# Liberty Mutual Insurance Reports Third Quarter Results

BOSTON, Mass., November 5, 2026 – Liberty Mutual Holding Company Inc. and its subsidiaries (collectively "LMHC" or the "Company") reported net income attributable to LMHC of $2.067 billion and $6.753 billion for the three and nine months ended September 30, 2026, versus income of $2.223 billion and $5.093 billion for the same period in 2025.

"Liberty Mutual delivered another excellent quarter, generating $2.1 billion in net income and an 89.5% combined ratio. Year-to-date net income increased 32.6% to $6.8 billion, while our combined ratio improved 1.4 points to 88.1%, reflecting the strength of our underwriting and investment performance," said Tim Sweeney, Liberty Mutual Chairman & Chief Executive Officer. "In service of our policyholders, and with the strongest capital position in our history, we will remain disciplined and pursue profitable growth amid changing market dynamics across our insurance and investments businesses."

The tables below outline highlights of LMHC's consolidated financial results for the three and nine months ended September 30, 2026.

## Net Written Premium ("NWP") by Business:

Consolidated NWP by business was as follows:

| $ in Millions | Three Months Ended, September 30 | | | Nine Months Ended, September 30 | | |
|---|---|---|---|---|---|---|
| | 2026 | 2025 | Change | 2026 | 2025 | Change |
| USRM | $6,724 | $7,123 | (5.6%) | $19,532 | $20,093 | (2.8%) |
| GRS | 4,003 | 3,995 | 0.2 | 13,396 | 12,990 | 3.1 |
| Corporate and Other | 10 | (75) | NM | 23 | (69) | NM |
| Total NWP | $10,737 | $11,043 | (2.8%) | $32,951 | $33,014 | (0.2%) |

NM = Not Meaningful

## Consolidated Results of Operations:

| Results of Operations - Consolidated | Three Months Ended, September 30 | | | Nine Months Ended, September 30 | | |
|---|---|---|---|---|---|---|
| **$ in Millions** | **2026** | **2025** | **Change** | **2026** | **2025** | **Change** |
| Revenues | $12,879 | $12,722 | 1.2% | $38,904 | $37,707 | 3.2% |
| Underlying PTOI before limited partnerships income | 1,901 | 2,199 | (13.6) | 7,105 | 7,577 | (6.2) |
| Catastrophes | (585) | (114) | NM | (1,609) | (2,743) | (41.3) |
| Net incurred losses attributable to prior years: | | | | | | |
| - Asbestos and environmental[1] | - | - | - | - | - | - |
| - All other[2] | 840 | 416 | 101.9 | 1,224 | 853 | 43.5 |
| Pre-tax operating income before limited partnership income[3] | 2,156 | 2,501 | (13.8) | 6,720 | 5,687 | 18.2 |
| Limited partnership income[4] | 810 | 594 | 36.4 | 2,276 | 1,371 | 66.0 |
| Pre-tax operating income | 2,966 | 3,095 | (4.2) | 8,996 | 7,058 | 27.5 |
| Net realized losses | (337) | (268) | 25.7 | (393) | (461) | (14.8) |
| Loss on extinguishment of debt | (5) | - | NM | (6) | - | NM |
| Acquisition & integration costs | (70) | (27) | 159.3 | (124) | (79) | 57.0 |
| Restructuring costs | (9) | (17) | (47.1) | (33) | (40) | (17.5) |
| Pre-tax income | 2,545 | 2,783 | (8.6) | 8,440 | 6,478 | 30.3 |
| Income tax expense | 476 | 555 | (14.2) | 1,679 | 1,371 | 22.5 |
| Consolidated net income from continuing operations | 2,069 | 2,228 | (7.1) | 6,761 | 5,107 | 32.4 |
| Consolidated net income | 2,069 | 2,228 | (7.1) | 6,761 | 5,107 | 32.4 |
| Less: Net income attributable to non-controlling interest | 2 | 5 | (60.0) | 8 | 14 | (42.9) |
| Net income attributable to LMHC | 2,067 | 2,223 | (7.0) | 6,753 | 5,093 | 32.6 |
| Net income attributable to LMHC excluding unrealized impact[5] | 2,155 | 2,198 | (2.0) | 6,746 | 5,186 | 30.1 |
| Cash flow provided by operating activities | $2,941 | $3,306 | (11.0%) | $5,684 | $5,510 | 3.2% |

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 ($9) and $126 for the three and nine months ended September 30, 2026, and $61 and $154 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.

NM = Not Meaningful

## Combined Ratio:

| | Three Months Ended, September 30 | | | Nine Months Ended, September 30 | | |
|---|---|---|---|---|---|---|
| | **2026** | **2025** | **Change (Points)** | **2026** | **2025** | **Change (Points)** |
| Claims and claim adjustment expense ratio | 56.5% | 56.0% | 0.5 | 54.4% | 54.6% | (0.2) |
| Underwriting expense ratio | 35.4 | 31.4 | 4.0 | 32.4 | 29.2 | 3.2 |
| Underlying combined ratio | 91.9 | 87.4 | 4.5 | 86.8 | 83.8 | 3.0 |
| Catastrophes | 5.3 | 1.0 | 4.3 | 4.9 | 8.3 | (3.4) |
| Net incurred losses attributable to prior years | | | | | | |
| - Asbestos and environmental | - | - | - | - | - | - |
| - All other[1] | (7.7) | (3.7) | (4.0) | (3.6) | (2.6) | (1.0) |
| Total combined ratio[2] | 89.5% | 84.7% | 4.8 | 88.1% | 89.5% | (1.4) |

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 September 30, 2026 | As of December 31, 2025 | Change |
|---|---|---|---|
| Unassigned equity | $47,919 | $41,166 | 16.4% |
| Accumulated other comprehensive loss | (3,770) | (1,506) | 150.3 |
| Non-controlling interest | 219 | 227 | (3.5) |
| Total equity | $44,368 | $39,887 | 11.2% |

**Subsequent Events**

On October 14, 2026, the Company entered into an agreement to acquire Austral Seguradora, a Brazilian surety provider. The deal is subject to regulatory approval and customary closing conditions and is expected to close in 2027.

Management has assessed material subsequent events through November 4, 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 nine months ended September 30, 2026 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 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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