

## Beazley Group

Beazley plc is the Dublin-based parent company of global, specialist insurance businesses with operations in the UK, US, France, Germany, Ireland, Singapore, Hong Kong and Australia.

Beazley manages four Lloyd's syndicates: Syndicate 2623 and Syndicate 623 underwrite a broad range of insurance and reinsurance business worldwide; Syndicate 3623 focuses on accident and health business; and 3622 is a dedicated life syndicate. In 2008 Beazley underwrote gross premiums of £875.7m.

All Lloyd's syndicates are rated 'A' by A.M. Best. In the US, Beazley's underwriters focus on writing specialist insurance products in the admitted market, backed by Beazley Insurance Company, Inc., an admitted carrier in all 50 states; and surplus lines risks, backed by the Beazley syndicates at Lloyd's. Beazley Insurance Company, Inc. is also rated 'A' by A.M. Best.

Beazley's global business is transacted through six divisions: Accident & Life; Marine; Political Risks & Contingency; Property; Reinsurance; and Specialty Lines. This diversity of Beazley's portfolio and the expertise of the group's underwriters have supported an unbroken 22 year record of profitability.

## Beazley at Lloyd's

Lloyd's is the world's oldest and largest insurance market, made up of 51 managing agents running 80 syndicates. Lloyd's operates in more than 200 countries and territories worldwide. 90% of FTSE companies and 93% of Dow Jones companies have insurance at Lloyd's.

Beazley's participation in the Lloyd's market gives it access to brokered business from around the world. Beazley's corporate structure also enables it to underwrite admitted business in the United States.

## Clients

Beazley's client base is broadly diversified by type, by size and by geography. It is a leader in many of the markets in which it operates, insuring in 2009:

- A third of the Am Law 200 list of the top law firms in the United States
- More than half of the top 50 US design firms as ranked by Engineering News-Record
- More than a third of the world's top 200 oil and gas companies
- Half of the UK's jewellers' block business
- Three of the top 10 'Honour Roll' US hospitals as listed by US News and World Report (2008 listing) and three of the top six paediatric hospitals.

## Ratings

Syndicate 2623/623 A.M. Best Rating	A (Excellent)
Beazley Insurance Company, Inc. A.M. Best rating	A (Excellent)
Lloyd's Standard & Poor's rating	A+ (Strong)

## Key Financials

	HY2008	HY2009
Gross Premiums Written	£407.3m	£596.4m
Profit before tax & FX effect on non-monetary items	£46.0m	£69.9m
Profit before tax	£45.0m	£20.1m
Return on equity	16.8%	8.5%
Combined ratio	90%	90%
Cash and investments	£1,570m	£2,093m
Average investment return	1.7%	2.9%

## Key Facts

- Beazley (BEZ.L), is a publicly quoted company on the London Stock Exchange, having initially floated in November 2002
- Beazley has consistently returned a profit in every closed year of account since inception in 1986
- Beazley employs 669 staff (as at July 2009) worldwide
- Beazley's managed syndicates are among the leading syndicates at Lloyd's and are backed - like all syndicates - by the Lloyd's chain of security.

## History

- 1986** Beazley, Furlonge and Hiscox established; takes over the management of syndicate 623  
Specialty lines and treaty accounts started
- 1992** Commercial Property account started
- 1993** Management buyout by Andrew Beazley and Nick Furlonge, renamed Beazley Furlonge Ltd
- 1998** Recall, contingency and political risk accounts started
- 1999** Marine account started
- 2001** Management buyout of minority shareholders  
Employment practices liability and UK professional indemnity accounts started
- 2002** Beazley floats on the London Stock Exchange, raising £150m and becoming Beazley Group plc  
Syndicate 2623 established
- 2003** D&O, healthcare, energy, and cargo and specie accounts started
- 2004** Engineering and construction account started
- 2005** Beazley acquires Omaha P&C in the United States; renames it Beazley Insurance Company, Inc. (BICI)
- 2006** Beazley takes full ownership of Hong-Kong based APUA; renames it Beazley Limited  
Expansion of Construction & Engineering team into Singapore
- 2007** Beazley acquires Sapphire Blue, an agency specialising in professional liability insurance for US long-term healthcare institutions  
BICI begins writing US admitted commercial property
- 2008** Political & Contingency Group formed as new division  
Acquisition of Momentum Underwriting Management; Accident & Life formed as new division, supporting Syndicates 3623 and 3622
- 2009** Acquisition of First State Management Group, Inc. a US underwriting manager focusing on surplus lines commercial property business  
Beazley plc becomes the new holding company for the group, incorporated in Jersey and tax resident in Ireland

beazley

## Beazley in the US

Beazley began to establish a local presence in the US market in 2004, with its head office in Farmington, CT and since then has built a strong business among smaller firms that would not traditionally have insured at Lloyd's. In 2008, Beazley's local US underwriters wrote \$269.1 million in gross premiums, principally for smaller clients.

Beazley's Specialty Lines division has built a strong local presence in the US, with more than fifty claims managers and underwriters writing a range of professional liability and management liability products. These US-based underwriters focus on mid-market and small risks, and are able to bind either on Beazley Insurance Company, Inc. (admitted) paper, or on Lloyd's of London (surplus lines) paper on behalf of Syndicates 623 and 2623. Target classes include architects & engineers and technology companies for E&O coverage, and both public and private companies for D&O and employment practices liability (EPL) coverage.

Beazley's property division is especially active in the US in writing retail, real estate, hospitality, and nursing homes, offering coverage of up to \$100 million per location. The acquisition of First State Management Group, Inc. from The Hartford in April 2009 significantly increased Beazley's capabilities in surplus lines commercial property. Beazley also underwrites high value homeowners insurance in the US on a surplus lines basis.

## What we do



- Specialty Lines 46%
- Property 18%
- Marine 14%
- Reinsurance 9%
- Political Risks & Contingency 9%
- Accident & Life 4%

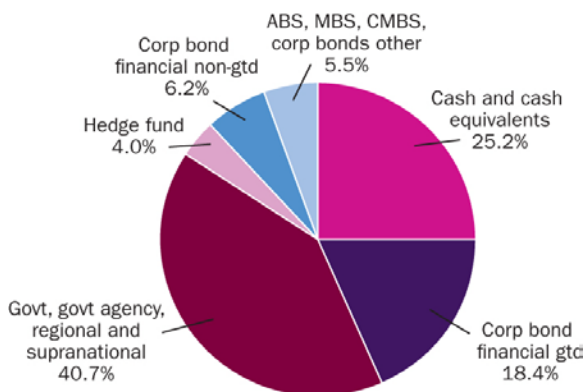
## Where we do it



- USA 55%
- Worldwide 24%
- Europe 21%

(Both charts based on 2009 Lloyd's business plan)

## Investment Portfolio



(As at July 2009 Interim Results Announcement)

## Senior Management

### Jonathan Agnew, Chairman

Jonathan Agnew is the Chairman of the company. He is also Chairman of LMS Capital plc, Ashmore Global Opportunities Limited and The Cayenne Trust plc and Senior Independent Director of Rightmove plc. Jonathan was formerly a Managing Director of Morgan Stanley and subsequently Chief Executive of Kleinwort Benson Group. He has been chairman of Limit plc, Gerrard Group plc and Nationwide Building Society.

### Andrew Horton, Chief Executive Officer

Andrew Horton was appointed CEO of Beazley Group and President of Beazley Insurance Company, Inc. in September 2008. Based in London and previously the Group's finance director, Andrew joined Beazley in June 2003 having spent the previous 15 years in the banking industry.

### Andrew Beazley, Deputy Chairman

Andrew Beazley is the Deputy Chairman of Beazley Group. He has over 30 years of insurance experience as a broker and an underwriter. Andrew's career at Lloyd's has included serving as a member of the Lloyd's Market Board from 1994-1997. He was also a member of the Chairman's Strategy Group which set down the blueprint for market reforms including the creation of the Franchise Board.

### Martin Bride, Group Finance Director

Martin Bride was appointed Group Finance Director in November 2008, and joined the company in April 2009. He joins Beazley from Zurich Financial Services where he was CFO of the UK Life business, having previously been CFO of Aviva France. His career includes a number of senior level finance and general management roles in insurance.

## Contact

### Beazley Group

William Pitt  
Head of marketing and communications  
T +44 (0)20 7674 7490

Chalese Bellamy  
Marketing and communications  
T +44 (0)20 7674 7063

[www.beazley.com](http://www.beazley.com)

### Finsbury Group

Guy Lamming, Vanessa Neill or Peter Russell  
T +44 (0)20 7251 3801

beazley