

**For Immediate Release  
Liberty Mutual Group Inc.**

**April 28, 2020**



**LIBERTY MUTUAL ANNOUNCES PRIVATE EXCHANGE OFFERS  
FOR FIVE SERIES OF NOTES AND RELATED TENDER OFFERS  
OPEN TO CERTAIN INVESTORS**

**BOSTON, Mass** – Liberty Mutual Group Inc. (“Liberty Mutual”) today announced the commencement of two related transactions to repurchase five series of its outstanding notes: its 6.500% Senior Notes due 2042, its 7.000% Senior Notes due 2034, its 6.500% Senior Notes due 2035, its 4.850% Senior Notes due 2044, and its 4.500% Senior Notes due 2049 (the “existing notes”).

**Exchange Offers**

The first transaction consists of five separate private offers to exchange (the “exchange offers”) any and all of each series of existing notes for newly issued notes of Liberty Mutual (the “new notes”) and cash, upon the terms and subject to the conditions set forth in the offering memorandum dated April 28, 2020 (the “offering memorandum”), the eligibility letter and the accompanying exchange offer notice of guaranteed delivery (together with the offering memorandum, and the eligibility letter, the “exchange offer documents”). Only a holder who has duly completed and returned an eligibility letter certifying that it is either (1) a “qualified institutional buyer” (as defined in Rule 144A under the Securities Act, as amended (the “Securities Act”)); or (2) a person located outside the United States who is (i) not a “U.S. person” (as defined in Rule 902 under the Securities Act, (ii) not acting for the account or benefit of a U.S. person and (iii) a “Non-U.S. qualified offeree” (as defined below), is authorized to receive the offering memorandum and to participate in the exchange offers (such holders, “exchange offer eligible holders”).

The new notes being offered in the exchange offers will be a further issuance of, and will be in addition to and form a single series with, the \$500,000,000 aggregate principal amount of 3.950% Senior Notes due 2060 that Liberty Mutual priced earlier today (the “original notes”). The new notes are expected to be fungible with the original notes.

Each of the exchange offers will each expire at 5:00 p.m., New York City time, on May 5, 2020 (the “exchange offer expiration date”), unless extended or earlier terminated. Tenders of the existing notes may be withdrawn at any time at or prior to 5:00 p.m., New York City time, on May 5, 2020, subject to extension, but will thereafter be irrevocable except in certain limited circumstances where additional withdrawal rights are required by law.

The following table sets forth information regarding each of the exchange offers:

CUSIP No. /ISIN	Title of Security	Principal Amount Outstanding	Acceptance Priority Level	Reference U.S. Treasury Security	Bloomberg Reference Page	Fixed Spread (bps)	Composition of Hypothetical Total Exchange Consideration <sup>(1),(2),(3)</sup>	
							New Notes Amount	Cash Amount
53079EAZ7/US53079EAZ79 U52932AS6/USU52932AS62	6.500% Senior Notes due 2042	\$269,852,000	1	2.375% U.S.T. due 11/15/2049	PX1	+240 bps	\$1,000.00	\$438.08
53079EAE4/US53079EAE41 U52932AD9/USU52932AD93	7.000% Senior Notes due 2034	\$152,647,000	2	2.375% U.S.T. due 11/15/2049	PX1	+220 bps	\$1,000.00	\$395.23
53079EAG9/US53079EAG98 U52932AE7/USU52932AE76	6.500% Senior Notes due 2035	\$301,113,000	3	2.375% U.S.T. due 11/15/2049	PX1	+220 bps	\$1,000.00	\$359.30
53079EBF0/US53079EBF07 U52932AX5/USU52932AX57 U52932AY3/USU52932AY31	4.850% Senior Notes due 2044	\$613,922,000	4	2.375% U.S.T. due 11/15/2049	PX1	+240 bps	\$1,000.00	\$201.10

CUSIP No. /ISIN	Title of Security	Principal Amount Outstanding	Acceptance Priority Level	Reference U.S. Treasury Security	Bloomberg Reference Page	Fixed Spread (bps)	Composition of Hypothetical Total Exchange Consideration <sup>(1),(2),(3)</sup>	
							New Notes Amount	Cash Amount
53079EBH6/US53079EBH62 U52932BE6/USU52932BE67 U52932BF3/USU52932BF33	4.500% Senior Notes due 2049	\$350,000,000	5	2.375% U.S.T. due 11/15/2049	PX1	+245 bps	\$1,000.00	\$150.29

- (1) To be paid in new notes and cash per \$1,000 principal amount of existing notes validly tendered at or prior to the exchange offer expiration date and not validly withdrawn at or prior to the exchange offer withdrawal deadline of May 5, 2020, or in connection with the guaranteed delivery procedures set forth in the offering memorandum and in the exchange offer notice of guaranteed delivery, and whose existing notes are accepted for exchange, which cash amount is subject to adjustment upon the terms and conditions contained within the exchange offer documents. The cash payment excludes accrued and unpaid interest. Accrued and unpaid interest, if any, will be paid on the existing notes up to, but not including, the exchange offer settlement date (as described below), which will be reduced by the interest accrued from May 7, 2020, the initial issuance date of the original notes, up to, but not including, the exchange offer settlement date, if any. The first interest payment for the new notes will include accrued interest from May 7, 2020, if any.
- (2) Hypothetical cash amounts are shown for illustrative purposes only. Prices will be determined on the price determination date of May 5, 2020.
- (3) The Total Exchange Consideration in respect of the 4.500% Senior Notes due 2049 will be calculated based on December 15, 2048, the par call date for such series of existing notes.

Upon the terms and subject to the conditions set forth in the exchange offer documents, exchange offer eligible holders who validly tender existing notes at or prior to (i) the exchange offer expiration date or (ii) 5:00 p.m., New York City time, on the second business day after the exchange offer expiration date (such date and time with respect to an exchange offer, as the same may be extended with respect to such exchange offer, the “exchange offer guaranteed delivery date”) pursuant to the guaranteed delivery procedures described in the offering memorandum (the “exchange offer guaranteed delivery procedures”), and who do not validly withdraw tendered existing notes, and whose existing notes are accepted for exchange by Liberty Mutual, will receive the applicable total exchange consideration for each \$1,000 principal amount of such existing notes, which will be payable in a principal amount of new notes and cash. The “exchange offer settlement date” is expected to be May 7, 2020, which is the second business day following the exchange offer expiration date, for existing notes validly tendered in the exchange offers; provided that the exchange offer settlement date for any existing notes validly tendered in connection with the guaranteed delivery procedures pursuant to a notice of guaranteed delivery and accepted for exchange is expected to be May 8, 2020, which is the third business day following the exchange offer expiration date. Accrued and unpaid interest, if any, on the Existing Notes tendered for purchase will only accrue up to, but not including, the initial exchange offer settlement date of May 7, 2020.

In each of the exchange offers, Liberty Mutual is offering to exchange, for each \$1,000 principal amount of the existing notes validly tendered at or prior to the exchange offer expiration date, or at or prior to the exchange offer guaranteed delivery date pursuant to the exchange offer guaranteed delivery procedures and not validly withdrawn, and accepted for exchange, the applicable “total exchange consideration”, which, with respect to each series of existing notes, will consist of (i) a principal amount of new notes as applicable to such tendered series of existing notes and (ii) a cash amount determined as set forth in the offering memorandum, plus a cash payment representing unpaid interest, if any, that has accrued from the most recent interest payment date in respect of such existing notes up to, but not including, the applicable exchange offer settlement date as described herein; provided, that, if the accrued and unpaid interest that is due and payable on the applicable exchange offer settlement date on the new notes, if any, exceeds the accrued and unpaid interest that is payable on the applicable exchange offer settlement date on the existing notes, if any, then the cash amount, as applicable, payable to existing holders will be reduced by the difference between such amounts, and exchange offer eligible holders will not receive accrued and unpaid interest on the existing notes that is due and payable on the applicable exchange offer settlement date, if any.

The total exchange consideration for the existing notes of each series will be calculated at 2:00 p.m., New York City time, on May 5, 2020 (subject to extension), and will equal (rounded to the nearest cent), with respect to a series of existing notes, the discounted value on the applicable exchange offer settlement date of the remaining payments of principal and interest per \$1,000 principal amount of such existing notes through the maturity date or par call date of such existing notes, using a yield, as calculated by the lead dealer managers, equal to (i) the sum of (A) the bid-side yield on the applicable Reference U.S. Treasury Security (as set forth in the table above), as of such determination date (or any recognized quotation source selected by the lead dealer managers in their sole discretion if such quotation report is not available or manifestly erroneous) plus (B) the applicable fixed spread specified in the table above, minus (ii) accrued and unpaid interest on such existing notes to but not including the applicable exchange offer settlement date.

The aggregate principal amount of the new notes issuable in the exchange offers is limited to \$500,000,000 (the “new notes issuance limit”). If, at the exchange offer expiration date, the aggregate total exchange consideration payable for all validly tendered existing notes of a particular series (together with the aggregate total exchange consideration payable after exchanging all validly tendered existing notes of each series with a higher acceptance priority level (with acceptance priority

level 1 being the highest)) is greater than the new notes issuance limit, then Liberty Mutual will not be obligated to accept for exchange, or issue any new notes in exchange for, such series of existing notes and may terminate the exchange offer with respect to such series of existing notes and each series of existing notes with a lower acceptance priority level. Either all validly tendered existing notes in an exchange offer will be accepted or no existing notes in a particular exchange offer will be accepted. There will be no proration of any series of existing notes.

Liberty Mutual's obligation to complete any exchange with respect to a given series of existing notes is also conditioned on the completion of the corresponding cash offer (as defined below) for such series of existing notes (with respect to each exchange offer, the "cash offer completion condition"). Liberty Mutual will terminate the exchange offer for a given series of existing notes if it terminates the cash offer for such series of existing notes, and it will terminate the cash offer for a given series of existing notes if it terminates the exchange offer for such series of existing notes. The termination of a cash offer for a series of existing notes will not impact the exchange offer for any other series of existing notes. If Liberty Mutual extends the cash offer for a series of existing notes for any reason, Liberty Mutual will extend the corresponding exchange offer for such series of existing notes. The cash offer completion condition cannot be waived by Liberty Mutual.

Consummation of the exchange offers is subject to the satisfaction or waiver of a number of other conditions including the absence of certain adverse legal, accounting and market developments, as described in the exchange offer documents.

Global Bondholder Services Corporation will act as the information agent and the exchange agent for the exchange offers. Questions or requests for assistance related to the exchange offers or for additional copies of the exchange offer documents may be directed to Global Bondholder Services Corporation at (866) 470-4300 (toll free) or (212) 430-3774 (collect). You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the exchange offers. The exchange offer documents can be accessed at the following link: <http://www.gbsc-usa.com/eligibility/liberty>.

## Cash Offers

The second transaction consists of five separate offers to purchase for cash (the "cash offers") any and all of each series of existing notes, upon the terms and subject to the conditions set forth in the offer to purchase dated April 28, 2020 (the "offer to purchase"), the certification instructions letter and the accompanying cash offer notice of guaranteed delivery (together with the offer to purchase, and the certification instructions letter, the "tender offer documents"). **Only holders who are not exchange offer eligible holders ("cash offer eligible holders") are eligible to participate in the cash offers.** Holders of existing notes participating in the cash offers will be required to complete the certification instructions letter and certify that they are cash offer eligible holders.

CUSIP No. /ISIN	Title of Security	Principal Amount Outstanding	Acceptance Priority Level	Reference U.S. Treasury Security	Bloomberg Reference Page	Fixed Spread (bps)	Hypothetical Total Consideration (1)(2)(3)
53079EAZ7/US53079EAZ79 U52932AS6/USU52932AS62	6.500% Senior Notes due 2042	\$269,852,000	1	2.375% U.S.T. due 11/15/2049	PX1	+240	\$1,438.08
53079EAE4/US53079EAE41 U52932AD9/USU52932AD93	7.000% Senior Notes due 2034	\$152,647,000	2	2.375% U.S.T. due 11/15/2049	PX1	+220	\$1,395.23
53079EAG9/US53079EAG98 U52932AE7/USU52932AE76	6.500% Senior Notes due 2035	\$301,113,000	3	2.375% U.S.T. due 11/15/2049	PX1	+220	\$1,359.30
53079EBF0/US53079EBF07 U52932AX5/USU52932AX57	4.850% Senior Notes due 2044	\$613,922,000	4	2.375% U.S.T. due 11/15/2049	PX1	+240	\$1,201.10
53079EBH6/US53079EBH62 U52932BE6/USU52932BE67 U52932BF3/USU52932BF33	4.500% Senior Notes due 2049	\$350,000,000	5	2.375% U.S.T. due 11/15/2049	PX1	+245	\$1,150.29

(1) To be paid in cash per \$1,000 principal amount of existing notes validly tendered at or prior to the cash offer expiration date or the cash offer guaranteed delivery date pursuant to the guaranteed delivery procedures, and not validly withdrawn at or prior to the cash offer withdrawal deadline of May 5, 2020. The total cash offer consideration excludes accrued and unpaid interest. We will pay accrued and unpaid interest on the existing notes up to, but not including, the cash offer settlement date (as described below). Interest will cease to accrue on the cash offer settlement date for all existing notes accepted in the cash offers, including those tendered pursuant to guaranteed delivery procedures.

(2) Hypothetical amounts are shown for illustrative purposes only. Prices will be determined on the cash offer price determination date.

(3) The Total Consideration in respect of the 4.500% Senior Notes due 2049 will be calculated based on December 15, 2048, the par call date for such series of existing notes.

The cash offers will each expire at 5:00 p.m., New York City time, on May 5, 2020, unless extended or earlier terminated (such date and time with respect to a cash offer, as the same may be extended with respect to such cash offer, the "cash offer expiration date"). Existing notes tendered for purchase may be validly withdrawn at any time at or prior to 5:00 p.m., New York City time, on May 5, 2020, subject to extension, but not after such time (except in certain limited circumstances where additional withdrawal rights are required by law). The "cash offer settlement date" will be promptly

following the cash offer expiration date and is expected to be May 7, 2020, which is the second business day following the cash offer expiration date; provided that the cash offer settlement date for any existing notes validly tendered in connection with the guaranteed delivery procedures pursuant to a notice of guaranteed delivery and accepted for exchange is expected to be May 8, 2020, which is the third business day following the cash offer expiration date. Accrued and unpaid interest, if any, on the existing notes tendered for purchase will only accrue up to, but not including, the initial cash offer settlement date of May 7, 2020.

Upon the terms and subject to the conditions set forth in the tender offer documents, cash offer eligible holders who validly tender existing notes at or prior to (i) the cash offer expiration date or (ii) 5:00 p.m., New York City time, on the second business day after the applicable cash offer expiration date (such date and time, as the same may be extended, the “cash offer guaranteed delivery date”) pursuant to the guaranteed delivery procedures and who do not validly withdraw tendered existing notes, and whose existing notes are accepted for purchase by Liberty Mutual, will receive the applicable total cash offer consideration for each \$1,000 principal amount of existing notes, which will be payable in cash.

The total consideration payable by Liberty Mutual for each \$1,000 principal amount of a series of existing notes, validly tendered for purchase and accepted by Liberty Mutual, (the “total cash offer consideration”) will be determined in accordance with the formula set forth in the offer to purchase, as illustrated by the hypothetical pricing example included in the offer to purchase, and, with respect to a series of existing notes, will equal the discounted value on the cash offer settlement date of the remaining payments of principal and interest per \$1,000 principal amount of such existing notes through the maturity date or par call date, as applicable, of such existing notes, using a yield, as calculated by the lead dealer managers, equal to (i) the sum of (A) the bid-side yield on the applicable Reference U.S. Treasury Security (as set forth in the table above) as of the cash offer price determination date (or any recognized quotation source selected by the lead Dealer Managers in their sole discretion if such quotation report is not available or manifestly erroneous) *plus* (B) the applicable fixed spread specified in the table above, minus (ii) the accrued and unpaid interest on such existing notes from and including the immediately preceding interest payment date for such existing notes to, but excluding, the cash offer settlement date. The cash offer will be rounded to the nearest cent per \$1,000 principal amount of existing notes. The “cash offer price determination date” means 2:00 p.m., New York City time, on May 5, 2020, unless the cash offer expiration date is extended, in which case a new cash offer price determination date may be established with respect to the cash offers.

Liberty Mutual will announce the applicable total cash offer consideration for each series of existing notes as soon as practicable after they are determined by the lead dealer managers on the cash offer price determination date. The total cash offer consideration has been determined by Liberty Mutual in its reasonable discretion to approximate the value of the total exchange consideration payable in new notes in the corresponding exchange offers.

In addition to the applicable total cash offer consideration, cash offer eligible holders whose existing notes are accepted for purchase will be paid accrued and unpaid interest on such existing notes from and including the immediately preceding interest payment date for such existing notes to, but excluding, the cash offer settlement date. Interest will cease to accrue on the cash offer settlement date for all existing notes accepted in the cash offers, including those existing notes tendered through the guaranteed delivery procedures.

Liberty Mutual’s obligation to accept any series of existing notes tendered in the cash offers is subject to the satisfaction or waiver of certain conditions applicable to the cash offer for such series as described in the offer to purchase, including, among other things, (i) maximum total consideration condition (as defined below) and (ii) the exchange offer completion condition (as defined below). Liberty Mutual expressly reserves the right, subject to applicable law, to waive any and all conditions to any cash offer, other than conditions described by Liberty Mutual as non-waivable.

The maximum aggregate amount of cash that Liberty Mutual will use to purchase all validly tendered existing notes in the cash offers is \$25,000,000 (the “maximum total consideration amount”), unless waived by Liberty Mutual as provided in the offer to purchase. If, at the cash offer expiration date for a particular cash offer, the aggregate total cash offer consideration payable for a particular series of validly tendered existing notes is greater than the maximum total consideration amount (after accepting for tender and paying the aggregate total cash offer consideration for all validly tendered existing notes of each series with a higher acceptance priority level (with acceptance priority level 1 being the highest)), then Liberty Mutual will not be obligated to accept for purchase such series of existing notes and may terminate the cash offer with respect to such series of existing notes and each series of existing notes with a lower acceptance priority level (the “maximum total consideration condition”). Either all existing notes in a cash offer will be accepted or no existing notes in a particular

cash offer will be accepted as a result of the maximum total Consideration condition. There will be no proration of any series of existing notes.

Liberty Mutual's obligation to complete any cash offer with respect to a given series of existing notes is conditioned on the completion of the corresponding Exchange Offer for such series of existing notes (with respect to each cash offer, the "exchange offer completion condition"). Liberty Mutual will terminate the cash offer for a given series of existing notes if it terminates the exchange offer for such series existing notes, and it will terminate the exchange offer for a given series of existing notes if it terminates the cash offer for such series of existing notes. The termination of an exchange offer for a series of existing notes will not impact the cash offer for any other series of existing notes. If Liberty Mutual extends the exchange offer for a series of existing notes for any reason, Liberty Mutual will extend the corresponding cash Offer for such series of existing notes. The exchange offer completion condition cannot be waived by Liberty Mutual.

Global Bondholder Services Corporation will act as the Information Agent and the Tender Agent for the cash offers. Questions or requests for assistance related to the cash offers or for additional copies of the tender offer documents may be directed to Global Bondholder Services Corporation at (866) 470-4300 (toll free) or (212) 430-3774 (collect). You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the cash offers. The tender offer documents can be accessed at the following link <https://www.gbsc-usa.com/liberty>.

**For additional information contact:**

Edward Peña  
Senior Vice President and Treasurer  
Liberty Mutual Group  
857-224-6655  
[Investor\\_Relations@LibertyMutual.com](mailto:Investor_Relations@LibertyMutual.com)

Richard Angevine  
Public Relations  
Liberty Mutual Group  
617-574-6638  
[Richard.Angevine@LibertyMutual.com](mailto:Richard.Angevine@LibertyMutual.com)