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## AM Best Upgrades Issuer Credit Ratings for Beazley plc's Subsidiaries

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### FOR IMMEDIATE RELEASE

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**AM Best** has upgraded the Long-Term Issuer Credit Ratings (Long-Term ICR) to "a+" (Excellent) from "a" (Excellent) and affirmed the Financial Strength Ratings (FSR) of A (Excellent) of Beazley Insurance Designated Activity Company (BIDAC) (Ireland), Beazley Insurance Company, Inc. (BICI) (Farmington, CT), Beazley America Insurance Company, Inc. (Beazley America) (Farmington, CT) and Beazley Excess and Surplus Insurance, Inc. (BESI) (Farmington, CT). The outlook of the Long-Term ICR has been revised to stable from positive while the outlook of the FSR is stable.

The Credit Ratings (ratings) of BIDAC, BICI, Beazley America and BESI reflect the consolidated balance sheet strength of Beazley plc (Beazley) [LSE: BEZ], which AM Best assesses as very strong, as well as the group's strong operating performance, neutral business profile and appropriate enterprise risk management.

The upgrade of the Long-Term ICRs reflects AM Best's expectation that Beazley's risk-adjusted capitalisation will remain comfortably at the strongest level, as measured by Best's Capital Adequacy Ratio (BCAR). In recent years, the group has maintained robust capital buffers and strong technical performance whilst growing its insurance portfolio, supported by prudent risk selection and effective cross-cycle underwriting management.

BIDAC, BICI, Beazley America and BESI are strategically important to and integrated with Beazley. These four companies are owned ultimately by Beazley, which is the non-operating holding company and consolidating rating unit for the group.

BIDAC, which is the group's main regulated operating entity in the European Union, reinsures 65% of the profit or loss of the distribution of Lloyd's Syndicate 2623 and Lloyd's Syndicate 3623 to Beazley's Lloyd's corporate member (after a deductible), and also provides an internal reinsurance quota share to BESI. BICI and Beazley America are Beazley's admitted carriers, whereas BESI is an excess and surplus writer in the United States.

Beazley's balance sheet strength is underpinned by its strongest level of risk-adjusted capitalisation, as measured by BCAR, as well as the group's prudent reserving, good financial flexibility and strong liquidity. Beazley's balance sheet strength is supported by its conservative investment strategy, although the group maintains a moderate allocation to higher-yield instruments.

Beazley has a track record of strong operating performance supported by robust underwriting results and steady investment income. In 2023, under IFRS 17, Beazley generated a net-net combined ratio of 79.5% (as calculated by AM Best), driven by a relatively low catastrophe loss incidence in the period and prior-year reserve releases across most lines of business. This was further supported by Beazley's solid investment income, which reflected the improved interest rates environment during the period. Overall, the group reported net income of USD 1.0 billion in 2023. Whilst Beazley's earnings remain exposed to possible volatility relating to potential catastrophe losses in the property and cyber books of business, AM Best expects the group's overall performance to remain strong, supported by its selective underwriting strategy and conservative investment allocation.

Beazley has a well-established profile, with a strong franchise as an internationally recognised insurance group operating principally at Lloyd's. The group's insurance written premiums reached USD 5.6 billion in 2023 and are expected to continue growing in the medium term. During the first quarter of 2024, premiums increased by 7% compared with the same prior year period, driven largely by growth in the property and specialty lines of business.

**This press release relates to Credit Ratings that have been published on AM Best's website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best's [Recent Rating Activity](#) web page. For additional information regarding the use and limitations of Credit Rating opinions, please view [Guide to Best's Credit Ratings](#). For information on the proper use of Best's Credit Ratings, Best's Performance Assessments, Best's Preliminary Credit Assessments and AM Best press releases, please view [Guide to Proper Use of Best's Ratings & Assessments](#). AM Best is a global credit rating agency, news publisher and data analytics provider specialising in the insurance industry. Headquartered in the United States, the company does business in over 100 countries with regional offices in London, Amsterdam, Dubai, Hong Kong, Singapore and Mexico City.**

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## Related Companies

For information about each company, including the Best's Credit Reports, group members (where applicable) and news stories, click on the company name. An additional purchase may be required.

AMB#	Company Name
020651	<a href="#">Beazley America Insurance Company, Inc.</a>
021670	<a href="#">Beazley Excess and Surplus Ins. Inc.</a>
011442	<a href="#">Beazley Insurance Company, Inc.</a>
091197	<a href="#">Beazley Insurance DAC</a>
046515	<a href="#">Beazley plc</a>

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