



PENSION INSURANCE
CORPORATION

PENSION INSURANCE CORPORATION PLC

HALF YEAR 2017 RESULTS

London, 12 September 2017 – Pension Insurance Corporation plc (“PIC”), a specialist insurer of defined benefit pension funds, today announces its unaudited results for the six months to 30 June 2017.

Financial highlights:

- Underlying operating profit of £93 million (*HY 2016: £79 million*), an increase of 18% on HY2016
- New pension insurance business of £1.9 billion of premiums
- £24.2 billion in financial investments (*YE2016: £22.6 billion*)
- £4.4bn of assets held in excess of Best Estimate Liabilities and available to meet solvency and capital requirements (*YE2016: £4.3 billion*)
- Market Consistent Embedded Value of £2,638 million (*YE2016: £2,579 million*), a rise of nearly 5%, excluding the performance of our issued debt
- Solvency capital ratio of 162% (*YE2016: 164%*)
- £1.8 billion of longevity liability reinsured, with 70% of PIC’s overall longevity exposure reinsured (*YE2016: 68%*)
- 145,400 pension fund members insured in total (*YE2016: 134,900*)

Business highlights:

- Completion of CVC’s acquisition of a significant shareholding in Pension Insurance Corporation Group
- In addition to pension insurance transactions for clients including 3i, Smiths Industries and Alcatel-Lucent, PIC also converted a longevity swap to a buy-in for an unnamed pension scheme

- Continued investment in social housing and student accommodation, as part of a private debt investment programme totalling £500 million in H1
- Entry into Equity Release Mortgage (ERM) market, via a funding agreement with an award-winning retail retirement income specialist
- Policyholder satisfaction levels maintained at almost 99%
- Sponsorship of a pioneering female actuary mentoring scheme, in partnership with the Institute and Faculty of Actuaries

Tracy Blackwell, Chief Executive Officer of Pension Insurance Corporation, said: “It was pleasing that we were able to build on our momentum from the second half of 2016 by completing our strongest ever first half, with £1.9 billion of premiums. This means we now manage a portfolio of financial investments which is just over £24 billion in value. During the period we invested a further £500 million in private debt transactions, primarily in university accommodation and social housing, as well as funding our first equity release mortgages. As we develop and the value of our business continues to grow, it is also vital to maintain our focus on customer service. I am therefore delighted that we have once again reported very high policyholder satisfaction levels.

“We continue to see a positive outlook for bulk annuities and, after welcoming CVC as a significant shareholder in PIC’s ultimate parent company in April, we have a strong ownership structure, with a group of shareholders who are eager to work with us to meet any significant increase in demand. Finally, we are very pleased to be working with the Institute and Faculty of Actuaries on a mentoring scheme for female actuaries across the industry, to help promote diversity in the higher echelons of the profession.”

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Notes to Editors:

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About Pension Insurance Corporation

Pension Insurance Corporation plc (“PIC”) is a leading provider of buy-ins and buyouts to the trustees and sponsors of UK defined benefit pension schemes. At half year 2017, PIC had insured 145,400 pension fund members and had £24.2 billion in financial investments, accumulated through the provision of tailored pension insurance buyouts and buy-ins to the trustees and sponsors of UK defined benefit pension schemes. Clients include FTSE 100 companies, multinationals and the public sector. PIC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority (FRN 454345). For further information please visit

www.pensioncorporation.com