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FOR IMMEDIATE RELEASE

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A.M. Best Affirms Ratings of Lloyd's Syndicate 1225

LONDON, 24 June 2013—A.M. Best Europe – Rating Services Limited has affirmed the financial strength rating (FSR) of A (Excellent) and issuer credit rating (ICR) of “a+” of **Lloyd's Syndicate 1225** (United Kingdom), which is managed by AEGIS Managing Agency Limited. The outlook for both ratings remains stable.

The ratings of syndicate 1225 reflect the financial strength of the **Lloyd's** market, which underpins the security of all Lloyd's syndicates. In addition, the syndicate benefits from its association with **Associated Electric & Gas Insurance Services Limited** (AEGIS), which is the ultimate parent of its main capital provider, AEGIS Electric & Gas International Services Limited.

The syndicate has reported good underwriting profits in recent years, as demonstrated by a five-year average combined ratio of 91%. In 2012, the syndicate achieved a strong result, reporting a profit before tax of GBP 52.3 million and a combined ratio of 87%, reflecting the strong performance of the syndicate's non-marine property, terrorism, aviation war and satellite business in particular. Losses from Superstorm Sandy and the Costa Concordia grounding were absorbed within the syndicate's catastrophe and large loss budget for the year.

For 2013, a result in line with syndicate 1225's five-year average combined ratio is anticipated, although prospective earnings remain subject to volatility due to exposure to catastrophe losses.

The syndicate writes a well-diversified portfolio comprising of both property and casualty business. Diversification has improved significantly in recent years, due to a combination of growth in new classes and

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reduction in energy and utility lines, which previously dominated the book. Despite this reduction, syndicate 1225 maintains a good business profile and considerable expertise in energy and utility insurance, supported by its association with AEGIS, which is a Bermudian mutual serving US utility and energy companies.

A factor that may lead to positive or negative rating actions for the syndicate is a change in the ratings of Lloyd's, which currently has an FSR of A (Excellent) and an ICR of "a+" with a stable outlook.

The methodology used in determining these ratings is Best's Credit Rating Methodology, which provides a comprehensive explanation of A.M. Best's rating process and contains the different rating criteria employed in the rating process. Best's Credit Rating Methodology can be found at www.ambest.com/ratings/methodology.

In accordance with Regulation (EC) No. 1060/2009, the following is a link to required disclosures: [A.M. Best Europe - Rating Services Limited Supplementary Disclosure](#).

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