

Consolidated financial statements (continued)

Consolidated income statements

in USD millions, for the years ended December 31

	Notes	2023	Restated 2022
Insurance revenue	9	56,099	50,792
Insurance service expense		(47,422)	(43,446)
Net expenses from reinsurance contracts held		(2,981)	(3,119)
Insurance service result		5,696	4,227
Net investment income on Group investments		5,382	5,128
Net capital gains/(losses) and impairments on Group investments		(696)	(1,844)
Net investment result on Group investments	5	4,687	3,284
Net investment result on unit-linked investments		14,191	(12,320)
Change in liabilities for investment contracts and other funds		(6,378)	5,818
Re-/insurance finance income/(expenses)		(10,963)	4,970
Net investment result		1,536	1,753
Fee income	10	5,885	5,746
Fee business expenses	10	(3,583)	(3,757)
Fee result		2,303	1,989
Other revenues		210	350
Net gains/(losses) on divestment of businesses	4	(104)	(159)
Interest expense on debt		(456)	(444)
Other expenses	11	(2,727)	(2,341)
Other result		(3,077)	(2,594)
Net income before income taxes		6,458	5,374
of which: Attributable to non-controlling interests		536	475
Income tax (expense)/benefit	16	(1,741)	(1,076)
attributable to policyholders		(172)	241
attributable to shareholders		(1,568)	(1,317)
of which: Attributable to non-controlling interests		(170)	(141)
Net income after taxes		4,717	4,299
attributable to non-controlling interests		366	334
attributable to shareholders		4,351	3,964
in USD			
Basic earnings per share	18	29.96	26.71
Diluted earnings per share	18	29.73	26.50
in CHF			
Basic earnings per share	18	26.91	25.48
Diluted earnings per share	18	26.71	25.28

The notes to the consolidated financial statements are an integral part of these consolidated financial statements.

Consolidated financial statements (continued)

Consolidated balance sheets

Assets

in USD millions, as of

	Notes	12/31/23	Restated 12/31/22	Restated 01/01/22
Assets				
Cash and cash equivalents		7,280	7,560	8,698
Total Group investments	5	140,966	140,111	191,680
Equity securities		13,217	13,130	18,578
Debt securities		105,924	103,740	150,329
Investment property		13,684	14,798	14,070
Mortgage loans at amortised cost		4,324	5,497	6,106
Other assets at amortised cost		3,682	2,855	2,529
Investments in associates and joint ventures		135	92	68
Investments for unit-linked contracts		141,144	122,461	142,838
Total investments		282,110	262,573	334,518
Insurance contract assets	7	580	676	720
Reinsurance contract assets	7	21,942	19,878	20,208
Receivables and other assets	14	10,391	8,716	8,064
Deferred tax assets	16	1,700	1,736	1,909
Assets held for sale ¹	4	23,758	21,142	11,504
Property and equipment	12	2,092	2,225	2,436
Attorney-in-fact contracts	13	2,650	2,650	2,650
Goodwill	13	4,541	4,420	4,344
Other intangible assets	13	4,337	3,835	3,858
Total assets		361,382	335,412	398,907

1. As of December 31, 2023, the Group had USD 23.8 billion of assets held for sale based on agreements signed to sell portfolios of Zurich Deutscher Herold Lebensversicherung Aktiengesellschaft, Zurich Chile Seguros de Vida S.A., Zurich Insurance plc and Zurich Insurance Company Ltd (UK Branch) (see note 4). In 2022, the Group had USD 21.1 billion of assets held for sale based on agreements signed to sell portfolios of Zurich Deutscher Herold Lebensversicherung Aktiengesellschaft and Zurich Insurance plc (Spain Medical Malpractice and UK Employers' Liability portfolios) (see note 4).

Consolidated financial statements (continued)

Liabilities and equity

in USD millions, as of

	Notes	12/31/23	Restated 12/31/22	Restated 01/01/22
Liabilities				
Liabilities for investment contracts	8	60,270	50,557	60,430
Insurance contract liabilities	7	216,962	203,837	262,641
Reinsurance contract liabilities	7	504	367	150
Obligation to repurchase securities		796	1,069	1,381
Other liabilities ¹	15, 21	16,661	16,067	14,496
Deferred tax liabilities	16	2,300	2,047	2,903
Liabilities held for sale ²	4	23,860	20,568	11,389
Senior debt	17	5,190	5,071	5,327
Subordinated debt	17	8,559	8,899	9,782
Total liabilities		335,102	308,482	368,499
Equity				
Share capital	18	10	11	11
Additional paid-in capital	18	1,333	1,158	1,449
Net unreal. gains/(losses) on financial assets		(4,307)	(7,949)	9,491
Change in discount rate for (re)insurance contract		4,291	5,270	(1,138)
Change in fair value of underlying items		1,053	2,041	(6,331)
Cumulative foreign currency translation adjustment		(10,616)	(10,433)	(9,633)
Revaluation reserves		254	272	265
Retained earnings		32,842	35,313	35,008
Shareholders' equity		24,860	25,683	29,121
Non-controlling interests		1,419	1,247	1,288
Total equity		26,280	26,930	30,408
Total liabilities and equity		361,382	335,412	398,907

¹ Includes restructuring provisions, litigation and regulatory provisions (see note 15) and other provisions.

² As of December 31, 2023, the Group had USD 23.9 billion of liabilities held for sale based on agreements signed to sell portfolios of Zurich Deutscher Herold Lebensversicherung Aktiengesellschaft, Zurich Chile Seguros de Vida S.A., Zurich Insurance plc and Zurich Insurance Company Ltd (UK Branch) (see note 4). In 2022, the Group had USD 20.6 billion of liabilities held for sale based on agreements signed to sell portfolios of Zurich Deutscher Herold Lebensversicherung Aktiengesellschaft and Zurich Insurance plc (Spain Medical Malpractice and UK Employers' Liability portfolios) (see note 4).

Consolidated financial statements (continued)

Consolidated statements of cash flows

in USD millions, for the years ended December 31

	2023	Restated 2022
Cash flows from operating activities		
Net income attributable to shareholders	4,351	3,964
Adjustments for:		
Net (gains)/losses on divestment of businesses	104	159
(Income)/expense from equity method accounted investments	(2)	4
Depreciation, amortization and impairments of fixed and intangible assets	852	756
Other non-cash items	(13)	113
Underwriting activities:	11,101	(12,104)
Insurance contracts assets/liabilities	5,063	(6,966)
Reinsurance contracts assets/liabilities	(1,357)	(143)
Liabilities for investment contracts	7,395	(4,996)
Investments:	(6,881)	13,121
Net capital (gains)/losses on total investments and impairments	(12,387)	15,443
Net change in derivatives	(56)	(477)
Net change in money market investments	(429)	90
Sales and maturities		
Debt securities	63,529	51,572
Equity securities	53,752	53,190
Other	7,040	7,446
Purchases		
Debt securities	(60,812)	(54,925)
Equity securities	(52,020)	(51,407)
Other	(5,498)	(7,811)
Net changes in sale and repurchase agreements	(355)	(266)
Movements in receivables and payables	(825)	(1,006)
Net changes in other operational assets and liabilities	(779)	699
Deferred income tax, net	(209)	(400)
Net cash provided by/(used in) operating activities	7,345	5,042

The notes to the consolidated financial statements are an integral part of these consolidated financial statements.

Consolidated financial statements (continued)

in USD millions, for the years ended December 31

Restated

	2023	2022
Cash flows from investing activities		
Additions to tangible and intangible assets	(418)	(535)
Disposals of tangible and intangible assets	57	54
(Acquisitions)/disposals of equity method accounted investments, net	(39)	–
Acquisitions of companies, net of cash acquired	(734)	(328)
Divestments of companies, net of cash divested	–	155
Dividends from equity method accounted investments	2	–
Net cash provided by/(used in) investing activities	(1,132)	(654)
Cash flows from financing activities		
Dividends paid	(4,116)	(3,767)
Net movement in treasury shares	(2,023)	(770)
Issuance of debt	544	2,551
Repayment of debt	(1,196)	(3,067)
Lease principal repayments	(211)	(220)
Net cash provided by/(used in) financing activities	(7,002)	(5,273)
Foreign currency translation effects on cash and cash equivalents	278	(290)
Change in cash and cash equivalents¹	(510)	(1,174)
Cash and cash equivalents as of January 1	8,155	9,330
Cash and cash equivalents as of December 31	7,645	8,155
of which: Cash and cash equivalents	7,280	7,560
of which: Unit-linked ²	365	596
Other supplementary cash flow disclosures³		
Other interest income received	4,995	4,874
Dividend income received	1,164	1,439
Other interest expense paid	(534)	(523)
Income taxes paid	(1,665)	(1,465)

1. Includes USD 56 million as of December 31, 2023 and USD 51 million as of December 31, 2022 of cash and cash equivalents reclassified to assets held for sale, which has been recognized in net changes in other operational assets and liabilities (see note 4).

2. These amounts are included within 'Investments for unit-linked contracts' on the balance sheet.

3. These amounts are primarily included in the operating activities of the cash flow statement.

Cash and cash equivalents

in USD millions, as of December 31

2023

2022

Cash and cash equivalents comprise the following:

Cash at bank and in hand	6,560	7,119
Cash equivalents	1,085	1,036
Total	7,645	8,155

For the periods ended December 31, 2023 and 2022, cash and cash equivalents held to meet local regulatory requirements were USD 373 million and USD 407 million, respectively.