

FOR IMMEDIATE RELEASE

CONTACTS: **Eli Sanchez**
Director, Analytics
+31 20 808 1712
eli.sanchez@ambest.com

Mathilde Jakobsen
Senior Director, Analytics
+31 20 808 3118
mathilde.jakobsen@ambest.com

Dan Hofmeister, CFA, FRM, CAIA,
CPCU
Associate Director
+1 908 882 1893
dan.hofmeister@ambest.com

Christopher Sharkey
Associate Director, Public Relations
+1 908 882 2310
christopher.sharkey@ambest.com

Al Slavin
Senior Public Relations Specialist
+1 908 882 2318
al.slavin@ambest.com

AM Best Affirms Credit Ratings of Munich Reinsurance Company and Its Subsidiaries

AMSTERDAM, 23 July 2026—AM Best has affirmed the Financial Strength Rating (FSR) of A+ (Superior) and the Long-Term Issuer Credit Ratings (Long-Term ICR) of “aa” (Superior) of Munich Reinsurance Company (Munich Re) (Germany) and its subsidiaries. AM Best also has affirmed the Long-Term ICR of “a” (Excellent) of Munich Re America Corporation (Princeton, NJ). Concurrently, AM Best has affirmed the Long-Term Issue Credit Ratings (Long-Term IR) of American Alternative Insurance Corporation and The Princeton Excess and Surplus Lines Insurance Company. The outlook of these Credit Ratings (ratings) is stable. (See below for a detailed listing of all companies and ratings.)

In addition, AM Best has withdrawn the rating of Munich Re America Corporation as the company has requested to no longer participate in AM Best’s interactive rating process. Additionally, AM Best has withdrawn the FSR of A+ (Superior) and the Long-Term ICR of “aa” (Superior) of Digital Advantage Insurance Company (Digital Advantage) (Princeton, NJ) with stable outlooks. Digital Advantage is currently operating as a shell company; thus, a final rating could not be completed due to lack of financial data and other information necessary to support the formation of a current credit rating opinion.

The ratings reflect Munich Re’s balance sheet strength, which AM Best assesses as strongest, as well as its strong operating performance, very favourable business profile and very strong enterprise risk management.

—2—

Munich Re's balance sheet strength is underpinned by its risk-adjusted capitalisation, which exceeds the level required to support the strongest assessment, as measured by Best's Capital Adequacy Ratio (BCAR). AM Best expects Munich Re's risk-adjusted capitalisation to remain at the strongest level, despite the group's exposure to potentially large losses and its record of substantial dividend payments and share buybacks. In addition, the group benefits from excellent financial flexibility and a relatively low adjusted financial leverage ratio of 8.3% at year-end 2025, as calculated by AM Best with no credit given for contractual service margin. Interest coverage at year-end 2025, was strong.

The organisation's operating performance is strong, demonstrated by a net profit of EUR 6.1 billion in 2025 (2024: EUR 5.7 billion) with a return-on-equity ratio standing at 18.5% (as calculated by AM Best). In 2025, the group's property/casualty (P/C) reinsurance division, reported a net profit of EUR 3.3 billion, while the Global Specialty Insurance segment reported a net result of EUR 0.6 billion; both segments benefited from natural catastrophe and man-made losses below budget. Munich Re's life & health reinsurance division and ERGO reported net profits of EUR 1.3 billion and EUR 0.9 billion, respectively, demonstrating the benefits of the group's good earnings diversification. Furthermore, increased investment results contributed significantly to Munich Re's annual results.

Munich Re is a leading global reinsurer and its business profile benefits from excellent diversification, with the performance of its life, health and P/C operations largely uncorrelated. Given its global market presence and excellent brand, the group is well-positioned to face softer reinsurance market conditions.

The FSR of A+ (Superior) and the Long-Term ICRs of "aa" (Superior) have been affirmed with stable outlooks for Munich Re and its following subsidiaries:

- Great Lakes Insurance SE
- Great Lakes Insurance UK Limited
- New Reinsurance Company Ltd.
- Munich Reinsurance America, Inc.
- The Princeton Excess and Surplus Lines Insurance Company
- American Alternative Insurance Corporation
- Bridgeway Insurance Company

—MORE—

—3—

- Munich American Reassurance Company
- Munich Reinsurance Company of Canada
- Temple Insurance Company
- American Family Home Insurance Company
- American Modern Home Insurance Company
- American Modern Lloyds Insurance Company
- American Southern Home Insurance Company
- American Modern Property and Casualty Insurance Company
- Munich Re of Bermuda, Ltd.
- ERGO Insurance Pte. Ltd.
- Next Insurance US Company

The following Long-Term IRs have been affirmed with stable outlooks:

American Alternative Insurance Corporation—

— “a+” (Excellent) on USD 92.5 million 5.0% surplus notes

The Princeton Excess and Surplus Lines Insurance Company—

— “a+” (Excellent) on USD 20.1 million 5.0% surplus notes

This press release relates to Credit Ratings that have been published on AM Best’s website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best’s [Recent Rating Activity](#) web page. For additional information regarding the use and limitations of Credit Rating opinions, please view [Guide to Best’s Credit Ratings](#). For information on the proper use of Best’s Credit Ratings, Best’s Performance Assessments, Best’s Preliminary Credit Assessments and AM Best press releases, please view [Guide to Proper Use of Best’s Ratings & Assessments](#).

AM Best is a global credit rating agency, news publisher and data analytics provider specialising in the insurance industry. Headquartered in the United States, the company does business in over 100 countries with regional offices in London, Amsterdam, Dubai, Hong Kong, Singapore and Mexico City. For more information, visit www.ambest.com.

Copyright © 2026 by A.M. Best Rating Services, Inc. and/or its affiliates. ALL RIGHTS RESERVED.

####