

## Liberty Mutual Insurance Reports Fourth Quarter and Full Year 2024 Results

BOSTON, Mass., March 5, 2025 – Liberty Mutual Holding Company Inc. and its subsidiaries (collectively “LMHC” or the “Company”) reported net income attributable to LMHC of \$1.239 billion and \$4.383 billion for the three and twelve months ended December 31, 2024, versus income of \$654 million and \$213 million for the same periods in 2023.

“I’d like to first acknowledge the devastating wildfires that have impacted so many California communities. Our claims professionals are on the ground working tirelessly to support our policyholders during this challenging time,” said Tim Sweeney, Liberty Mutual President & Chief Executive Officer. “Our extremely strong financial position enables us to effectively respond to these events and provide the reassurance and resources our customers need to recover. Turning to our 2024 financial performance, I am pleased to report that we achieved net income attributable to Liberty Mutual Holding Company of \$1.2 billion in the fourth quarter. Our disciplined underwriting and operational execution have driven significant improvements, resulting in a combined ratio of 91.5% for the quarter, our lowest in 20 years. We are making remarkable progress toward our goal of achieving a 95% combined ratio in 2025, driven by underwriting and expense discipline in both US Retail Markets and Global Risk Solutions. This progress sets a solid foundation for future success, and we are committed to maintaining this discipline as we now seek to grow in select segments. We are now in a position to pursue profitable growth in the areas where we have achieved target profitability.”

The tables below outline highlights of LMHC’s consolidated financial results for the three and twelve months ended December 31, 2024.

### Net Written Premium (“NWP”) by Business:

Consolidated NWP by business was as follows:

\$ in Millions	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2024	2023	Change	2024	2023	Change
US Retail Markets	\$6,700	\$7,069	(5.2%)	\$28,279	\$29,859	(5.3%)
Global Risk Solutions	3,844	4,294	(10.5)	16,416	16,800	(2.3)
Corporate and Other	7	(33)	NM	268	(177)	NM
Total NWP	\$10,551	\$11,330	(6.9%)	\$44,963	\$46,482	(3.3%)
Foreign exchange effect on growth			0.5			0.1
NWP growth excluding foreign exchange <sup>1</sup>			(7.4%)			(3.4%)

<sup>1</sup> Determined by assuming constant foreign exchange rates between periods.  
NM = Not Meaningful

## Consolidated Results of Operations:

\$ in Millions	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2024	2023	Change	2024	2023	Change
Revenues	\$12,218	\$12,567	(2.8%)	\$50,218	\$49,412	1.6%
Underlying PTOI before limited partnerships income	2,949	1,553	89.9	9,406	4,895	92.2
Catastrophes	(234)	(233)	0.4	(3,890)	(4,684)	(17.0)
Net incurred losses attributable to prior years:						
- Asbestos and environmental <sup>1</sup>	(175)	(110)	59.1	(175)	(110)	59.1
- All other <sup>2</sup>	(760)	(40)	NM	(683)	521	NM
Current accident year re-estimation <sup>3</sup>	(20)	(60)	(66.7)	-	-	-
Pre-tax operating income before limited partnerships income	1,760	1,110	58.6	4,658	622	NM
Limited partnerships income <sup>4</sup>	380	4	NM	1,266	89	NM
Pre-tax operating income	2,140	1,114	92.1	5,924	711	NM
Net realized losses	(623)	(271)	129.9	(1,041)	(296)	NM
Acquisition & integration costs	(25)	(32)	(21.9)	(87)	(90)	(3.3)
Restructuring costs	(4)	(55)	(92.7)	(59)	(121)	(51.2)
Pre-tax income	1,488	756	96.8	4,737	204	NM
Income tax expense	280	102	174.5	1,060	35	NM
Consolidated net income from continuing operations	1,208	654	84.7	3,677	169	NM
Discontinued operations, net of tax	34	9	NM	725	59	NM
Consolidated net income	1,242	663	87.3	4,402	228	NM
Less: Net income attributable to non-controlling interest	3	9	(66.7)	19	15	26.7
Net income attributable to LMHC	1,239	654	89.4	4,383	213	NM
Net income attributable to LMHC excluding unrealized impact <sup>5</sup>	1,126	697	61.5	4,249	143	NM
Cash flow provided by continuing operations	\$1,567	\$1,328	18.0%	\$6,469	\$3,550	82.2%

1 Asbestos and environmental is gross of the related adverse development reinsurance (the "NICO Reinsurance Transaction", which is described further in Reinsurance).

2 Net of earned premium and reinstatement premium attributable to prior years of \$46 million and \$123 million for the three and twelve months ended December 31, 2024, and \$300 million and \$340 million for the same periods in 2023.

3 Re-estimation of the current accident year loss reserves for the nine months ended September 30, 2024 and September 30, 2023.

4 Limited partnerships income includes LP, LLC and other equity method income within net investment income in the accompanying Consolidated Statements of Income and revenue and expenses from direct investments in natural resources.

5 Excludes unrealized gains on equity securities and the corresponding tax impact.

NM = Not Meaningful

**Combined Ratio:**

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2024	2023	Change (Points)	2024	2023	Change (Points)
<b>CONSOLIDATED</b>						
<b>Combined ratio</b>						
Claims and claim adjustment expense ratio	52.5%	62.4%	(9.9)	57.9%	65.3%	(7.4)
Underwriting expense ratio	28.7	28.7	-	27.6	28.1	(0.5)
Underlying combined ratio	81.2	91.1	(9.9)	85.5	93.4	(7.9)
Catastrophes	2.1	2.0	0.1	8.6	10.3	(1.7)
Net incurred losses attributable to prior years:						
- Asbestos and environmental	1.6	0.9	0.7	0.4	0.2	0.2
- All other <sup>1</sup>	6.8	0.6	6.2	1.4	(1.2)	2.6
Current accident year re-estimation <sup>2</sup>	(0.2)	0.5	(0.7)	-	-	-
Total combined ratio <sup>3</sup>	91.5%	95.1%	(3.6)	95.9%	102.7%	(6.8)

1 Net of earned premium and reinstatement premium attributable to prior years.

2 Re-estimation of the current accident year loss reserves for the nine months ended September 30, 2024 and September 30, 2023.

3 The combined ratio, expressed as a percentage, is a measure of underwriting profitability. This measure should only be used in conjunction with, and not in lieu of, underwriting income and may not be comparable to other performance measures used by the Company's competitors. The combined ratio is computed as the sum of the following property and casualty ratios: the ratio of claims and claim adjustment expense less managed care income to earned premium; the ratio of insurance operating costs plus amortization of deferred policy acquisition costs less third-party administration income and fee income (primarily related to the Company's involuntary market servicing carrier operations) and installment charges to earned premium; and the ratio of policyholder dividends to earned premium. Provisions for uncollectible premium and reinsurance are not included in the combined ratio unless related to an asbestos and environmental commutation and certain other run off. Restructuring and acquisition and integration costs are not included in the combined ratio.

**Equity:**

	As of December 31,	As of December 31,	Change
	2024	2023	
<b>\$ in Millions</b>			
Unassigned equity	\$34,374	\$29,991	14.6%
Accumulated other comprehensive loss	(3,928)	(5,127)	(23.4)
Non-controlling interest	206	196	5.1
Total equity	\$30,652	\$25,060	22.3%

## **Subsequent Events**

On March 2, 2025, the Company announced the agreement to sell its operations in Thailand and Vietnam to Chubb Limited. The Thailand transaction is expected to close by the second quarter of 2025 and the Vietnam transaction is expected to close in 2026, subject to certain closing conditions and regulatory approvals.

There were a series of severe wildfires that impacted areas of Southern California in January 2025. The Company's preliminary pre-tax estimate of catastrophe losses relating to these California wildfires is \$1.2 billion. The preliminary amount includes estimated assessments from the California FAIR Plan and reinsurance recoveries net of reinstatement premium. These values do not consider any subrogation. The catastrophe losses will be recorded in the Company's Q1 2025 financial statements.

Management has assessed material subsequent events through March 5, 2025, the date the financial statements were available to be issued.

## **Financial Information**

The Company's financial results, management's discussion and analysis of operating results and financial condition, accompanying financial statements and other supplemental financial information for the three and twelve months ended December 31, 2024 are available on the Company's Investor Relations website at [www.libertymutualgroup.com/investors](http://www.libertymutualgroup.com/investors).

## **Conference Call Information**

On March 6, 2025, at 10:00 a.m. Eastern Time, Tim Sweeney, Liberty Mutual Insurance President and CEO, will host a conference call to discuss the Company's fourth quarter financial results. To participate in the event via telephone and to ask a question, please dial 844-481-2837 and request to join into the Liberty Mutual Insurance call. To listen to the call online via PC and view a presentation on financial performance, please log into <https://event.choruscall.com/mediaframe/webcast.html?webcastid=imANTA4n>. Following the call, a recording of the event will be available on the Investor Relations section of Liberty Mutual's website, [www.libertymutualgroup.com/investors](http://www.libertymutualgroup.com/investors).

## **About Liberty Mutual Insurance**

At Liberty Mutual, we believe progress happens when people feel secure. By providing protection for the unexpected and delivering it with care, we help people embrace today and confidently pursue tomorrow.

In business since 1912, and headquartered in Boston, today we are the eighth largest global property and casualty insurer based on 2023 gross written premium. We also rank 87<sup>th</sup> on the Fortune 100 list of largest corporations in the US based on 2023 revenue. As of December 31, 2024, we had \$50.2 billion in annual consolidated revenue.

We employ over 40,000 people in 29 countries and economies around the world. We offer a wide range of insurance products and services, including personal automobile, homeowners, specialty lines, reinsurance, commercial multiple-peril, workers compensation, commercial automobile, general liability, surety, and commercial property.

For more information, visit [www.libertymutualinsurance.com](http://www.libertymutualinsurance.com).

### **Cautionary Statement Regarding Forward Looking Statements**

This report contains forward looking statements that are intended to enhance the reader's ability to assess the future financial and business performance of the Company. Forward looking statements include, but are not limited to, statements that represent the Company's beliefs concerning future operations, strategies, financial results, investment market fluctuations, or other developments, and contain words and phrases such as "may," "expects," "should," "believes," "anticipates," "estimates," "intends" or similar expressions. Because these forward-looking statements are based on estimates and assumptions that are subject to significant business, economic and competitive uncertainties, many of which are beyond the Company's control or are subject to change, actual results could be materially different.

Contact:            Investor Relations  
                         Robert Pietsch  
                         857-224-6655

Media Relations  
Rich Angevine  
617-833-0926