

Liberty Mutual Insurance Reports Third Quarter 2025 Results

BOSTON, Mass., November 6, 2025 – Liberty Mutual Holding Company Inc. and its subsidiaries (collectively “LMHC” or the “Company”) reported net income attributable to LMHC of \$2.223 billion and \$5.093 billion for the three and nine months ended September 30, 2025, versus income of \$892 million and \$3.144 billion for the same periods in 2024.

“We delivered exceptional third quarter results, with net income attributable to LMHC of \$2.2 billion and a consolidated combined ratio of 84.7%, reflecting strong underwriting and investment performance,” said Tim Sweeney, Chairman and Chief Executive Officer. “Our combined ratio improved 12.0 points year-over-year, underpinned by favorable frequency trends in U.S. personal lines and lower catastrophe losses across both insurance businesses. Investment results remained strong, benefiting from higher reinvestment rates and robust performance in private assets, particularly private equity. As our underwriting actions take hold, we will remain disciplined in pursuing profitable growth.”

The tables below outline highlights of LMHC’s consolidated financial results for the three and nine months ended September 30, 2025.

Net Written Premium (“NWP”) by Business:

Consolidated NWP by business was as follows:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2025	2024	Change	2025	2024	Change
\$ in Millions						
USRM	\$7,123	\$7,619	(6.5%)	\$20,093	\$21,579	(6.9%)
GRS	3,995	4,134	(3.4)	12,990	12,572	3.3
Corporate and Other	(75)	274	NM	(69)	261	NM
Total NWP	\$11,043	\$12,027	(8.2%)	\$33,014	\$34,412	(4.1%)
Foreign exchange effect on growth			0.3			-
NWP growth excluding foreign exchange ¹			(8.5%)			(4.1%)

1 Determined by assuming constant foreign exchange rates between periods.
NM = Not Meaningful

Consolidated Results of Operations:

	Three Months Ended September 30,			Nine Months Ended September 30,		
\$ in Millions	2025	2024	Change	2025	2024	Change
Revenues	\$12,722	\$12,727	(0.0%)	\$37,707	\$38,000	(0.8%)
Underlying PTOI before limited partnerships income	2,199	2,104	4.5	7,577	6,477	17.0
Catastrophes	(114)	(1,087)	(89.5)	(2,743)	(3,656)	(25.0)
Net incurred losses attributable to prior years:						
- Asbestos and environmental ¹	-	-	-	-	-	-
- All other ²	416	95	NM	853	77	NM
Pre-tax operating income before limited partnerships income	2,501	1,112	124.9	5,687	2,898	96.2
Limited partnerships income ³	594	261	127.6	1,371	886	54.7
Pre-tax operating income	3,095	1,373	125.4	7,058	3,784	86.5
Net realized losses	(268)	(164)	63.4	(461)	(418)	10.3
Acquisition & integration costs	(27)	(22)	22.7	(79)	(62)	27.4
Restructuring costs	(17)	(30)	(43.3)	(40)	(55)	(27.3)
Pre-tax income	2,783	1,157	140.5	6,478	3,249	99.4
Income tax expense	555	278	99.6	1,371	780	75.8
Consolidated net income from continuing operations	2,228	879	153.5	5,107	2,469	106.8
Discontinued operations, net of tax	-	18	(100.0)	-	691	(100.0)
Consolidated net income	2,228	897	148.4	5,107	3,160	61.6
Less: Net income attributable to non-controlling interest	5	5	-	14	16	(12.5)
Net income attributable to LMHC	2,223	892	149.2	5,093	3,144	62.0
Net income attributable to LMHC excluding unrealized impact ⁴	2,198	863	154.7	5,186	3,123	66.1
Cash flow provided by continuing operations	\$3,306	\$2,587	27.8%	\$5,510	\$4,902	12.4%

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 \$61 million and \$154 million for the three and nine months ended September 30, 2025, and (\$35) million and \$77 million for the same periods in 2024.

3 Limited partnerships 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 Excludes unrealized gains on equity securities and the corresponding tax impact.

NM = Not Meaningful

Combined Ratio:

	Three Months Ended September 30,			Nine Months Ended September 30,		
CONSOLIDATED	2025	2024	Change (Points)	2025	2024	Change (Points)
Combined ratio						
Claims and claim adjustment expense ratio	56.0%	59.0%	(3.0)	54.6%	59.6%	(5.0)
Underwriting expense ratio	31.4	29.1	2.3	29.2	27.3	1.9
Underlying combined ratio	87.4	88.1	(0.7)	83.8	86.9	(3.1)
Catastrophes	1.0	9.5	(8.5)	8.3	10.7	(2.4)
Net incurred losses attributable to prior years:						
- Asbestos and environmental	-	-	-	-	-	-
- All other ¹	(3.7)	(0.9)	(2.8)	(2.6)	(0.3)	(2.3)
Total combined ratio ²	84.7%	96.7%	(12.0)	89.5%	97.3%	(7.8)

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:

	As of September 30,	As of December 31,	
\$ in Millions	2025	2024	Change
Unassigned equity	\$39,467	\$34,374	14.8%
Accumulated other comprehensive loss	(1,939)	(3,928)	(50.6)
Non-controlling interest	218	206	5.8
Total equity	\$37,746	\$30,652	23.1%

Subsequent Events

Liberty Mutual Group, Inc. (“LMGI”) redeemed its €750 million 2.75% Senior Notes, due 2026 (the “2026 Notes”) in full on October 30, 2025. On September 30, 2025, LMGI had previously announced its intention to redeem the 2026 Notes at the redemption price.

Management has assessed material subsequent events through November 6, 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 nine months ended September 30, 2025 are available on the Company's Investor Relations website at 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 28 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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