



www.ambest.com

PRESS RELEASE

OLDWICK, N.J. • NEW YORK • MEXICO CITY • LONDON • AMSTERDAM • DUBAI • SINGAPORE • HONG KONG

FOR IMMEDIATE RELEASE

CONTACTS: Pierre Tournier, FSA, CFA, CERA
Senior Financial Analyst
+31 20 308 5423
pierre.tournier@ambest.com

Dr. Mathilde Jakobsen
Director, Analytics
+31 20 308 5427
mathilde.jakobsen@ambest.com

Christopher Sharkey
Manager, Public Relations
+1 908 439 2200, ext. 5159
christopher.sharkey@ambest.com

Jim Peavy
Director, Public Relations
+1 908 439 2200, ext. 5644
james.peavy@ambest.com

AM Best Affirms Credit Ratings of Covéa Coopérations

AMSTERDAM, September 26, 2019—AM Best has affirmed the Financial Strength Rating of A (Excellent) and the Long-Term Issuer Credit Rating of “a+” of Covéa Coopérations (France). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect Covéa Coopérations’ balance sheet strength, which AM Best categorises as strongest, as well as its adequate operating performance, favourable business profile and appropriate enterprise risk management.

The ratings factor in Covéa Coopérations’ strategic importance to Société de Groupe d’Assurance Mutuelle Covéa (Covéa or the group), a leading mutual insurance group in France. Covéa Coopérations is the intermediate holding company of Covéa’s operating entities and its principal outward reinsurance vehicle. Covéa’s structure has been streamlined in recent years so that the majority of its operating insurance companies are now held by Covéa Coopérations. This has increased the integration of the group’s operations and enhanced the strategic alignment of its members. Covéa Coopérations’ subsidiaries underwrite approximately 90% of Covéa’s consolidated premium and account for approximately 80% of Covéa’s consolidated capital.

Covéa Coopérations’ balance sheet strength assessment is underpinned by risk-adjusted capitalisation at the strongest level, as measured by Best’s Capital Adequacy Ratio (BCAR), as well as a liquid and conservative

—MORE—

—2—

investment portfolio and prudent reserving practices. Excess capital is held throughout the group; within the operating entities, the mutual members and Covéa Coopérations. To improve the group's capital fungibility, Covéa Coopérations holds letters of credit issued by the mutual members and operating entities, allowing it to reallocate the group's capital quickly as needed.

The adequate operating performance assessment takes into account Covéa's stable earnings track record, demonstrated by five- and 10-year weighted average return on equity of approximately 7%. Overall technical profits have been reported each year since 2010.

Covéa Coopérations' favourable business profile assessment is underpinned by the Covéa group's strong presence in the French market, with a large, well-established member base and strong distribution capabilities. While the French market is very competitive, the group has consistently defended its market share while producing positive technical results.

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 [Understanding Best's Credit Ratings](#). For information on the proper media use of Best's Credit Ratings and AM Best press releases, please view [Guide for Media - Proper Use of Best's Credit Ratings and AM Best Rating Action Press Releases](#).

AM Best is a global credit rating agency and information provider with an exclusive focus on the insurance industry. Visit www.ambest.com for more information.

Copyright © 2019 by A.M. Best Rating Services, Inc. and/or its affiliates. ALL RIGHTS RESERVED.