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## A.M. Best Affirms Ratings of Lloyd's Syndicate 2001 and Amlin plc

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### FOR IMMEDIATE RELEASE

LONDON, DECEMBER 17, 2010

**A.M. Best Europe – Rating Services Limited** has affirmed the financial strength rating of A+ (Superior) and issuer credit rating of "aa-" of **Lloyd's Syndicate 2001** (United Kingdom), which is managed by Amlin Underwriting Limited. At the same time, A.M. Best has affirmed the ICR of "a-" of **Amlin plc** (Amlin) (United Kingdom), the non-operating holding company of the Amlin group of companies, and the debt ratings of "bbb+" on Amlin's GBP 230 million 6.5% subordinated debt, its USD 50 million 7.28% subordinated debt and its USD 50 million 7.11% subordinated debt. The outlook for all ratings is stable.

Syndicate 2001's financial strength benefits from the support of Amlin, which maintains strong consolidated risk-adjusted capitalisation. Amlin owns 100% of the syndicate's capacity and provides assets in the form of bonds and equities to support the syndicate's funds at Lloyd's. Additionally, the syndicate maintains a prudent level of reserves and has a history of reserve releases since 1998. Although the Amlin group diversified firstly into Bermuda in 2005, then with the acquisition in July 2009 of Amlin Corporate Insurance N.V. (formerly Fortis Corporate Insurance NV) and in October 2010 with the establishment of a new European reinsurance operation, syndicate 2001 remains its main underwriting platform and is expected to provide approximately 60% of consolidated gross premiums in 2010 and 2011.

On an annual accounting basis, a good profit is expected in 2010, although significantly lower than the GBP 251 million achieved in 2009 (2008: GBP 198 million) as a result of the Chilean and New Zealand earthquakes and other major losses during 2010. On a three-year funded basis, the syndicate has consistently produced superior underwriting results with a positive return on capacity every year since 2001. The 2007 year of account closed with a return on capacity of 27.6%, and this profitable record is expected to be maintained in 2008 (despite exposure to hurricanes Gustav and Ike), 2009 and 2010, albeit at a modest level. The positive returns are likely to be supported by releases from prior years' reserves and by investment income.

As one of the largest syndicates in Lloyd's, syndicate 2001 has an excellent market profile and writes the majority of its business from a lead position. The syndicate continues to benefit from a strong risk management framework, which A.M. Best believes is fully embedded across the Amlin group.

The principal methodology used in determining these ratings is [Best's Credit Rating Methodology - Global Life and Non-Life Insurance Edition](#), which provides a comprehensive explanation of A.M. Best's rating process and highlights the different rating criteria employed. Additional key criteria utilised include: "Rating Lloyd's Syndicates"; "Risk Management and the Rating Process for Insurance Companies"; "Understanding BCAR for Property/Casualty Insurers"; "Understanding Universal BCAR"; and "Solvency II and Its Impact on A.M. Best Ratings". Methodologies can be found at [www.ambest.com/ratings/methodology](http://www.ambest.com/ratings/methodology).

In accordance with Regulation (EC) No. 1060/2009, the following is a link to required disclosures: [A.M. Best Europe - Rating Services Limited Supplementary Disclosure](#).

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