

Press release

La Mobilière remains on growth track

The first half of 2021 was another period of strong growth for Mobilière Group, with premium volumes rising by 4.5%. Premium income from both non-life and life sectors made encouraging contributions to overall growth. Storm damage in June and July is expected to incur claims expenses of an estimated CHF 340 million.

- The volume of premiums in the first six months of 2021 increased by 4.5% to CHF 2.985 billion.
- Premium income in the non-life sector rose by 4.9%. All strategic business lines contributed to the increased premium income.
- In the life sector, premiums increased by 2.5%. The sharpest increase stemmed from the recurring premium business in the individual life and savings segment, which recorded 8.1% growth.
- New all-time highs in equity markets drove the financial result to an extremely positive level, from CHF 95.9 million in the prior-year period to CHF 336.8 million in the first six months of 2021.
- Consolidated after-tax profit amounted to CHF 240.3 million, up from CHF 198.6 million in the prior-year period.
- Consolidated capital and reserves rose by CHF 119.8 million relative to 31 December 2020 to stand at CHF 5.743 billion.
- Switzerland was hit by heavy storms during the summer this year. For the first six months, la Mobilière has valued such claims expenses at CHF 250 million. Storm damage in June and July is expected to incur claims expenses of estimated CHF 340 million.
- True to its cooperative ethos, la Mobilière is returning a total of CHF 220 million with policyholders, in line with its successful business operations.

Mobilière Group recorded a consolidated after-tax profit of CHF 240.3 million for the first half of 2021, up from CHF 198.6 million in the prior-year period. Profit in the non-life sector stood at CHF 227.8 million, up from CHF 193.4 million in the prior-year period. In the life business, profit amounted to CHF 20.5 million versus CHF 11.4 million in the first six months of 2020. The 'other services' segment, which encompasses non-insurance activities, diminished the overall profit figure by CHF 8.0 million. The financial result was exceptionally strong at a total of CHF 336.8 million versus CHF 95.9 million in the prior-year period. The return on investment amounted to 1.8% compared with 0.5% in the prior-year period.

Consolidated capital and reserves rose from CHF 5.623 billion as at 31 December 2020 to CHF 5.743 billion. While the half-year profit and the increased revaluation reserves had a positive impact on capital and reserves, the appropriation of earnings – in particular the allocation of CHF 200 million to the surplus fund of La Mobilière Insurance Company Ltd – slowed the increase in this line item.

In the first six months of 2021, the Group's total premiums increased by 4.5% to CHF 2.985 billion, versus CHF 2.858 billion in the prior-year period.

Non-life business

La Mobilière sustained strong growth in its non-life sector. Premium income was up by 4.9%, surpassing the prior-year period's already brisk growth rate, to rise from CHF 2.357 billion to CHF 2.472 billion. All strategic business lines contributed to this encouraging increase. Personal lines improved markedly relative to the prior-year period. In particular, vehicle insurance – which has been losing ground in recent years – delivered remarkably strong growth relative to the same period in 2020. Similarly, household and contents was much stronger than in the prior-year period. Protekta Rechtsschutz-Versicherung AG, the market leader in legal expense insurance since 2020, again recorded higher growth than in the previous year. Rental deposit insurance increased slightly. However, due to special discounts offered for the unit's 30th year in business, growth was slower than in the prior-year period. As in previous years, personal insurance made the largest growth contribution in commercial lines. Small-business insurance premiums likewise increased encouragingly versus the prior-year period. By contrast, premium growth for medium-sized and large companies was less positive versus the first six months of 2020.

In late June, certain regions in Switzerland were hit by storms that led to flooding and hailstone damage amounting to an estimated CHF 250 million in claims. These weather events produced a higher-than-average claims ratio, i.e. claims relative to premium income, of 69.5%. In the previous year, impacted by the initial Covid 19 wave, the claims ratio (59.2%) was only lower because CHF 200 million was released from the catastrophe reserve, which is added to in low-claims years. Underwriting profit totalled CHF 43.2 million while the combined ratio increased from 88.1% to 97.3%.

Life business

Premium volumes in the life business increased by 2.5%, from CHF 500.7 million to CHF 513.1 million.

Periodic premium income in the individual life and savings segment rose by 8.1%, while single premium volumes increased significantly compared with the previous year. This is largely due to the fact that la Mobilière temporarily stopped selling single-premium capital accumulation products between mid-2019 and the end of June 2020.

In occupational pensions, the volume of business with annual premiums increased marginally. In contrast, single premium business registered a distinct decline relative to the prior-year period. This was due to lower inward transfers of retirement savings capital to finance retirement and survivors' pensions for new entitlements. As in the previous year, Mobilière customers guaranteed a minimum payout under their policy terms received some CHF 3 million in total from the surplus fund at end-June 2021, as in the previous year.

Strong investment profit as equity markets attained new highs

Financial markets were propelled to new highs as many countries got the Covid-19 pandemic under control. As a consequence, the financial result amounted to CHF 336.8 million versus CHF 95.9 million in the first six months of 2020. This strong figure largely stemmed from gains realised in equities and investment funds amid reallocations and rebalancing measures.

Invested assets rose by 4.8% relative to the 31 December 2020 to CHF 19.687 billion. The return on investment was 1.8% versus 0.5% in the previous year, based on average total investments at carrying value. Investment performance – fuelled by equities, real estate and alternative investments – stood at 2.1% compared with -0.1% in the previous year.

Summer storms incur record loss experience

Storms occurring in June incurred claims expenses of some CHF 250 million in the first six months of the year for la Mobilière. The hailstorm damage on 28 June alone accounted for CHF 110 million of this sum. Storms continued to rage in certain Swiss regions thereafter. La Mobilière has calculated claims expenses relating to the storms in June and July at around CHF 340 million. Vehicle insurance was the business line most affected due to the hailstone damage to motor vehicles.

La Mobilière again shares business success with policyholders

Between July 2021 and June 2022, all Mobilière household and buildings insurance policyholders will receive a 20% premium discount. To emphasise our cooperative approach in these extraordinary times, la Mobilière is seamlessly continuing its premium discount for customers with a business insurance policy. Once again, these policyholders will for a second consecutive year receive a 10% premium discount. In total, around CHF 220 million will be returned to policyholders.

Michèle Rodoni, CEO, comments on these half-year results: “Our business has performed extremely well in the first six months of 2021, and I'm delighted that la Mobilière's growth trend is quickening continually. Aware of the difficulties arising from the pandemic and the storm damage this summer, as a reliable service provider we continue to place the highest priority on supporting and personally advising our customers. As well as applying their technical expertise, our employees have shown themselves capable of personally helping policyholders through harrowing situations.”

New financial reporting under Swiss GAAP FER 40

La Mobilière reports in accordance with Swiss GAAP FER. The standard Swiss GAAP FER 40 was applied for the first time. Prior-year figures have therefore been restated for purposes of comparison.

Mobilière Group

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

La Mobilière has some 5,900 employees in its home markets of Switzerland and the Principality of Liechtenstein as well as 338 trainees. Founded in 1826, it is Switzerland's oldest private insurance company. The Board of Directors of La Mobilière Cooperative Company continually ensures that the cooperative principles of the Group are upheld to this day.

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Mobilière Group half-year results 2021 – key figures

	2021	2020	Change
Profit and loss account figures (1 Jan. to 30 June)	CHF million	CHF million	in %
Mobilière Group			
Gross premiums	2,984.7	2,857.5	+4.5
Financial result	336.8	95.9	+251.3
Non-life			
Gross premiums	2,471.6	2,356.8	+4.9
Net earned premiums	1,582.8	1,527.3	+3.6
Underwriting result	43.2	182.1	-76.3
Financial result	211.7	32.7	+547.8
Profit	227.8	193.4	+17.8
Life			
Gross premiums	513.1	500.7	+2.5
Net earned premiums	392.0	381.0	+2.9
Financial result	125.0	61.6	+102.9
Profit	20.5	11.4	+79.6
Other services			
Financial result	4.1	5.6	-25.5
Other income/expense	-10.1	-8.5	-18.3
Loss	-8.0	-6.2	-28.1
Consolidated half-year profit	240.3	198.6	+21.0
Condensed balance sheet			
	30/06/2021	31/12/2020	
Assets	22,043.7	20,799.3	+6.0
– of which investments	19,686.6	18,778.9	+4.8
Liabilities	16,300.7	15,176.1	+7.4
– of which technical provisions	13,119.1	11,873.7	+10.5
Consolidated capital and reserves	5,743.0	5,623.2	+2.1

Amounts in the figures section are rounded. The total may therefore deviate from the sum of the individual items. Rounding differences may thus also be found in the percentages.