.7 million (2019: CHF 492.7 million). The main factors contributing to the positive investment result were the CHF 317.0 million income from the sale of financial investments (2019: CHF 170.1 million), CHF 84.1 million in income from investment property (2019: CHF 84.3 million) and income from securities. The latter receded both in the fixed-interest securities class due to low interest rates and in terms of dividends due to the COVID-19 pandemic, and amounted to CHF 126.0 million (2019: 140.9 million). Income from appreciation dropped to CHF 10.5 million (2019: CHF 51.1 million). Financial investment costs rose to CHF 210.4 million (2019: CHF 107.5 million). This increase was primarily due to sales losses, which mounted from CHF 22.9 million in 2019 to CHF 111.7 million in 2020. With a loss of CHF 52.4 million, the other financial result remained on a par with the previous year (loss of CHF 51.6 million). Both other financial costs and other financial income recorded a sharp increase, mainly in the form of gains and losses on foreign currency positions. Overall, the investment result receded year on year by CHF 21.7 million to CHF 311.9 million. On an average investment total of CHF 18.633 billion at book value, the financial investment business achieved a return on investment of 1.7% (2019: 1.9%). The investment performance of the financial investments at market value came to 3.7% (2019: 6.9%).

Protekta Legal Protection new number one in the market

At 6.9%, Protekta Legal Protection Insurance Ltd. again registered a gratifying premium growth, outperforming the market as a whole. Protekta has thereby become the new leader in the Swiss legal protection insurance market. Its comprehensive and attractive range of products and services includes personal legal advice through JurLine and a digital legal advice provider.

Acquisitions, participations and partnerships

La Mobilière's digital transformation focuses on two key areas: modernising the core business and building and expanding ecosystems with the goal of tapping into new revenue sources. With its SME ecosystem, la Mobilière aims to expand its strong position in the SME market and add digital services to its range. In 2020, the Mobilière subsidiary bexio AG extended its range of offers and increased its customer base to around 40,000 SME clients. The ecosystem in the area of renting, buying and living is also supplementing its range of offers. Important milestones here are the launch of the craftsmen's platform Buildigo at the beginning of 2021, the digital promotion of the Mobilière spin-off aroov and the acquisition of the real estate platform Flatfox with its focus on tenants, by which la Mobilière again strengthened its market position in this ecosystem.

In the year under review, la Mobilière acquired a 25% stake in Ringier Ltd. Ringier's long experience in the field of digital marketplaces as well as multi-instrumental and customised digital market management are at the heart of this partnership, which was formed with a long-term view. By setting up Companjon in Ireland, la Mobilière is testing a novel and future-oriented business model that enables customers to add innovative and simple annex products to their insurance to gain protection in various fields of everyday life.

New homeowner platform Liiva

A strategic partnership with Raiffeisen Group became operative on 1 January 2021. Besides the mutual referral of products, the partnership also provides for the creation of joint product and service solutions with a focus on young customers, families and SME. The launch of the new homeowner platform Liiva is planned for late summer 2021.

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Customers again share in la Mobilière's success

From mid-2021, la Mobilière is granting household contents and buildings insurance policyholders a premium discount of 20% for one year. Underlining its corporate philosophy especially in these challenging times, la Mobilière has added a further CHF 45 million to the CHF 175 million allocated to the surplus fund. This allows it to seamlessly continue the premium discount for business insurance customers for another year. The roughly 250,000 SME customers will thus, for the second consecutive year, benefit from a premium reduction of 10%. In all, a total of CHF 220 million will be returned to customers. Over the past ten years, la Mobilière has disbursed more than CHF 1.6 billion from its surplus fund to its non-life insurance policyholders.

Michèle Rodoni: "In these extraordinary times, we are particularly emphasising our cooperative approach. We have added a further CHF 45 million to the CHF 175 million allocated to the surplus fund. Our customers are to share in la Mobilière's business success – now more than ever."

Social commitment

La Mobilière's tradition as a cooperative has obliged it to act in a responsible and sustainable way ever since its foundation in 1826. As an independent and financially solid company, la Mobilière can choose its own course – within the bounds of its entrepreneurial and social responsibilities – and commit itself to various projects for the common good in line with its cooperative philosophy. This year's sustainability report, an integral part of the 2020 Annual Report and drawn up in accordance with the Global Reporting Initiative's G4 "core option" guidelines, outlines just how la Mobilière puts its corporate responsibility into practice.

La Mobilière is publishing its 2020 Annual Report with an online first approach and without a printed version. A short version in print can be ordered.

Further information is available at mobiliar.ch/geschaeftsbericht (in German and French).

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Key figures

	2020 in CHF millions	2019 in CHF millions	Change in %
Gross premiums non-life and life	4,094.7	3,951.4	+3.6
Gross premiums non-life	3,292.4	3,188.4	+3.3
Gross premiums life	802.3	762.9	+5.2
Financial investments	18,744.2	18,521.1	+1.2
Underwriting result	159.4	253.3	-20.8
Financial result	311.9	333.6	-16.5
Structural measures for pension funds	0	-73.0	n/a
Consolidated annual profit	437.8	488.6	-10.4
Capital and reserves	5,623.2	5,569.1	+1.0
Return on equity	7.8	9.4%	
Surplus participation for non-life insurance customers (incl. accompanying measures; payments made from the middle of the following year)	220.0	175.0	
Net combined ratio non-life	91.3	88.7%	
Number of employees excl. trainees (full time equivalents as at 31 December)	5,257	5,089	
Number of trainees and designated young talents	338	341	

Mobilière Group

Every third household and every third company in Switzerland is insured by la Mobilière. Active in all lines of insurance, the Swiss insurance company la Mobilière had an annual premium volume of roughly CHF 4.1 billion as at 31 December 2020. 80 entrepreneurially run general agencies with their own claims service at around 160 locations guarantee proximity to around 2.2 million customers. The insurance group under the umbrella organisation Mobilière Holding Ltd. includes Mobilière Insurance Company Ltd. domiciled in Berne, Mobilière Life Insurance Company Ltd. domiciled in Nyon, Mobilière Asset Management Ltd., Protekta Legal Protection Insurance Ltd., Mobilière Services Ltd., all domiciled in Berne, as well as Trianon SA, domiciled in Renens, SC, SwissCaution SA, domiciled in Nyon, and bexio AG, domiciled in Rapperswil. Also part of Mobilière Group are Protekta Risk-Consulting Ltd., Mobi24 Ltd., XpertCenter Ltd., aroov AG, Buildigo AG and Lightbird Ventures AG, all domiciled in Berne, as well as Companjon (ANAVON DAC) domiciled in Dublin/Ireland.

La Mobilière has around 5,900 employees in its home markets of Switzerland and the Principality of Liechtenstein and provides 338 positions for trainees. La Mobilière, founded in 1826 as a cooperative, is Switzerland's oldest private insurance company. The Board of Directors of Mobilière Cooperative has ensured that the cooperative principles of the Group are upheld to this day.

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