



PENSION INSURANCE  
CORPORATION

## PIC SIGNS £5.8 BILLION OF NEW BUSINESS AND REINSURES £7 BILLION OF LONGEVITY RISK IN H12019

London, 24 June 2019 – Pension Insurance Corporation plc (“PIC”), a specialist insurer of defined benefit pension funds, has concluded £5.8 billion of buyouts and buy-ins with the trustees of defined benefit pension schemes and reinsured £7 billion of longevity reinsurance so far in 2019, including the reinsurance of almost £1.5 billion of deferred (non-pensioner) lives. This is the first time such a significant amount of deferred lives has been reinsured in any one period and signals increased capacity for this type of risk within the reinsurance market.

In 2019, PIC has concluded transactions with pension schemes including those of Marks & Spencer, Dresdner and Co-op, as well as concluding £3.3 billion of new business with a series of unnamed pension schemes.

The £7 billion of longevity reinsurance covers lives associated with pension schemes that PIC has insured in 2019, as well as longevity exposure accumulated from prior years. The company has reinsured over 70% of its total longevity exposure and has signed treaties with 11 highly rated reinsurance counterparties. Longevity reinsurance is an intrinsic part of PIC’s business model. PIC wrote its first longevity reinsurance contract in 2008. In 2018 PIC completed £5.6 billion of longevity reinsurance.

Jay Shah, Chief Origination Officer at PIC, said: “This has been a record-breaking first half for PIC both in terms of the amount of new business transacted and longevity risk re-insured. On the longevity reinsurance we are especially pleased to have insured such a large amount

