

Best's Credit Rating Effective Date

July 21, 2023

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Information

[Best's Credit Rating Methodology](#)

[Guide to Best's Credit Ratings](#)

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Financial Data Presented

The financial data in this report reflects the most current data available to the Analytical Team at the time of the rating. Updates to the financial exhibits in this report are available here: [Best's Financial Report](#).

UnipolSai Assicurazioni S.p.A.

AMB #: 086327 | **AIIN #:** AA-1360195

Associated Ultimate Parent: AMB # 086684 - Unipol Gruppo S.p.A.

Best's Credit Ratings - for the Rating Unit Members

Financial Strength Rating (FSR)

A-
Excellent
Outlook: Stable
Action: Affirmed

Issuer Credit Rating (ICR)

a-
Excellent
Outlook: Stable
Action: Affirmed

Assessment Descriptors

Balance Sheet Strength	Strong
Operating Performance	Strong
Business Profile	Neutral
Enterprise Risk Management	Appropriate

Rating Unit - Members

Rating Unit: UnipolSai Assicurazioni S.p.A. | **AMB #:** 086327

AMB # Rating Unit Members
085194 UnipolSai Assicurazioni S.p.A.

Rating Rationale

Balance Sheet Strength: **Strong**

- Risk-adjusted capitalisation as measured by Best's Capital Adequacy Ratio (BCAR) fell from the strongest to the very strong level of assessment at year-end 2022 driven by the devaluation in the company's fixed-income portfolio.
- UnipolSai's Solvency II SCR ratio stood at 274% at year-end 2022, remaining very robust.
- Good level of financial flexibility, with good leverage and direct access to capital markets.
- Consolidated risk-adjusted capitalisation of Unipol Gruppo (UG), the group's ultimate holding company, was at the strong level at year-end 2022, as measured by BCAR. The leverage is in line with a neutral holding company assessment.
- High, albeit decreasing, asset concentration towards Italian government bonds, which contributes to significant volatility in UnipolSai's risk-adjusted capitalisation.

Operating Performance: **Strong**

- Strong non-life underwriting performance with a combined ratio consistently below 95%, as calculated by AM Best, since the group's formation in 2014.
- Solid average return on equity over the past five years of 10.9% coupled by volatility in line with UnipolSai's peer group.
- UnipolSai's non-life technical performance was good in 2022, as demonstrated by a combined ratio of 93.0% (as calculated by AM Best). Life business margins benefited from the rise in interest rates, and the overall level of profitability remained strong.

Business Profile: **Neutral**

- UnipolSai is one of the two largest players in the Italian non-life segment and has a competitive position in the local life market.
- Performance supported by its access to data and sophisticated pricing capabilities as well as its extensive use of telematics applied to the non-life segment.
- Good control of distribution, which leverages a widespread agency, bancassurance and sub-agency network.
- High geographical concentration of the business portfolio, with 98% of gross written premiums sourced in Italy, exposing its operations to unforeseen changes in the Italian economic and regulatory environment.

Enterprise Risk Management: **Appropriate**

- Risk management capabilities are seen as aligned to the risk profile of the group.
- Use of an internal capital model firmly embedded in the group's enterprise risk management (ERM), with positive implications on risk identification, quantification, mitigation and reporting.
- Adequate stress-testing capabilities, aligned with European Insurance and Occupational Pensions Authority (EIOPA) standards.

Outlook

- The stable outlooks reflect the expectation that UnipolSai's risk-adjusted capitalisation will remain at least at a very strong level, supported by its strong underwriting performance and stable investment results. The group is expected to maintain a leading position in the Italian non-life market, supported by its advanced telematic capabilities. ERM is expected to remain appropriate, with ERM capabilities aligned to its low-risk profile.

Rating Drivers

- A material and sustained improvement in UnipolSai's balance sheet strength could lead to positive rating actions.
- Downward rating pressure could occur if there is a material deterioration in UnipolSai's risk-adjusted capitalisation or operating performance.
- Weakening or strengthening of Unipol Gruppo's financial standing could have an impact on the ratings of UnipolSai.
- Negative rating actions could arise from a change in AM Best's view on the economic, political or financial situation in Italy.

Key Financial Indicators

AM Best may reclassify company-reported data to reflect broader international reporting standards and increase global comparability.

Best's Capital Adequacy Ratio (BCAR) Scores (%)

Confidence Level	95.0	99.0	99.5	99.6
BCAR Score	41.1	20.9	12.6	10.3

Source: Best's Capital Adequacy Ratio Model - Global

Key Financial Indicators	2022 EUR (000)	2021 EUR (000)	2020 EUR (000)	2019 EUR (000)	2018 EUR (000)
Net Premiums Written:					
Life	3,490,800	4,098,100	3,744,500	5,440,200	3,462,000
Non-Life	7,978,100	7,751,100	7,667,600	8,002,600	7,703,800
Composite	11,468,900	11,849,200	11,412,100	13,442,800	11,165,800
Net Income	651,500	723,200	853,100	654,900	947,700
Total Assets	70,211,000	76,459,300	75,424,500	73,178,900	66,194,200
Total Capital and Surplus	5,812,600	8,233,800	8,144,000	7,152,900	5,697,100

Source: BestLink® - Best's Financial Suite

Key Financial Indicators & Ratios	2022 EUR (000)	2021 EUR (000)	2020 EUR (000)	2019 EUR (000)	2018 EUR (000)	Weighted 5-Year Average
Profitability:						
Balance on Life Technical Account	393,500	266,400	160,800	302,200	640,100	...
Balance on Non-Life Technical Account	550,000	524,900	1,143,300	577,500	544,600	...
Net Income Return on Revenue (%)	5.2	5.4	6.7	4.4	7.4	5.8
Net Income Return on Capital and Surplus (%)	9.3	8.8	11.2	10.2	15.9	10.9
Non-Life Combined Ratio (%)	93.0	93.3	85.0	92.6	92.8	91.4
Net Investment Yield (%)	1.7	2.3	2.1	2.8	3.3	2.4
Leverage:						
Net Premiums Written to Capital and Surplus (%)	206.0	148.8	144.8	195.5	205.0	...

Source: BestLink® - Best's Financial Suite

Credit Analysis

Balance Sheet Strength

Capitalisation

UnipolSai's risk-adjusted capitalisation, as measured by Best's Capital Adequacy Ratio (BCAR), fell from the strongest to the very strong assessment at year-end 2022 and it is projected to remain supportive of at least a very strong assessment over the medium term. The decrease in risk-adjusted capitalisation was mainly due to the devaluation of the company's fixed income investment portfolio caused by the raise of interest rates, for which UnipolSai's peers have also been impacted.

UnipolSai's risk-adjusted capitalization is only marginally weaker under our catastrophe stress scenario due to the relatively low exposure the company has to catastrophe risk. This is primarily due to the low penetration that Nat Cat insurance has in Italy.

The coverage of the Solvency II regulatory requirement on a consolidated basis, as measured by the company's economic capital model, is strong for 2022, at 274% (2021: 284%), comfortably above the capital management targets internally set by UnipolSai. In the current business plan, UnipolSai's capital management targets were increased from 170%-200% to 180%-220%. During the first quarter of 2023, the Solvency II SCR coverage ratio increased to 294%.

UnipolSai has good financial flexibility, having direct access to capital markets as well as being able to raise debt and equity at group level. The company demonstrated its ability to issue subordinated debt in 2018 (EUR 500 million) and 2020 (EUR 500 million). Financial leverage and interest coverage ratios for 31 December 2022, as calculated by AM Best, are healthy.

Balance Sheet Strength (Continued...)

The BCAR scores presented under the "Best's Capital Adequacy Ratio Summary" section of this report are based on UnipolSai's year-end 2022 consolidated audited financial statements.

Liquidity Analysis (%)	2022	2021	2020	2019	2018
Liquid Assets to Total Liabilities	78.4	86.9	87.0	86.1	83.3
Total Investments to Total Liabilities	87.8	96.1	96.7	96.3	94.8

Source: BestLink® - Best's Financial Suite

Asset Liability Management - Investments

The majority of UnipolSai's investment portfolio invested assets are allocated to sovereign fixed income instruments. However, the company's risk profile is increased by a relatively high concentration in Italian government bonds, which represented 33% of the investment portfolio at year-end 2022 (reduced by over 5 percentage points from year-end 2021). While this allocation exposes the company to volatility in unrealised losses and risk adjusted capital or solvency positions, we note that UnipolSai intends to hold most debt securities to maturity and has effective asset-liability matching practices which reduce interest-rate risk to the company's balance sheet.

Composition of Cash and Invested Assets	2022 EUR (000)	2021 EUR (000)	2020 EUR (000)	2019 EUR (000)	2018 EUR (000)
Total Cash and Invested Assets	56,537,400	65,593,100	65,067,300	63,564,000	57,325,400
Cash (%)	1.2	1.2	0.9	1.0	1.5
Bonds (%)	62.0	68.1	72.1	70.9	70.0
Equity Securities (%)	10.6	8.3	5.9	5.8	5.6
Real Estate, Mortgages and Loans (%)	2.3	2.4	2.7	3.9	4.0
Other Invested Assets (%)	23.7	19.7	18.2	18.2	18.3
Total Cash and Unaffiliated Invested Assets (%)	99.8	99.8	99.8	99.8	99.4
Investments in Affiliates (%)	0.2	0.2	0.2	0.2	0.6
Total Cash and Invested Assets (%)	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

Reserve Adequacy

UnipolSai came into existence in its current form in January 2014, when three long-established Italian companies, Unipol Assicurazioni S.p.A., Milano Assicurazioni S.p.A. and Premafin Finanziaria S.p.A., merged into a fourth, Fondiaria-Sai S.p.A. Since the company assumed its current structure, its reserving strategy has been consistently conservative, as demonstrated by the positive run-off results reported since 2014. Further, the relatively short-tail nature of the main risk reserved (motor third party liability), helps to contain the overall risk profile. In this respect, the extensive use of telematics in the claims and pricing process, has positive implications for the accuracy of reserving and the speed of claims settlement.

Holding Company Assessment

As at year-end 2022, Unipol Gruppo held a 85.22% interest in UnipolSai and is regarded as its ultimate parent company. Other than UnipolSai, Unipol Gruppo holds a 10.53% share in BPER Banca S.p.A. (BPER), the fourth largest private Italian bank (with a further 9.32% being held by UnipolSai), which is considered a strategic investment for the group, with the aim to consolidate a distribution agreement. The current exposure to banking activities was achieved through the sale during 2019 of Unipol Gruppo's interest in Unipol Banca to BPER.

On August 2nd 2022 the BoD of Unipol Gruppo agreed to sell the UnipolRec loan portfolio en bloc to AMCO for an amount of €307m, corresponding to 11.9% of the Gross Book Value at 31 March 2022, equal to €2.6bn. The sale was finalised on 14 December 2022 after obtaining authorization from the Bank of Italy.

Balance Sheet Strength (Continued...)

Unipol Gruppo had, at 31 December 2022, EUR 2.5 billion of outstanding senior debt, following the issuance of a 1 billion Green bond in 2020 (in addition to the subordinated debt outstanding at the level of UnipolSai).

AM Best considers the impact of Unipol Gruppo's assessment on UnipolSai's balance sheet strength to be neutral. Other than UnipolSai, Unipol Gruppo only holds a minority position in BPER; and following the sale of the UnipolRec portfolio, the group has no further direct exposure to Italian non-performing loans. Nonetheless, we note that Unipol Gruppo has higher leverage and poorer interest coverage than UnipolSai.

Operating Performance

AM Best's assessment on UnipolSai's operating performance is based on a record of good underwriting performance and stable, albeit marginal, contributions from investments, which together have resulted in a solid weighted average return on equity over the past five years of 10.9% as calculated by AM Best. As a result we view UnipolSai's operating performance as strong.

Non-life technical profitability was good in 2022, with a 93.3% combined ratio (2021: 93.0%), as calculated by AM Best, which is in line with the company's pre-pandemic track record. The deterioration in the company's motor book was fully compensated by the improvement in all the other non-motor lines.

Life technical profitability continued to improve in 2022, with a technical balance of EUR 394 million (2021: EUR 266 million). The portfolio average minimum guarantee remains low at 0.90% at Q1 2023, reduced from 0.96% at Q1 2022. This compares to a 3.05% average yield in segregated accounts, which increased as a result of the positive trend in interest rates, resulting in a robust margin of 2.15% between the two figures.

The company has reported a slight increase in lapses during Q1 2023, particularly on Bancassurance products. UnipolSai is dealing with the issue by putting actions in place with its banking partners. The company is focusing on incentivizing inflows into the segregated portfolio in order to offset lapses.

Investments collectively contributed approximately EUR 1.07 billion to UnipolSai's profit during 2022 (2021: EUR 1.49 billion), corresponding to a 1.9% net investment return (2021: 2.4%), as calculated by AM Best. When compared to the risk profile of its investment portfolio, which largely consists of fixed income securities, UnipolSai's return on investments is considered adequate in AM Best's opinion.

AM Best expects UnipolSai's technical performance to remain strong. The company's core non-life products are expected to continue to report solid profits, supported by the company's strong technical capabilities. Life business profitability is expected to continue improving supported by interest rates increases. AM Best expects UnipolSai's ongoing commitment to cost savings and focus on digitalization to support profitability.

Financial Performance Summary	2022 EUR (000)	2021 EUR (000)	2020 EUR (000)	2019 EUR (000)	2018 EUR (000)
Pre-Tax Income	920,000	894,900	1,118,600	873,300	1,203,500
Net Income after Non-Controlling Interests	596,600	688,400	820,000	627,800	905,100

Source: BestLink® - Best's Financial Suite

Operating and Performance Ratios (%)	2022	2021	2020	2019	2018
Overall Performance:					
Return on Assets	1.0	1.1	1.3	1.0	1.5
Return on Capital and Surplus	9.3	8.8	11.2	10.2	15.9
Non-Life Performance:					
Loss and LAE Ratio	63.9	65.5	56.9	64.8	65.6
Expense Ratio	29.1	27.8	28.1	27.8	27.2
Non-Life Combined Ratio	93.0	93.3	85.0	92.6	92.8

Source: BestLink® - Best's Financial Suite

Business Profile

The assessment of UnipolSai's business profile is positively affected by the company's strong market position in the non-life segment in Italy, where it has a dominant position in the motor third party liability segment and an overall market share of approximately 20% of Gross Written Premiums (GWP) according to ANIA (Associazione Nazionale fra le Imprese Assicuratrici). It also maintains a good position in the domestic life insurance segment. Collectively, UnipolSai is the fifth largest composite insurance group in Italy with total GWP in 2022 of EUR 12.0 billion, according to AM Best. GWP decreased by approximately 3% during the year, mainly due to a decrease in life premiums (-15%) driven by reduction in the demand of life insurance products in a volatile financial market environment. Non-life business grew by 3.5%, driven by significant growth in non-motor products (+7.6%), and modest growth in motor premiums (1.3%). Note that AM Best does not consider the company's life investment products (EUR 1.8 billion in 2022) in its Life GWP calculation.

A key offsetting factor in the assessment of the group's business profile is its geographical concentration. UnipolSai operates predominantly within Italy, which exposes the company to unforeseen changes in the economic political and regulatory environment in the country. UnipolSai owns the third largest local insurer in Serbia. UnipolRe, the group's Dublin based third party reinsurer was put in run-off in early 2023 and is expected to be merged with UnipolSai by YE 2023.

The group's 2022-2024 strategic plan has five strategic guidelines: Data driven omnichannel insurance, health and life-cycle focus, bancassurance boosting, beyond insurance enrichment and tech and people evolution. Financial targets for UnipolSai over the three year plan period are cumulative net profits of EUR 2.3bn, cumulative dividends of EUR 1.4bn and SCR ratio of 180-220%.

The degree of competition in the company's core market of motor-third party liability has been high in recent years, resulting in declining premium rates. When compared to its peers, UnipolSai has managed to maintain its motor premiums above the market average, while reporting also lower claims frequency and higher retention ratios. This indicates strong loyalty of the company's policyholder base, combined with sound underwriting discipline. In 2023, UnipolSai started applying significant rate increases in this line of business in order to counter the effects of inflation. Similar actions have been taken by other players in the Italian market in an effort to achieve pricing adequacy.

UnipolSai's business profile is supported by access to large data volumes and sophisticated pricing capabilities, which are enhanced by its extensive use of telematics. The widespread use of telematics is seen as a distinctive competitive advantage for UnipolSai, helping it to speed up claims processing - with a positive impact on reserve levels and customer satisfaction, tackle fraudulent claims and reduce the cost of settling small bodily injuries (e.g. whiplash). UnipolSai has around 4 million 'black boxes' installed in vehicles and integrated with TPL policies. In addition, in 2016 the group created Leithà, a company fully dedicated to innovation.

The company has a well-diversified business portfolio by product due to its established presence in both life and non-life segments. In particular, of the EUR 12.0 billion GWP reported in 2022, 66% related to non-life. The non-life segment is dominated by motor products, which historically have been the core of the company's business and represented 32% of total GWP. The non-motor portfolio is well distributed across other classes of business and has been steadily increasing in recent years, bringing more diversification to the company's business mix.

UnipolSai leads the Italian health insurance subsector with EUR 931 million of gross written premiums, representing approximately 25% market share. Excluding the 5% drop in 2020 driven by the pandemic, the Italian health insurance market has been growing quickly, driven by a correction of under penetration and weakening public sector health provision. Italians are currently paying around EUR 40 billion in out-of-pocket expenses, which has the potential to be transformed into health insurance premiums. UnipolSai aims to maintain leadership in this market through accelerating presence in the retail and SME segments. UniSalute, a subsidiary, is the main provider of health insurance in the group, with direct premium income for 2022 of EUR 574 million.

In the life segment, overall life revenue (including financial products) remained stable year-on-year. In 2022, pension fund volumes increased by 123% as UnipolSai obtained the mandates for some major pension funds. This increase was fully offset by significant drops in traditional, unit linked and capitalisation products. In terms of business mix, traditional life products (whole and term life insurance) continued to represent the bulk of premiums during 2022, accounting for 54% of UnipolSai's life revenues. The remaining share of life revenues was attributable to pension funds (24%), Unit-Linked policies (18%), and capitalisation (4%).

The business profile assessment is supported by UnipolSai's good control on distribution, which leverages on a widespread agency and sub-agency network. The company has a strong presence mainly in the north of Italy, which places UnipolSai in a solid position to support its growth plans and provides considerable penetration in the retail market - especially in non-life segment where most premiums derive from retail business. The group operates through a network of over 2,100 agencies from which the company derives more than two thirds of its business. It also benefits from the joint venture with BIM Vita (with Banca Investis). The channel was reinforced in 2018 by the transfer from Unipol Gruppo of Arca Vita, bringing UnipolSai bancassurance agreements with BPER Banca,

Business Profile (Continued...)

Banca Popolare di Sondrio and other Popolari banks. UnipolSai also operates in the direct channel (online insurance) through its subsidiary Linear. The sale of UnipolSai's stake in its joint venture with Unicredit Group, Incontra, has been agreed and will be completed upon receipt of the necessary authorisation from the competent Authorities.

Enterprise Risk Management

AM Best considers UnipolSai's Enterprise Risk Management (ERM) framework well developed and appropriate given the size and complexity of its operations. Risk management capabilities are good and are well aligned with the risk profile of the company. UnipolSai clearly identifies and quantifies key risks, leveraging on the Solvency II framework and a set of policies and procedures set around the company's Partial Internal Model. There is an integrated approach to risk management, built around good information flows to and from the board of directors, and strong governance structure in place.

Capital requirements by each risk category are monitored on a quarterly basis and compared to risk appetite, tolerance and capacity to ensure compliance. Thresholds are reviewed on an annual basis and communicated to the regulator through the company's Own Risk Solvency Assessment (ORSA).

From a governance standpoint, UnipolSai has a hierarchy of committees to ensure the proper application of the principles established by the policies which govern the undertaking and management of risk. They inform and support the boards of directors of group companies in defining corrective actions to manage situations of non-compliance with the set risk-framework.

The company's risk function carries out annual stress tests both at a consolidated and a standalone level. The framework includes different categories of tests, entailing shocks on single variables groups of variables (scenario tests) and reverse stress tests. Stress testing practice is aligned with the standards requested by EIOPA and has been continuously enhanced in recent years, for example, with the introduction of climate change scenarios for Italy and UK.

For Solvency II purposes, UnipolSai obtained the approval of its Partial Internal Model in February 2017, which refined the calculation of market and underwriting (both life and non-life) risks.

We note that UnipolSai is potentially exposed to legal risk as a corporate liability action was initiated in 2013 against Fondiaria-Sai's former owners. The likelihood that these actions will translate into losses for UnipolSai is, however, remote.

Reinsurance Summary

The company's use of reinsurance is limited, with approximately 96% of gross premiums written retained in 2022, in line with previous years. Approximately 88% of UnipolSai's reinsurance receivables are in the A range, which is designed to limit credit exposure associated with reinsurance recoverables.

Environmental, Social & Governance

AM Best considers that UnipolSai has a moderate exposure to climate change risk, with rising global temperatures contributing to higher frequency and severity of catastrophic events in Italy, such as floods and earthquakes. However, the low penetration of nat/cat insurance in Italy, the company's modest exposure to property risks (29% of non-life GWP in 2022) and its comprehensive reinsurance programme significantly limit this risk. ESG factors are unlikely to impact the credit quality of the company over the short-term.

The group has included ESG as one of the key pillars of its 2022-2024 business plan. The group's ESG objectives include:

Increase the amount of thematic investments.

20% of the group's long-term incentive system to be linked to ESG targets.

Increasing the ESG component of Life products.

Incentivise emissions reduction with the support of telematics.

Enterprise Risk Management (Continued...)

Support projects that improve the resilience of SMEs and agricultural businesses.

Specific qualification models of the Agency network related to sustainability.

Reduce usage of natural resources by adopting an omnichannel and digital distribution model.

Promote people's health with a focus on prevention.

Increase in products where ESG factors play an essential role.

Increase opportunities to propose targeted products helping reduce underinsurance.

Increase health protection opportunities.

The group monitors ESG indicators such as the economic value distributed to policyholders and other stakeholders, the environmental and social value of its products and services, the environmental impact of the company, the share of its investments which is ESG compliant and the amount of thematic investments and how they contribute to support the Agenda 2030 and combat climate change .

Financial Statements

	12/31/2022		12/31/2022
	EUR (000)	%	USD (000)
Balance Sheet			
Cash and Short Term Investments	706,600	1.0	754,451
Bonds	35,037,400	49.9	37,410,133
Equity Securities	5,970,500	8.5	6,374,822
Other Invested Assets	14,822,900	21.1	15,826,707
Total Cash and Invested Assets	56,537,400	80.5	60,366,113
Reinsurers' Share of Reserves	761,600	1.1	813,176
Debtors / Amounts Receivable	3,354,000	4.8	3,581,133
Other Assets	9,558,000	13.6	10,205,268
Total Assets	70,211,000	100.0	74,965,689
Unearned Premiums	3,149,700	4.5	3,362,998
Non-Life - Outstanding Claims	11,358,800	16.2	12,128,018
Life - Outstanding Claims	324,400	0.5	346,368
Life - Long Term Business	34,787,300	49.5	37,143,096
Life - Linked Liabilities	8,801,500	12.5	9,397,538
Other Technical Reserves	29,100	...	31,071
Total Gross Technical Reserves	58,450,800	83.3	62,409,088
Debt / Borrowings	1,891,200	2.7	2,019,272
Other Liabilities	4,056,400	5.8	4,331,099
Total Liabilities	64,398,400	91.7	68,759,460
Capital Stock	2,031,500	2.9	2,169,073
Retained Earnings	3,832,900	5.5	4,092,464
Other Capital and Surplus	-295,800	-0.4	-315,832
Non-Controlling Interests	244,000	0.3	260,524
Total Capital and Surplus	5,812,600	8.3	6,206,229
Total Liabilities and Surplus	70,211,000	100.0	74,965,689

Source: BestLink® - Best's Financial Suite
 US \$ per Local Currency Unit 1.06772 = 1 Euro (EUR)

	12/31/2022			12/31/2022	
	Non-Life EUR (000)	Life EUR (000)	Other EUR (000)	Total EUR (000)	Total USD (000)
Income Statement					
Gross Premiums Written	8,502,300	3,510,000	...	12,012,300	12,825,773
Net Premiums Earned	7,874,700	3,490,800	...	11,365,500	12,135,172
Net Investment Income	...	680,500	387,700	1,068,200	1,140,539
Total Revenue	7,874,700	4,171,300	387,700	12,433,700	13,275,710
Benefits and Claims	5,030,800	3,569,200	...	8,600,000	9,182,392
Net Operating and Other Expense	2,293,900	208,600	411,200	2,913,700	3,111,016
Total Benefits, Claims and Expenses	7,324,700	3,777,800	411,200	11,513,700	12,293,408
Pre-Tax Income	550,000	393,500	-23,500	920,000	982,302
Income Taxes Incurred	...	...	...	268,500	286,683
Net Income before Non-Controlling Interests	...	...	...	651,500	695,620
Non-Controlling Interests	...	...	...	54,900	58,618
Net Income/(loss)	...	...	...	596,600	637,002

Source: BestLink® - Best's Financial Suite
 US \$ per Local Currency Unit 1.06772 = 1 Euro (EUR)

Related Methodology and Criteria

[Best's Credit Rating Methodology, 11/13/2020](#)

[Catastrophe Analysis in A.M. Best Ratings, 03/10/2023](#)

[Available Capital & Holding Company Analysis, 10/13/2017](#)

[Scoring and Assessing Innovation, 02/27/2023](#)

[Understanding Global BCAR, 07/06/2023](#)

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. The ratings are not assigned to specific insurance policies or contracts and do not address any other risk, including, but not limited to, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. A Financial Strength Rating is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser.

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Credit risk is the risk that an entity may not meet its contractual, financial obligations as they come due. These credit ratings do not address any other risk, including but not limited to liquidity risk, market value risk or price volatility of rated securities. The rating is not a recommendation to buy, sell or hold any securities, insurance policies, contracts or any other financial obligations, nor does it address the suitability of any particular financial obligation for a specific purpose or purchaser.

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