Liberty Mutual Insurance Reports Second Quarter Results

BOSTON, Mass., August 5, 2026 – Liberty Mutual Holding Company Inc. and its subsidiaries (collectively “LMHC” or the “Company”) reported net income attributable to LMHC of $2.634 billion and $4.686 billion for the three and six months ended June 30, 2026, versus income of $1.845 billion and $2.870 billion for the same period in 2025.

“Liberty Mutual delivered excellent second quarter results and a strong first half of 2026, with net income attributable to LMHC of $4.7 billion and a consolidated combined ratio of 87.3% year to date,” said Tim Sweeney, Liberty Mutual Chairman & Chief Executive Officer. “We continued to build momentum across all three of our businesses, with strong underwriting profitability in USRM, selective growth and disciplined execution in GRS, and exceptional investment results from LMI across both traditional and alternative assets. With the strongest balance sheet in our history, we are well positioned to pursue profitable growth, and to serve our policyholders with the financial strength and flexibility required over the long term.”

The tables below outline highlights of LMHC’s consolidated financial results for the three and six months ended June 30, 2026.

Net Written Premium (“NWP”) by Business:

Consolidated NWP by business was as follows:

$ in Millions	Three Months Ended, June 30			Six Months Ended, June 30		
	2026	**2025**	**Change**	**2026**	**2025**	**Change**
USRM	$6,627	$6,909	(4.1%)	$12,808	$12,970	(1.2%)
GRS	4,439	4,290	3.5	9,393	8,995	4.4
Corporate and Other	22	13	69.2	13	6	116.7
Total NWP	$11,088	$11,212	(1.1%)	$22,214	$21,971	1.1%

Consolidated Results of Operations:

Results of Operations - Consolidated	Three Months Ended, June 30			Six Months Ended, June 30		
$ in Millions	**2026**	**2025**	**Change**	**2026**	**2025**	**Change**
Revenues	$13,251	$12,499	6.0%	$26,025	$24,985	4.2%
Underlying PTOI before limited partnerships income	2,613	2,667	(2.0)	5,204	5,378	(3.2)
Catastrophes	(455)	(808)	(43.7)	(1,024)	(2,629)	(61.0)
Net incurred losses attributable to prior years:						
- Asbestos and environmental[1]	-	-	-	-	-	-
- All other[2]	251	241	4.1	384	437	(12.1)
Pre-tax operating income before limited partnership income[3]	2,409	2,100	14.7	4,564	3,186	43.3
Limited partnership income[4]	850	410	107.3	1,466	777	88.7
Pre-tax operating income	3,259	2,510	29.8	6,030	3,963	52.2
Net realized gains/(losses)	33	(123)	NM	(56)	(193)	(71.0)
Acquisition & integration costs	(27)	(28)	(3.6)	(54)	(52)	3.8
Restructuring costs	(21)	(8)	162.5	(24)	(23)	4.3
Pre-tax income	3,243	2,351	37.9	5,895	3,695	59.5
Income tax expense	606	501	21.0	1,203	816	47.4
Consolidated net income from continuing operations	2,637	1,850	42.5	4,692	2,879	63.0
Consolidated net income	2,637	1,850	42.5	4,692	2,879	63.0
Less: Net income attributable to non-controlling interest	3	5	(40.0)	6	9	(33.3)
Net income attributable to LMHC	2,634	1,845	42.8	4,686	2,870	63.3
Net income attributable to LMHC excluding unrealized impact[5]	2,526	1,847	36.8	4,591	2,988	53.7
Cash flow provided by operating activities	$1,886	$1,765	6.9%	$2,743	$2,204	24.5%

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 $28 and $135 for the three and six months ended June 30, 2026, and $2 and $93 for the same periods in 2025.

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

4 Includes direct working interest.

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

Combined Ratio:

	Three Months Ended, June 30			Six Months Ended, June 30		
	2026	**2025**	**Change (Points)**	**2026**	**2025**	**Change (Points)**
Claims and claim adjustment expense ratio	52.6%	53.8%	(1.2)	53.3%	53.9%	(0.6)
Underwriting expense ratio	31.9	28.3	3.6	31.0	28.1	2.9
Underlying combined ratio	84.5	82.1	2.4	84.3	82.0	2.3
Catastrophes	4.2	7.3	(3.1)	4.7	12.0	(7.3)
Net incurred losses attributable to prior years[1]			-			-
- Asbestos and environmental	0.0	0.0	-	0.0	0.0	-
- All other[1]	(2.3)	(2.2)	(0.1)	(1.7)	(2.1)	0.4
Total combined ratio	86.4%	87.2%	(0.8)	87.3%	91.9%	(4.6)

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

2 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:

$ in Millions	As of June 30, 2026	As of December 31, 2025	Change
Unassigned equity	$45,852	$41,166	11.4%
Accumulated other comprehensive loss	(1,999)	(1,506)	32.7
Non-controlling interest	218	227	(4.0)
Total equity	$44,071	$39,887	10.5%

Subsequent Events

On July 30, 2026, the Company received a favorable award in arbitration against the Bolivarian Republic of Venezuela related to matters that arose prior to the balance sheet date. The award is for $1.570 billion and there are a number of additional steps required in process to pursue collection. Consistent with the accounting literature around gain contingencies, the Company has not recorded any receivable or related gain for this matter in its consolidated financial statements as of and for the period ended June 30, 2026.

Management has assessed material subsequent events through August 5, 2026, 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 six months ended June 30, 2026 are available on the Company's Investor Relations website at www.libertymutualgroup.com/investors.

Conference Call Information

On August 6, 2026, at 10:00 a.m. Eastern Time, Tim Sweeney, Liberty Mutual Insurance Chairman and CEO, will host a conference call to discuss the Company's second 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=JUb4vxFC. 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.

About Liberty Mutual Insurance

At Liberty Mutual, we believe progress happens when people feel secure. For more than 110 years we have helped people and businesses embrace today and confidently pursue tomorrow by providing protection for the unexpected and delivering it with care.

A Fortune 100 company with more than 40,000 employees in 27 countries and economies, we are the ninth largest global property and casualty insurer and generate more than $50 billion in annual consolidated revenue.

We operate through three strategic business units: US Retail Markets, providing auto, home, renters and other personal and small commercial lines property and casualty insurance to individuals and small businesses countrywide; Global Risk Solutions, delivering a full range of comprehensive commercial and specialty insurance, reinsurance and surety solutions to mid-size and large businesses worldwide; and Liberty Mutual Investments, deploying more than $100 billion of long-term capital globally across its integrated platform to drive economic growth, power innovation and secure Liberty Mutual's promises.

For more information, visit 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.

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